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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR AN ORDER REPROMULGATING THE RULES AND REGULATIONS OF THE OIL CONSERVATION DIVISION TO COMPLY WITH THE NEW MEXICO ADMINISTRATIVE CODE.

> CASE NO. 11451 Order No. R-10534

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on January 18, 1996, at Santa Fe, New Mexico, before the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of January, 1996, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) The current compilation of the Rules and Regulations of the Oil Conservation Division ("Rules") is not in compliance with the recently created New Mexico Administrative Code (NMAC).
- (3) Repromulgation of such Rules by the Commission in the NMAC structure is necessary to comply with State Records Center rules for the NMAC.
- (4) The Division witness testified that she personally reformatted every rule and that she subsequently proofread the proposed reformatting of the Rules and compared them with the existing Rules and that other than the change in format and corrections of minor typographical, grammatical and numbering errors noticed while proofreading, there are no changes in the Rules besides the following:
 - a) The following Commission orders of more than specific application, with amendments, will now become sections of the NMAC: R-111, R-3221, R-5353, R-7940 and R-8170. These orders will be listed in 19 NMAC 15, under new Part R so, for example, Order R-111 will be cited as 19 NMAC 15.R.111.

- b) Forms C-134 to C-140 will be added to 19 NMAC 15.M.1100.D. (Rule 1100.D.)
- c) OCD Rules 1 to 8 will now be Sections 11 to 18 in 19 NMAC 15.A.
- d) Parts B (where Rules 1 to 8 were formerly located), Q and P (new Parts) of 19 NMAC 15 are reserved.
- e) The definitions formerly found in Rule 0.1 will now be found in Section 7 of Part A (19 NMAC 15.A.7).
- f) The first six sections of every Part of the OCD Rules and Regulations (found in Chapter 15 "Petroleum Oil and Gases Storage and Handling" of Title 19 "Natural Resources and Wildlife" of the NMAC) will contain the following information: 1) Issuing Agency, 2) Scope, 3) Statutory Authority, 4) Duration, 5) Effective Date and 6) Objective.
- (5) Adoption of the proposed reformatting with a common effective date of February 1, 1996, will comply with the NMAC, provide for better service through electronic accessibility to persons dealing with the Division and will improve the operation of the Division.
- (6) Because there are no substantive changes for any Rule, the Division should publish a synopsis of this order in the New Mexico Register rather than each newly reformatted rule which would be prohibitive in cost.

IT IS THEREFORE ORDERED THAT:

- (1) As of February 1, 1996, the reformatted Rules and Regulations of the Oil Conservation Division presented at the time of hearing as "Exhibit "A" in this Case and incorporated by reference into this order are hereby adopted as the Rules and Regulations of the Division, superseding all Rules and Regulations of the Oil Conservation Division published prior to the effective date of this order.
 - (2) The effective date of this order shall be February 1, 1996.
- (3) A synopsis of this order and the nature of the change to the rules shall be all that is published in the New Mexico Register.
- (4) Jurisdiction is hereby retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JAMI BAILEY, Member

Bill Weise

WILLIAM W. WEISS, Member

WILLIAM J. LeMay, Chairman