

Entered October 22, 1974
A.H.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5329
Order No. R-4880

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION ON ITS
OWN MOTION TO CONSIDER THE AMENDMENT OF
RULE 109 OF THE COMMISSION RULES AND
REGULATIONS TO REQUIRE INSTALLATION OF
BLOWOUT PREVENTERS ON ALL DRILLING AND
WORKOVER RIGS OPERATING IN AREAS OF UN-
KNOWN PRESSURES OR HIGH PRESSURES AND ON
ALL DRILLING AND WORKOVER RIGS OPERATING
WITHIN THE CORPORATE LIMITS OF ANY CITY,
TOWN, OR VILLAGE OR WITHIN 1320 FEET OF
A HABITATION, SCHOOL, OR CHURCH, WHERE-
EVER LOCATED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 2, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of October, 1974, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, 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 there is need for the amendment of Rule 109 of
the Commission Rules and Regulations to provide more adequate
protection against the possibility of blowouts of oil and gas
wells during drilling and workover operations, particularly in
areas of unknown pressures or areas of known high pressures and
within the corporate limits of cities, towns, and villages within
this State and within 1320 feet of a habitation, school, or
church, wherever located.

(3) That blowouts of wells cause waste and constitute a
threat to the protection of correlative rights, and are not in
the public interest.

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(4) That in the public interest and to prevent waste and protect correlative rights, Rule 109 of the Commission Rules and Regulations should be amended to read in its entirety as follows:

"RULE 109. BLOWOUT PREVENTION (SEE Rule 114(b) also)

(a) Blowout preventers shall be installed and maintained in good working order on all drilling rigs operating in areas of known high pressures at or above the projected depth of the well and in all areas where pressures which will be encountered are unknown, and on all workover rigs working on wells in which high pressures are known to exist.

(b) Blowout preventers shall be installed and maintained in good working order on all drilling rigs and workover rigs operating within the corporate limits of any city, town, or village, or within 1320 feet of a habitation, school, or church, wherever located.

(c) All operators, when filing Form C-101, Application for Permit to Drill, Deepen, or Plug Back, or Form C-103, Sundry Notices, for any operation requiring blowout prevention equipment in accordance with Sections (a) and (b) above, shall submit a proposed blowout prevention program for the well. The program as submitted may be modified by the District Supervisor if, in his judgment, such modification is necessary."

IT IS THEREFORE ORDERED:

(1) That Rule 109 of the Commission Rules and Regulations be and the same is hereby amended to read in its entirety as follows:

"RULE 109. BLOWOUT PREVENTION (SEE Rule 114(b) also)

(a) Blowout preventers shall be installed and maintained in good working order on all drilling rigs operating in areas of known high pressures at or above the projected depth of the well and in all areas where pressures which will be encountered are unknown, and on all workover rigs working on wells in which high pressures are known to exist.

(b) Blowout preventers shall be installed and maintained in good working order on all drilling rigs and workover rigs operating within the corporate limits of any city, town, or village, or within 1320 feet of a habitation, school, or church, wherever located.

(c) All operators, when filing Form C-101, Application for Permit to Drill, Deepen, or Plug Back, or Form C-103, Sundry Notices, for any operation requiring blowout prevention equipment in accordance with Sections (a) and (b) above,

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shall submit a proposed blowout prevention program for the well. The program as submitted may be modified by the District Supervisor if, in his judgment, such modification is necessary."

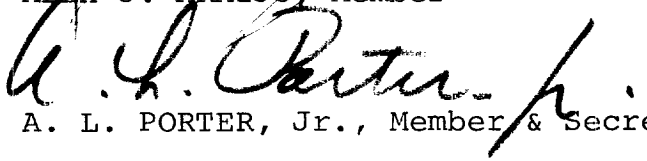
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

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