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FOR IMMEDIATE RELEASE:

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**EMNRD's Oil Conservation Division settles enforcement action
with San Juan Resources for alleged permit violation**

Santa Fe, NM – The Energy, Minerals and Natural Resources Department's Oil Conservation Division (OCD) announces that it has settled a notice of violation (NOV) issued to San Juan Resources, Inc. (SJR) for failing to report and perform a proper investigation of a well's potentially defective casing. To settle the alleged violations SJR agreed to pay a civil penalty of \$25,000 and to perform the required well work or plug the identified well.

"The OCD considers a lack of reporting and failure to take appropriate actions serious violations because it undermines both the regulatory process and OCD's ability to mitigate potential risks to human health and the environment," said OCD Director Adrienne Sandoval. "This settlement holds responsible parties accountable and establishes a path forward for improved reporting."

The NOV alleged that in June 2020, SJR failed to proceed with diligence to appropriately address potentially defective casing in the identified well, obtain OCD approval for proposed work as required, and failed to report work performed pursuant to OCD rules.

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

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