

one Aug 1982

D. A. KIMBELL, PRESIDENT

June 20, 1996

Mr. Bill LeMay, Division Director
New Mexico Oil Conservation Division
P. O. Box 6429
Santa Fe, New Mexico 87505

Dear Bill:

I am attaching a response I have just given to NMOGA regarding some of their thinking. I hope you find it of interest.

Meantime, I snatched up a case to take off on a trip the other day that I thought contained musical tapes. When I opened it I discovered it was all the slides and written material from our 1982 trip to China, including the articles that we all wrote for "The Independent" magazine.

Let's get together in New Mexico this summer and bore your wife with Chinese stories.

Yours very truly,

D. A. Kimbell
D. A. Kimbell

DAK:mt
Enc.

NMOGA FAX

To: Regulatory Practices Committee

Subject: OCD Proposals to Require Electronic Filing
and to Shorten Filing Time Frames (C 115)

Date: June 19, 1996

Pages: 1 , including this cover sheet.

The NMOCD has announced that it will be writing proposals to:

1. require electronic filing of all production information, and
2. shorten time frames for filing (Currently addressed on an interim basis under Order No. R-10061 - NMOGA's Document #667 on attached order form)

Both issues are listed as information items on the NMOCC docket for Thursday, June 20, but no hearing will be set until at least August on either issue.

OCC Chairman Bill LeMay has invited industry participation and comment to develop both regulations. Perry Pearce, Meridian, has volunteered to chair a NMOGA subcommittee dealing with these issues.

If you would like to serve on the subcommittee, please contact Ruth Andrews. (505)982-2898.

Copy: Barry Peters, Bob Irelan, Raye Miller, D. Van De Graaff

From the desk of .

Ruth Andrews
Director
NMOGA
P.O. Box 1864
Santa Fe NM 87504-1864

505-982-2898
Fax: 505-986-1094

INTER-OFFICE MEMO

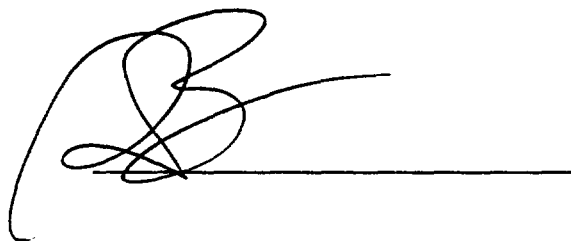
June 20, 1996

TO: MR. KIMBELL
FROM: SHIRLEY BRIDWELL
RE: ELECTRONIC FILING REQUIREMENTS - NEW MEXICO

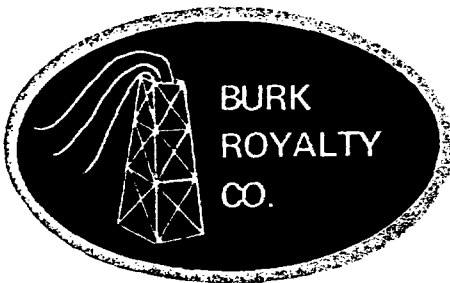
Burk currently files production reports on seven leases (six oil and one gas) which involves four pieces of paper. No more paper than Burk files each month I cannot see electronic filing benefitting Burk or the Oil Conservation Division.

As far as shortening the filing time frame, reports are currently due forty-five days after the month of production. I can understand the agency reducing the filing time to be due 'the first day of the month following month of production'. However, companies with a large number of gas wells could experience some difficulty getting reporting information for gas wells due to the nature of the spot gas business. Some spot gas businesses do not make payment for 60-90 days after the month of production.

Susan and I both agree as you do, that this should be optional with small producers, say those with 20 properties or less, being exempted from electronic filing requirements.

A handwritten signature, likely of Shirley Bridwell, is written in black ink. The signature is stylized and cursive, with a large loop at the beginning and a horizontal line extending to the right.

/skb



D. A. KIMBELL, PRESIDENT

June 20, 1996

New Mexico Oil and Gas Association
P. O. Box 1864
Santa Fe, New Mexico 87504-1864

Attention: Ms. Ruth Andrews, Director

Dear Ms. Andrews:

We are in receipt of your fax regarding a proposal to require electronic filing in shortened filing time frames. While we think that giving producers the option to file electronically is a good idea, to require same would work a hardship on us since we only have one gas and six oil leases in New Mexico. We would have to work out a separate program for New Mexico alone. We can also see an objection to requiring electronic filing for small operators who are limited both on electronic equipment and people to run such.

Insofar as the timing is concerned, anything reasonable is fine with us, but as you will note from the memo to me from Mrs. Bridwell, there could very well be a problem on gas reporting if the time of reporting is shortened.

We would appreciate your forwarding these comments to your subcommittee whenever you get it activated.

With best regards, I remain

Yours very truly,

D. A. Kimbell

DAK:mt
Enc.