

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION TO
CONSIDER THE APPLICATION OF:

CASE NO. 10279
ORDER NO. R-9488

THE OIL CONSERVATION DIVISION FOR AN
ORDER REPEALING RULES 1204 AND 1206 OF
THE RULES AND REGULATIONS OF THE
DIVISION AND ADOPTING A NEW RULE 1204
REGARDING PUBLICATION OF NOTICE

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on April 11, 1991, 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 11th day of April, 1991, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and further considering comments submitted pursuant to request of the Commission, 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 existing Rule 1204 of the Rules and Regulations ("Rules") of the Oil Conservation Division requires publication by the Division of notice of hearings in a newspaper in Santa Fe and a newspaper published in the county(ies) where the property is located.

(3) The existing Rule 1204 was adopted when the Oil and Gas Act required publication in Santa Fe.

(4) The Oil and Gas Act was amended in 1987 to provide that the Division shall prescribe by rule its procedure including the procedure for giving notice.

(5) The current requirement of publishing notice in a newspaper in Santa Fe as well as the county where the property is located doubles the expense to the Division of publishing notice of hearings, and it does not provide meaningful notice to anyone because very few interested parties reside in Santa Fe and the papers published in Santa Fe are not widely circulated throughout the state.

(6) Publication of notice in the counties where affected property is located will provide reasonably sufficient notice in almost all cases and the Division can make such other publication as it determines may be necessary in other cases.

(7) Division Rule 1207 requires the applicant to make specified personal service of notice upon certain classes of persons in specific types of cases, and therefore necessary parties to any hearing will receive personal notice.

(8) Rule 1206 is redundant and should be repealed because it does not address personal service as the title indicates and the Division must pay for publication in accordance with Section 14-11-1, N.M.S.A. 1978, unless it by rule imposes that requirement on an applicant.

IT IS THEREFORE ORDERED THAT:

(1) Rules 1204 and 1206 of the Rules and Regulations of the Oil Conservation Division are hereby repealed.

(2) The following new Rule 1204 is hereby adopted:

RULE 1204. PUBLICATION OF NOTICE OF HEARING

Notice of each hearing before the Commission and before a Division Examiner shall be by publication once in accordance with the requirements of Chapter 14, Article 11, N.M.S.A. 1978, in a newspaper of general circulation in the county, or each of the counties if there be more than one, in which any land, oil, gas, or other property which is affected may be situated.

(3) This order shall be effective May 1, 1991, and shall apply to all notice required to be published after that date.

(4) Jurisdiction of this cause is retained for entry of such further orders as the Commission may deem necessary.

Case No. 10279
Order No. R-9488
Page 3

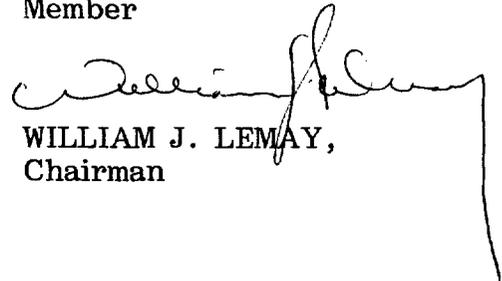
DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

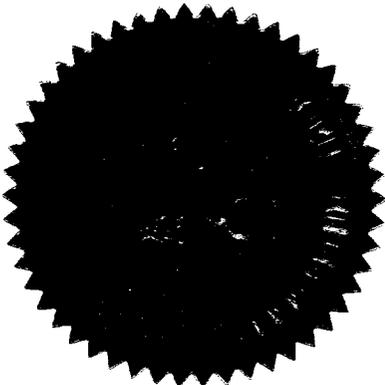


JAMI BAILEY,
Member

WILLIAM W. WEISS,
Member



WILLIAM J. LEMAY,
Chairman



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