

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

**IN THE MATTER OF THE APPLICATION OF THE NEW MEXICO OIL
CONSERVATION DIVISION FOR REPEAL OF EXISTING RULES 19.15.1
THROUGH 19.15.15 NMAC, ADOPTION OF NEW RULES 19.15.2 THROUGH
19.15.16 NMAC, 19.15.18 THROUGH 19.15.26 NMAC, 19.15.29 AND 19.15.30
NMAC, 19.15.34 THROUGH 19.15.37 NMAC, AND 19.15.39 NMAC, AND
AMENDING 19.15.17 AND 19.15.36 NMAC TO MAKE CONFORMING
CHANGES; STATEWIDE**

CASE NO. 14180

**ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT**

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451
FAX: 476-3462
Gail.macquesten@state.nm.us

RESPONDENT

No other parties have entered an appearance at this time.

STATEMENT OF THE CASE

The Oil Conservation Division (OCD) applies for an order restructuring the existing regulations under Title 19, Chapter 15 of the New Mexico Administrative Code.

The OCD seeks to repeal Parts 1-15, and replace those Parts with new Parts 2-16, 18-26, 29, 30, 34, 35, 37 and 39. In addition, the OCD seeks to amend Parts 17 and 36.

APPLICANT'S PROPOSED TESTIMONY

WITNESS:

Cheryl Bada,
Oil Conservation Commission Attorney

ESTIMATED TIME:

20 minutes. Ms. Bada will summarize the reasons for re-arranging the rules,

and will describe the process used in the re-arrangement. She will adopt under oath her pre-filed written testimony, and will introduce the remaining exhibits in support of the application.

PROCEDURAL MATTERS

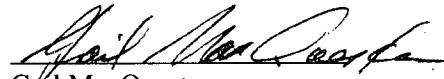
The OCD has requested that the OCC accept the written testimony of Ms. Cheryl Bada in support of the application. Ms. Bada's written testimony was filed with the application. Ms. Bada will be present at the hearing to adopt under oath the prepared written testimony, subject to cross-examination and motions to strike.

After filing the application, the OCD discovered a number of typographical and grammatical errors in the proposed rules, together with some erroneous cross-references. On August 27, 2008 the OCD filed its proposed modifications to correct those errors. The OCD requests that it be allowed to prepare the final version of the rules for the Oil Conservation Commission's order in this case, making whatever changes the Commission decides to adopt. This will allow the OCD to prepare a version of the proposed rules that conforms to the formatting requirements of the New Mexico Administrative Code.

EXHIBITS

The OCD's exhibits are submitted with this pleading.

Respectfully submitted
this 3rd day of September 2008 by



Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451

Attorney for the Oil Conservation Division