

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

AUG 27 2018 PM 04:15

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION TO  
AMEND RULES OF THE COMMISSION CONCERNING THE DRILLING, SPACING,  
AND OPERATION OF HORIZONTAL WELLS AND RELATED MATTERS BY  
AMENDING SECTION 15 OF RULE 19.15.16 NMAC; STATEWIDE**

CASE NO. 16376

**NMOGA's PRE-HEARING STATEMENT AND PROPOSED MODIFICATION**

This Pre-Hearing Statement is submitted on behalf of the New Mexico Oil and Gas Association ("NMOGA"), through undersigned counsel, as required by NMAC 19.15.3.11.B.

NMOGA has reviewed NMAC 19.15.16 as adopted by the Commission under Order R-14689 (issued on May 22, 2018) and the Division's application in this matter. NMOGA concurs with the revisions proposed by the Division to address clerical errors in the adopted rule.

Further, NMOGA has found one additional clerical error in the adopted rule under NMAC 19.15.16.15.B(9)(c) relating to existing and subsequent wells in horizontal spacing units. NMOGA proposes the Commission correct this clerical error by substituting the word "provides" for the phrase "includes specific provision" in NMAC 19.15.16.15.B(9)(c) as follows:

(c) The provisions of 19.15.13.10 NMAC and 19.15.13.11 NMAC shall apply to any proposal to drill an infill horizontal well in a horizontal spacing unit subject to a compulsory pooling order unless the order provides ~~includes specific provision~~ for such additional well.

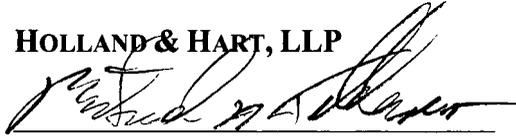
This additional modification will cure an error in the existing language without changing the intent of the rule as adopted by the Commission.

**NMOGA'S PROPOSED EVIDENCE**

Since the proposed amendments are intended to correct clerical errors in the adopted rule, NMOGA does not anticipate the need at this time to present witnesses or evidence in support of the Division's application or NMOGA's proposed modification.

Respectfully submitted:

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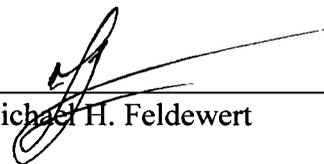
**ATTORNEYS FOR  
THE NEW MEXICO OIL AND GAS ASSOCIATION**

**CERTIFICATE OF SERVICE**

I hereby certify that on August 27, 2018, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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