PRELIMINARY DOCKET: COMMISSION MEETING - THURSDAY - OCTOBER 13, 2005

9:00 A.M. – Porter Hall 1220 South St. Francis Drive Santa Fe, New Mexico

Land Commissioner, Patrick H. Lyons, may designate Jami Bailey as his representative for this hearing, or may participate himself.

Notice: The minutes of the September 15 and September 23, 2005, Commission meeting will be adopted.

<u>Notice</u>: During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

Final Action May be Taken in the Following:

<u>CASE 13555</u>: Application of the New Mexico Oil Conservation Division for Adoption of a new rule Concerning Infill Wells in Compulsory-Pooled Units.

CASE 13564: In the matter of the Proposal of the Oil Conservation Division, On Its Own Motion, To Amend Rule 7 of 19.15.1 NMAC, Rules 101 and 102 of 19.15.3 NMAC; Rules 201 and 203 of 19.15.4 NMAC; Rule 701 of 19.15.9 NMAC; Rules 1101, 1103, 1104 and 1115 of 19.15.13 NMAC. The adoption of Rules 37 and 38 of 19.15.1 NMAC; Rule 100 of 19.15.3 NMAC; Rule 1227 of 19.15.14 NMAC. The hearing concerns the following: adoption of a new rule setting out procedures for compliance proceedings (to be codified as 19.15.14.1227 NMAC); amendment of 19.15.1.7 NMAC to define "knowingly and willfully;" adoption of a new rule clarifying the enforceability of permits and administrative orders (to be codified as 19.15.1.38 NMAC); amendment of 19.15.13.1115 NMAC to clarify monthly reporting requirements and their enforcement; adoption of a new rule creating a "good standing" requirement for well operators (to be codified as 19.15.1.37 NMAC); adoption of a new rule regarding operator registration, change of operator and change of name, and including a "good standing" requirement (to be codified as 19.15.3.100 NMAC); amendment of 19.15.3.102 NMAC and 19.15.3.1101 NMAC to clarify the issuance of permits to drill, deepen or plug back, and include a "good standing" requirement; amendment of 19.15.9.701 NMAC to clarify injection permit requirements, and include a "good standing" requirement; amendment of 19.15.13.1104 NMAC to clarify the assignment of allowables and authorization to transport, and include a "good standing" requirement; amendment of 19.15.3.101 NMAC to clarify and expand financial assurance requirements and increase the amounts of one-well financial assurances; amending 19.15.4.203 NMAC, 19.15.1.7 NMAC, 19.15.4.201 NMAC and 19.15.13.1103 NMAC to distinguish between "temporary abandonment" and "approved temporary abandonment" and clarify the requirements for approved temporary abandonment. Copies of the text of the proposed new rules and amendments are available from commission clerk Florene Davidson at (505) 476-3458 or from the Division's web site at http://www.emnrd.state.nm.us/ocd/whatsnew.htm Written comments on the proposed amendments must be received no later than 5:00 p.m. on Wednesday, October 5, 2005. Any person may present non-technical testimony or make an un-sworn statement at the hearing. Any person who intends to present technical testimony or cross-examine witnesses at the hearing shall, no later than 5:00 p.m. on Wednesday, October 5, file six sets of a pre-hearing statement with Ms. Davidson. Any person recommending modifications to a proposed rule change shall, no later than Wednesday, September 28, file a notice of recommended modifications with Ms. Davidson including the text of the recommended modifications, an explanation of the modifications' impact, and the reasons for adopting the modifications. Written comments, pre-hearing statements and notices of recommended modifications may be hand-delivered or mailed to Ms. Davidson at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or may be faxed to Ms. Davidson at (505) 476-3462.