

*Entered May 22, 1973
A. H.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL
CONSERVATION COMMISSION ON ITS OWN MOTION TO
CONSIDER THE AMENDMENT OF RULE 102 OF THE
COMMISSION RULES AND REGULATIONS TO REQUIRE THAT
DRILLING PERMITS FOR WELLS TO BE DRILLED WITHIN
THE CORPORATE LIMITS OF A CITY, TOWN, OR VILLAGE
WOULD NOT BE APPROVED UNLESS SUCH WELLS WERE TO BE
DRILLED IN ACCORDANCE WITH APPLICABLE ORDINANCES
AND HAD FIRST BEEN APPROVED BY THE GOVERNING BODY
OF SUCH CITY, TOWN, OR VILLAGE.

CASE NO. 4944
Order No. R-4532

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 18, 1973, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 22nd day of May, 1973, 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:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the Commission may require that wells be drilled in such a manner as to prevent injury to neighboring leases or properties.
- (3) That there is need for the amendment of Rule 102 of the Commission Rules and Regulations to assist cities, townships, and villages assure the drilling of oil and gas wells in such a manner as would not endanger life and property within their respective corporate limits.
- (4) That cities, townships, and villages in this state presently have power to impose reasonable regulations on the drilling of oil and gas wells within their respective corporate limits by exercising their zoning powers.
- (5) That efficient exercise of the zoning powers of cities, townships, and villages would be facilitated by requiring that cities, townships, and villages be notified of any intention to drill within their respective corporate limits.

-2-

Case No. 4944
Order No. R-4532

(6) That Rule 102 of the Commission Rules and Regulations should be amended to require that notice of intention to drill within the corporate limits of any community should be given to the duly constituted governing body of such city, township, or village or its authorized agent, and that evidence of such notification should accompany the application to the Commission for a drilling permit.

(7) That the adoption of such an amendment to Rule 102 is in the public interest, will prevent waste, and will not impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That Rule 102 of the Commission Rules and Regulations is hereby amended to read in its entirety as follows:

RULE 102. NOTICE OF INTENTION TO DRILL

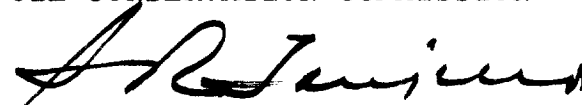
(a) Prior to the commencement of operations, notice shall be delivered to the Commission of intention to drill any well for oil or gas or for injection purposes and approval obtained on Form C-101.

(b) No permit shall be approved for the drilling of any well within the corporate limits of any city, town, or village of this state unless notice of intention to drill such well has been given to the duly constituted governing body of such city, town or village or its duly authorized agent. Evidence of such notification shall accompany the application for a permit to drill (Form C-101).


(2) That jurisdiction of this cause is 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


I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

dr/