

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION

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APPLICATION OF THE NEW MEXICO OIL AND GAS ASSOCIATION FOR AMENDMENT OF CERTAIN PROVISIONS OF TITLE 19, CHAPTER 15 OF THE NEW MEXICO ADMINISTRATIVE CODE CONCERNING PITS, CLOSED-LOOP SYSTEMS, BELOW GRADE TANKS, SUMPS AND OTHER ALTERNATIVE METHODS RELATED TO THE FOREGOING AND AMENDING OTHER RULES TO CONFORMING CHANGES, STATEWIDE.

CASE NO. 14784

APPLICATION OF THE INDEPENDENT PETROLEUM ASSOCIATION OF NEW MEXICO FOR AMENDMENT OF CERTAIN PROVISIONS OF TITLE 19, CHAPTER 15 OF THE NEW MEXICO ADMINISTRATIVE CODE CONCERNING PITS, CLOSED-LOOP SYSTEMS, BELOW GRADE TANKS, SUMPS AND OTHER ALTERNATIVE METHODS RELATED TO THE FOREGOING AND AMENDING OTHER RULES TO CONFORMING CHANGES, STATEWIDE.

CASE NO. 14785

CLOSING STATEMENT

The legislature has entrusted the Oil Conservation Division (Division) with the authority to regulate the oil and gas industry within the state. One of the requirements that the legislature mandated in granting this authority is the Division must have rules which it can enforce effectively.

The Division's modifications are the responses to the applications submitted by the New Mexico Oil and Gas Association (NMOGA) and the Independent Petroleum Association of New Mexico (IPANM). If the Commission chooses to amend the Pit Rule, the Division requests its modifications be adopted because those modifications can be effectively enforced.

The Applicants, the Oil and Gas Accountability Project (OGAP) and New Mexico Citizens for Clean Air and Water (NMCCAW) all presented technical testimony regarding siting, closure and reclamation standards. The Division presented evidence regarding enforceability. Division witnesses testified that if the Commission chose to amend the Pit Rule the modifications offered by the Division would be enforceable and administratively feasible.

In order to satisfy the statutory requirement of effective enforcement that rests not just with the Division, but also the Commission, the Commission should adopt the Division's modifications.

Respectfully Submitted,



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### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following parties on September 17, 2012:

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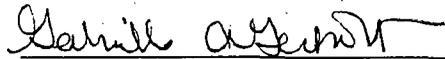
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