

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

OIL CONSERVATION DIV.
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APPLICATION OF THE NEW MEXICO OIL
CONSERVATION DIVISION FOR
AMENDMENT OF RULE 34

CASE NO. _____

APPLICATION FOR AMENDMENT OF RULE 34

1. Division Rule 34.C(3)(a) currently requires that operators file their applications "within 60 days of completion of the well as a producer".

2. Division Rule 34.D(2) currently states that "Any application not acted upon by the Division within thirty (30) days from the date it is filed is deemed denied."

3. Due to the need for timely determinations as to which wells qualify for the new well tax incentive, a more certain cutoff date for filing applications is needed. Also, because of the time period allowed to file applications, it is not certain which of the last few applications for the tax incentive will be the last of the 600 that qualify. This is due to the fact that the relevant qualifying date is the spud date but that completion as a producer is also a condition of qualification. The Division therefor may in fact have to hold some applications for a period in excess of 30 days.

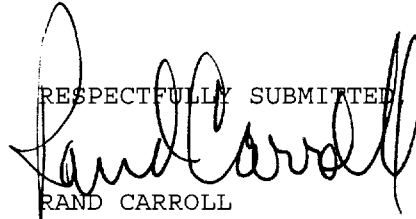
WHEREFORE, the Division applies to the Commission to enter an order:

A. Amending Rule 34.C(3)(a) to require that operators file their applications "within 90 days of the spud date".

B. Amending Rule 34.D(2) to delete the sentence "Any application not acted upon by the Division within thirty (30) days from the dated it is filed is deemed denied."

C. For such other and further relief as the Division deems just and proper.

RESPECTFULLY SUBMITTED

A handwritten signature in black ink, appearing to read "Rand Carroll", is written over the typed name and title.

RAND CARROLL
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