Michelle Lujan-Grisham Governor

Melanie A. Kenderdine Cabinet Secretary-Designate

**Dylan M. Fuge** Deputy Secretary **Dylan M. Fuge** Division Director (Acting) Oil Conservation Division



## **NOTICE** Modification of Pre-Enforcement Delivery Method

August 1, 2024

The Oil Conservation Division ("OCD") is in the process of updating the method in which Operators receive Pre-Enforcement Notifications ("PEN") generated from site inspections. This update aligns with the Division's efforts to streamline and automate communications with the public and Operators. The current process requires OCD to manually send an email to the Operator. This process is outdated and unnecessary now the OCD has migrated inspections to a digital platform. As part of its process, OCD is automating the way those notices are issued. If an inspector completes an inspection and notes any violations using the digital platform, OCD's system will auto generate and send PENs to the Operators' contact information on file (Appendix A). This update also introduces a new process for tracking compliance issues where each compliance issue found will have a unique number so Operators can more effectively close out individual compliances.

Operators are legally required to ensure that contact information is up to date in OCD permitting and that any changes are promptly noted. Operators will now receive automated emails such as those they have been receiving from sundry and APD submissions, however Operators will still have to reply to the OCD inspector who is copied on the automatic email they receive, in order to inform OCD of the corrective actions completed to close any individual PEN.

As a reminder, all PENs are generally required to be corrected within 90 days of the email sent date unless a more stringent date is identified by OCD rules, or the OCD directs or allows an alternative timeline.

Additional notices may be posted on the Divisions website prior to future phase implementations. If you have any questions regarding this notice, please email the OCD Engineering general E-mail box at <a href="https://ocd.engineer@emnrd.nm.gov">ocd.engineer@emnrd.nm.gov</a> with the subject line of "PEN Notification."

## Appendix A is attached as an example of future automated PEN email notifications.

Pre Enforcement Notification for iJW2415725272 (Testing On	nly)		
Engineer, OCD, EMNRD			🕲 🕤 Reply 🐇 Reply
This is an email from the OCD Permitting development environment and has been sent during testing. Anything contained in this email is NOT an official decision/email of the OCD.			
State Of New Mexico			
Energy, Minerals and Natural Resources Department			
05-Jun-24			
Dear Operator:			
The following inspection indicates that the well, equipment, location or operational status of the well failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date indicated.			
Please notify the Compliance Officer copied on this letter, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.			
INSPECTION DETAIL SECTION			
Inspection Date 6/5/2024	Type Inspection Routine Inspection	Inspector	Inspection No. IJW2415725272
Violation Title cJW2415726554 19.15.16.8 Sign on Wells Inaccurate Information (SOP EXAMPLE 1)	Corrective Action Due 9/3/2024		
cJW2415726555 19.15.16.8 Sign on Wells Illegible or Unreadable (SOP EXAMPLE 2)	9/3/2024		
cJW2415726556 19.15.16 Drilling and Production Operating without Mechanical Integrity (SOP EXAMPLE 3)	9/3/2024		
In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By;" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.			
Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.			
Oil Conservation Division * 506 W. Texas Ave. * Artesia, NM 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * <u>www.emind.nm.jtox</u>			