

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 RULES 103 AND 202

CASE NO. 12333

APPLICATION FOR AMENDMENT OF RULES 103 AND 202

1. Division Rule 103 governs signs required to be placed on wells and Division Rule 202 governs the plugging and abandonment (P&A) of wells.

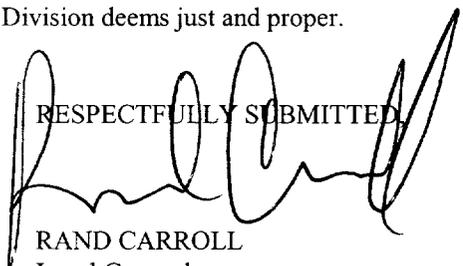
2. The Division deems it necessary at this time to amend Rule 103 to require that: (i) signs also be placed on well-related facilities, (ii) signs remain in place until the well and facilities are closed, and (iii) signs be replaced within 90 days after a new operator takes over the well and related facilities.

3. The Division deems it necessary at this time to amend rule 202 time to: (i) prohibit the building of permanent structures over P&A wells, (ii) prohibit the removal of P&A markers without Division approval, and (iii) regulate below ground P&A markers.

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

- A. Amending Rules 103 and 202 as set forth on the attached Exhibit A.
- B. For such other and further relief as the Division deems just and proper.

RESPECTFULLY SUBMITTED

  
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## EXHIBIT A

**103 [REWRITTEN]** All wells and related facilities regulated by the Division shall be identified by a sign, which sign will remain in place until the well is plugged and abandoned and the related facilities are closed. For drilling wells the sign shall be posted on the derrick or not more than 20 feet from the well. The sign shall be of durable construction and the lettering shall be legible. Lettering shall be large enough to be legible under normal conditions at a distance of 50 feet. The wells on each lease or property shall be numbered in non-repetitive, logical and distinctive sequence. When an operator change occurs, the new operator has 90 days to replace the information on the sign. Each sign shall show the:

1. number of well,
2. name of property,
3. name of operator,
4. location by footage, quarter-quarter section, township and range (or Unit Letter can be substituted for the quarter-quarter section), and
5. API number

**202.B. (2) [ADD AT END OF PARAGRAPH]** No permanent structures shall be built over a plugged and abandoned well without written approval of the OCD. No plugged and abandonment marker shall be removed without the written permission of the OCD.

**202.B. (5) [NEW PARAGRAPH]** Below ground plugged and abandonment markers can be used only with written permission of the OCD when the marker interferes with agricultural endeavors. A steel plate may be welded onto the surface or conductor pipe of the abandoned well. The underground marker shall be at least 3 feet below the ground surface and of sufficient size so that all of the information required by Rule 103 can be stenciled into the steel or welded onto the surface of the steel plate. The OCD may require a re-survey of the well location.