

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

**IN THE MATTER OF
PROPOSED AMENDMENTS TO
19.15.2, 19.15.5, 19.15.8, 19.15.9, AND
19.15.25 NMAC**

CASE NO. 24683

**INDEPENDENT PETROLEUM ASSOCIATION OF NEW MEXICO
PROPOSED ALTERNATIVE LANGUAGE**

The Independent Petroleum Association of New Mexico (“IPANM”), through undersigned counsel of record, submits its final proposed drafts of rule amendments pursuant to the Hearing Officer’s December 1, 2025 Order, showing deletions by strikeout and insertions by underline. IPANM has provided a copy of the current rule, Applicants’ proposals reflected in Exhibit 89 (red font), and IPANM proposed alternative language (blue font) in the attached Exhibits **1-A**, **1-C**, and **1-D**. The absence of specific alternative language should not be interpreted as support or acceptance by IPANM of any proposed change by Applicants. Regarding all other changes proposed by Applicants, IPANM opposes the same in accordance with positions and objections identified in the Joint Stipulation, and, in the event the Commission should find it has jurisdiction and discretion favors amendment, IPANM supports New Mexico Oil and Gas Association’s proposed changes, submitted as NMOGA Exhibits 1-5.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served to counsel of record by electronic mail this 3rd day of April 2026, as follows:

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Current Rule:

19.15.2.7(A)(13) “Approved temporary abandonment” means the status of a well that is inactive, has been approved in accordance with 19.15.25.13 NMAC and complies with 19.15.25.12 NMAC through 19.15.25.14 NMAC.

19.15.2.7(B)() [Beneficial Use or Purpose – Does not exist]

19.15.2.7(I)(4) “Inactive well” means a well that is not being used for beneficial purposes such as production, injection or monitoring and that is not being drilled, completed, repaired or worked over.

19.15.2.7(T)(3) “Temporary abandonment” or “temporarily abandoned status” means the status of a well that is inactive.

WELC Exhibit 89-A

19.15.2.7(A)(13) “Approved temporary abandonment,” “temporary abandonment,” or “temporarily abandoned status” means the status of a well that is inactive, has been approved in accordance with 19.15.25.13 NMAC and complies with 19.15.25.12 NMAC through 19.15.25.14 NMAC.

19.15.2.7(B)(7) “Beneficial purposes” or “beneficial use” means an oil or gas well that is being used in a productive or beneficial manner including such as production, injection or monitoring, ~~and does not include use of a well for speculative purposes.~~

19.15.2.7(I)(4) “Inactive well” means a well ~~that has had no production or injection for 12 consecutive months or~~ is not being used for beneficial purposes ~~including such as~~ production, injection or monitoring and that is not being drilled, completed, repaired or worked over.

19.15.2.7(T)(3) “Temporary abandonment” or “temporarily abandoned status” means the status of a well that is inactive.

IPANM Alternative to WELC Ex. 89-A

19.15.2.7(A)(13) “Approved temporary abandonment” means the status of a well that is inactive, has been approved in accordance with 19.15.25.13 NMAC and complies with 19.15.25.12 NMAC through 19.15.25.14 NMAC.

19.15.2.7(B)(7) “Beneficial purposes” or “beneficial use” means an oil or gas well that is being used in a productive or beneficial manner including such as but not limited to production, injection, monitoring, enhanced oil recovery, water flooding operations, regulatory compliance, or participation in reservoir management, pressure maintenance, or infrastructure optimization programs designed to prevent waste, ~~and does not include use of a well for speculative purposes.~~

19.15.2.7(I)(4) “Inactive well” means a well ~~that has had no production or injection for 12 consecutive months or~~ is not being used for beneficial purposes including such as but not limited to production, injection, ~~or~~ monitoring, enhanced oil recovery, water flooding operations, regulatory compliance, or participation in reservoir management, pressure maintenance, or infrastructure optimization programs, and that is not being drilled, completed, repaired or worked over ~~or subject to an agreed compliance or final order.~~

19.15.2.7(T)(3) “Temporary abandonment” or “temporarily abandoned status” means the status of a well that is inactive.

Current Rule:

19.15.8.9(A) Applicability. An operator who has drilled or acquired, is drilling or proposes to drill or acquire an oil, gas or injection or other service well within this state shall furnish a financial assurance acceptable to the division in accordance with 19.15.8.9 NMAC and in the form of an irrevocable letter of credit, plugging insurance policy or cash or surety bond running to the state of New Mexico conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with commission rules, unless the well is covered by federally required financial assurance.

19.15.8.9(C) Active wells. An operator shall provide financial assurance for wells that are covered by Subsection A of 19.15.8.9 NMAC and are not subject to Subsection D of 19.15.8.9 NMAC in one of the following categories:

(1) a one well financial assurance in the amount of \$25,000 plus \$2 per foot of the projected depth of a proposed well or the depth of an existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated and directional wells; or

(2) a blanket plugging financial assurance in the following amounts covering all the wells of the operator subject to Subsection C of 19.15.8.9 NMAC:

- (a) \$50,000 for one to 10 wells;
- (b) \$75,000 for 11 to 50 wells;
- (c) \$125,000 for 51 to 100 wells; and
- (d) \$250,000 for more than 100 wells.

19.15.8.9(D) Inactive wells. An operator shall provide financial assurance for wells that are covered by Subsection A of 19.15.8.9 NMAC that have been in temporarily abandoned status for more than two years or for which the operator is seeking approved temporary abandonment pursuant to 19.15.25.13 NMAC in one of the following categories:

(1) a one well financial assurance in the amount of \$25,000 plus \$2 per foot of the projected depth of a proposed well or the depth of an existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated and directional wells; or

(2) a blanket plugging financial assurance covering all wells of the operator subject to Subsection D of 19.15.8.9 NMAC:

- (a) \$150,000 for one to five wells;
- (b) \$300,000 for six to 10 wells;
- (c) \$500,000 for 11 to 25 wells; and
- (d) \$1,000,000 for more than 25 wells.

WELC Ex. 89-C

19.15.8.9 (A) Applicability. An operator who has drilled or acquired operating authority under 19.15.9.9 NMAC, is drilling or proposes to drill or acquire operating authority under 19.15.9.9 NMAC of an oil, gas or injection or other service well within this state shall furnish a financial assurance acceptable to the division in accordance with 19.15.8.9 NMAC and in the form of an irrevocable letter of credit, plugging insurance policy or cash or surety bond running to the state of New Mexico conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with commission rules, unless the well is covered by federally required financial assurance. The division shall not approve and the operator shall not proceed with any proposed drilling or acquisition of operating authority under 19.15.9.9 NMAC until the operator has furnished the required financial assurance. This Subsection A applies to Subsections B through H of this Section.

19.15.8.9(C) Active wells. An operator shall provide financial assurance for wells that are covered by Subsection A of 19.15.8.9 NMAC and are not subject to Subsections D and E of 19.15.8.9 NMAC in one of the following categories:

- (1) a one well plugging financial assurance in the amount of \$150,000 per well; ~~\$25,000 plus \$2 per foot of the projected depth of a proposed well or the depth of an existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated and directional wells;~~ or
- (2) a blanket plugging financial assurance in the amount of \$250,000 following amounts covering all the wells of the operator subject to Subsection C of 19.15.8.9 NMAC:
 - (a) — \$50,000 for one to 10 wells;
 - (b) — \$75,000 for 11 to 50 wells;
 - (c) — \$125,000 for 51 to 100 wells; and
 - (d) — \$250,000 for more than 100 wells.

19.15.8.9 D. Low producing Marginal wells and inactive wells. Notwithstanding the provisions in Subsection C(2) in this Section:

(1) As of the [effective date of amendments] a transferee operator shall provide a one well plugging financial assurance of \$150,000 for each low producing marginal well prior to transfer.

(2) Beginning May 1, 2029, January 1, 2028, an operator shall provide a one well plugging financial assurance for each low producing marginal well. Each operator with a low producing marginal well or wells shall annually review the number of low producing marginal wells registered to the operator and shall update the one well plugging financial assurance by May 1 of each year.

(3) An operator of a low producing well may request a variance to the one well plugging financial assurance requirement of \$150,000 upon a demonstration satisfactory to the division that there is a physical impediment limiting the well's midstream take away capacity. A demonstration shall include a certification from the operator detailing the nature of the physical impediment, explaining why the physical impediment is outside the control of the operator, detailing the alternatives that were or are being explored to address the lack of take away capacity, and an estimated date when the lack of take away capacity will be corrected. The demonstration shall also include the notification from the midstream operator required pursuant to 19.15.28.8.D NMAC.

(3) An operator with 15 percent or more of their wells in marginal or inactive well status, or a combination thereof, shall provide a one well plugging financial assurance in the amount of \$150,000 for each well registered to the operator until the percentage of the operator's marginal and inactive wells is decreased below 15 percent.

(4) An operator may furnish all necessary one well plugging financial assurance in the form of a single instrument.

19.15.8.9 E. Operators with 20 percent or more of wells in inactive, approved temporarily abandoned or expired temporarily abandoned status.

(1) Beginning May 1, 2029, an operator with 20 percent or more of their wells in inactive status, approved temporarily abandoned status or expired temporarily abandoned status, or a combination thereof, shall provide a one well plugging financial assurance in the amount of \$150,000 for each well registered to the operator until the percentage of the operator's wells in such statuses is decreased below 20 percent. Each operator with wells in this financial assurance category shall annually review the number of wells in inactive status, approved temporarily abandoned status and expired temporarily abandoned status registered to the operator and shall update the one well plugging financial assurance by May 1 of each year.

(2) An operator may furnish all necessary one well plugging financial assurance in the form of a single instrument.

19.15.8.9(F) ~~E.D.~~ Inactive wells and wells in approved and expired temporarily abandoned status. An operator shall provide financial assurance for wells that are inactive and wells in approved and expired temporarily abandoned status, ~~covered by Subsection A of 19.15.8.9 NMAC that have been in temporarily abandoned status for more than two years or for which the operator is seeking approved temporary abandonment pursuant to 19.15.25.13 NMAC in one of the following categories:~~

(1) a one well plugging financial assurance in the amount of \$150,000 per well; ~~\$25,000 plus \$2 per foot of the projected depth of a proposed well or the depth of an existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated and directional wells; or~~

(2) a blanket plugging financial assurance equal to an average of \$150,000 per well covering all wells of the operator subject to Subsection ~~FE D~~ of 19.15.8.9 NMAC;

(e) — \$150,000 for one to five wells;

(f) — \$300,000 for six to 10 wells;

(g) — \$500,000 for 11 to 25 wells; and

(h) — \$1,000,000 for more than 25 wells.

IPANM ALTERNATIVE to WELC Ex. 89-C

19.15.8.9(A) Applicability. An operator who has drilled or acquired operating authority under 19.15.9.9 NMAC, is drilling or proposes to drill or acquire operating authority under 19.15.9.9 NMAC of an oil, gas or injection or other service well within this state shall furnish a financial assurance acceptable to the division in accordance with 19.15.8.9 NMAC and in the form of an irrevocable letter of credit, plugging insurance policy or cash or surety bond running to the state of New Mexico conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with commission rules, unless the well is covered by federally required financial assurance, other state level required financial assurance, or this requirement is waived in the discretion of the Division for wells which are approved to be plugged and abandoned or are subject to active plugging operations. The division shall not approve and the operator shall not proceed with any proposed drilling or acquisition of operating authority under 19.15.9.9 NMAC until the operator has furnished the required financial assurance. This Subsection A applies to Subsections B through H of this Section and satisfaction of any one of Subsections C through G for a well satisfies the operator's plugging financial assurance obligation for that well.

19.15.8.9(D) Low producing Marginal wells and inactive wells. Notwithstanding the provisions in Subsection C(2) in this Section:

(1) As of the [effective date of amendments] a transferee operator that is substantially out of compliance with 19.5.7.24 NMAC, 19.15.8.9 NMAC, or 19.15.25.8 NMAC shall provide a one well plugging financial assurance in an amount reasonably sufficient to plug the well covered by the financial assurance of \$150,000 for each low producing marginal well prior to transfer. This provision shall apply to all other transferee operators twelve (12) months from the effective date of amendment.

(2) Beginning June May 1, 2029, January 1, 2028, an operator shall provide a one well-plugging financial assurance in an amount reasonably sufficient to plug the well covered by the financial assurance for each low producing marginal well. Each operator with a low producing marginal well or wells shall annually review the number of low producing marginal wells registered to the operator and shall update the one-well-plugging financial assurance by June May 1 of each year.

(3) An operator of a low producing well may request a variance to the one-well plugging financial assurance requirement of \$150,000 in Subsection (D) upon a demonstration satisfactory to the division that there is:

(a) a physical impediment limiting the well's midstream take away capacity, and tThe demonstration shall also include the notification from the midstream operator required

(b) A compression or facility limitation, including compressor failures, equipment scarcity, maintenance or processing-plant downtime, or inlet restrictions;

(c) An operational safety requirement, including curtailment for the protection of life, health, the environment or property;

(d) A regulatory safety directive or operational hold, compliance with which is mandatory;

(e) A proximity operation or interference including nearby fracturing, stimulation, drilling or operations impacting safe or prudent pressure practices;

(f) A force majeure event including war, terrorism, civil unrest, embargos or blockades, governmental actions or shut downs, regulatory restrictions, natural disasters, extreme weather events, fire, flood or any other act of God;

(g) An exception otherwise permitted by the provisions of the subject lease or approved by the

NMSLO, BLM or other governmental agency with jurisdiction over said well;

(h) Financial capability, based on well economics, operational plans or plans to improve well performance, or any other relevant information; or

(i) No current market or the only market would require selling at a loss which constitutes waste.

19.5.8.9(E) Operators with 20 percent or more of wells in inactive, approved temporarily abandoned or expired temporarily abandoned status

(1) Beginning June ~~May~~-1, 2029, an operator with 20 percent or more of their wells in inactive status, approved temporarily abandoned status or expired temporarily abandoned status, or a combination thereof, shall provide a ~~one well~~ plugging financial assurance in the amount reasonably sufficient to plug the well covered by the financial assurance of \$150,000 for each well registered to the operator until the percentage of the operator's wells in such statuses is decreased below 20 percent. Each operator with wells in this financial assurance category shall annually review the number of wells in inactive status, approved temporarily abandoned status and expired temporarily abandoned status registered to the operator and shall update the one well plugging financial assurance by June~~May~~ 1 of each year.

(2) An operator may furnish all necessary ~~one well~~ plugging financial assurance in the form of a single instrument. Any operator whose total plugging financial assurance for active oil and gas wells, whether required under Subparts C, D, or E herein, will exceed \$1,000,000 as of June 1, 2029, may apply for a variance pursuant to Subpart D(3) or, in the alternative, contribute 3% of the additional financial assurance required under Subparts D and E annually to the Reclamation Fund.

Current Rule:

19.15.9.8(B) The division may deny registration as an operator if:

- (1) the applicant is not in compliance with Subsection A of 19.15.5.9 NMAC;
- (2) an officer, director, partner in the applicant or person with an interest in the applicant exceeding 25 percent, is or was within the past five years an officer, director, partner or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC;
- (3) the applicant is or was within the past five years an officer, director, partner or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC;
- (4) the applicant is a corporation or limited liability company and is not registered with the public regulation commission to do business in New Mexico; or
- (5) the applicant is a limited partnership and is not registered with the New Mexico secretary of state to do business in New Mexico.

C. An operator shall inform the division of its current address of record and emergency contact names and telephone numbers by submitting changes in writing to the division's financial assurance administrator in the division's Santa Fe office within 30 days of the change.

D. The division may require an operator or applicant to identify its current and past officers, directors and partners and its current and past ownership interest in other operators.

19.15.9.9 **Change of operator:**

A. A change of operator occurs when the entity responsible for a well or a group of wells changes. A change of operator may result from a sale, assignment by a court, a change in operating agreement or other transaction. Under a change of operator, wells are moved from the OGRID number of the operator of record with the division to the new operator's OGRID number.

B. The operator of record with the division and the new operator shall apply for a change of operator by jointly filing a form C-145 using the division's web-based online application. If the operator of record with the division is unavailable, the new operator shall apply to the division for approval of change of operator without a joint application. The operator shall make such application in writing and provide documentary evidence of the applicant's right to assume operations. The new operator shall not commence operations until the division approves the application for change of operator.

C. The director or the director's designee may deny a change of operator if:

- (1) the new operator is not in compliance with Subsection A of 19.15.5.9 NMAC; or
- (2) the new operator is acquiring wells, facilities or sites subject to a compliance order requiring remediation or abatement of contamination, or compliance with 19.15.25.8 NMAC, and the new operator has not entered into an agreed compliance order setting a schedule for compliance with the existing order.

D. In determining whether to grant or deny a change of operator when the new operator is not in compliance with Subsection A of 19.15.5.9 NMAC, the director or the director's designee shall consider such factors as whether the non-compliance with Subsection A of 19.15.5.9 NMAC is caused by the operator not meeting the financial assurance requirements of 19.15.8 NMAC, being subject to a division or commission order finding the operator to be in violation of an order requiring corrective action, having a penalty assessment that has been unpaid for more than 70 days since the issuance of the order assessing the penalty or having more than the allowed number of wells out of compliance with 19.15.25.8 NMAC. If the non-compliance is caused by the operator having more than the allowed number of wells not in compliance with 19.15.25.8 NMAC, the director or director's designee shall consider the number of wells not in compliance, the length of time the wells have been out of compliance and the operator's efforts to bring the wells into compliance.

WELC Ex. 89-D:

19.15.9.8 (B) Prior to commencing operations, an operator shall provide to the division a certification by a representative designated by the operator an authorized official officer, director, or partner that within the past ten years the new operator has not been is not subject to any final administrative forfeiture demands from any state or federal agency, has not forfeited financial assurance to any state or federal agency, and has not been is not out of compliance with does not have an unresolved adjudicated orders or unresolved settlement agreements with a state or federal agency for any state or federal violations related to oil and gas laws or regulations in compliance with federal and state oil and gas laws and regulations in any domestic jurisdiction each state in which the new operator does business; a disclosure of any officer, director, partner in the new operator or person with an interest in the new operator exceeding 25 percent, who is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC; and a disclosure whether the new operator is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.

19.15.9.8 B.C. The division may deny registration as an operator if:

- (1) the applicant is not in compliance with Subsection A of 19.15.5.9 NMAC;
- (2) ~~the new operator is acquiring wells, facilities or sites subject to a compliance order requiring remediation or abatement of contamination, or compliance with 19.15.25.8 NMAC, and the new operator has not entered into an agreed compliance order setting a schedule for compliance with the existing order.~~
- (2) the applicant within the past ten years has had a final administrative forfeiture demands from any state or federal agency, has forfeited financial assurance to any state or federal agency, or has been is out of compliance with has unresolved an adjudicated orders or unresolved settlement agreements with a state or federal agency for any state or federal violation related to oil and gas laws or regulations is out of compliance with federal and state oil and gas laws and regulations in any domestic jurisdiction each state in which the applicant does business;
- (3) any officer, director, partner in the new operator or person with an interest in the new operator exceeding 25 percent, who is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC;
- (4) the new operator is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC;
- (5) the applicant is a corporation, limited liability company, limited liability limited partnership, or limited partnership and is not registered or is not in good standing with the New Mexico secretary of state to do business in New Mexico; or
- (6) the certification or disclosure requirements set forth in Subsection B of this Section disclose a substantial risk that the new operator would be unable to satisfy the plugging and abandonment requirements of 19.15.25 NMAC for the well or wells the new operator intends to take over.

19.15.9.8(E) **DE.** ~~The division may require an~~ An representative designated by the operator shall ~~or applicant to~~ certify compliance annually of identify its current and past officers, directors and

partners and its current and past ownership interest in other operators consistent with 19.15.9.8.C(2) and (3) NMAC.

IPANM Alternative WELC Ex. 89-D:

19.15.9.8(B) Prior to commencing operations, an operator shall provide to the division a certification by a representative designated by the operator that within the past ten years the new operator is has not been subject to any final administrative forfeiture demands from any state or federal agency, has not forfeited financial assurance to any state or federal agency within the past five years, and has not been is not out of compliance with does not have an unresolved adjudicated orders or unresolved settlement agreements with a state or federal agency for any state or federal violations related to oil and gas laws or regulations in compliance with federal and state oil and gas laws and regulations in any domestic jurisdiction each state in which the new operator does business.; a disclosure of any officer, director, partner in the new operator or person with an interest in the new operator exceeding 25 percent, who is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC; and a disclosure whether the new operator is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.

19.15.9.8(C)(2) the applicant within the past ten years has had a final administrative forfeiture demands from any state or federal agency, has forfeited financial assurance to any state or federal agency, or has been is out of compliance with has unresolved an adjudicated orders or unresolved settlement agreements with a state or federal agency for any state or federal violation related to oil and gas laws or regulations is out of compliance with federal and state oil and gas laws and regulations in any domestic jurisdiction each state in which the applicant does business;

19.15.9.8(E) The division may require a An representative designated by the operator shall or applicant to certify compliance annually of identify its current and past officers, directors and partners and its current and past ownership interest in other operators consistent with 19.15.9.8.C(2) and (3) NMAC.

19.15.9.9 (B) The operator of record with the division and the new operator shall apply for a change of operator by jointly filing a form C-145 using the division's web-based online application. If the operator of record with the division is unavailable, the new operator shall apply to the division for approval of change of operator without a joint application. The operator shall make such application in writing and provide documentary evidence of the applicant's right to assume operations. a certification by a representative designated by the operator an authorized official officer, director, or partner of the new operator that within the past ten/five years the new operator has not been is not subject to any final administrative forfeiture demands from any state or federal agency, has not forfeited financial assurance to any state or federal agency, and has is not been out of compliance with does not have unresolved an adjudicated orders or unresolved settlement agreements with a state or federal agency for any state or federal violations related to oil and gas laws or regulations in compliance with federal and state oil and gas laws and regulations in any domestic jurisdiction each state in which the new operator does business; ; a plugging and abandonment plan; a disclosure of any officer, director, partner in the new operator or person with an interest in the new operator exceeding 25 percent, who is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC; and a disclosure whether the new operator is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC. The new operator shall not commence operations until the division approves the application for change of operator. The plugging and abandonment plan shall be certified by a representative designated by an authorized official representative

~~officer, director, or partner of the new operator and shall demonstrate that the new operator has and will have the financial ability to meet the plugging and abandonment requirements of 19.15.25 NMAC for the well or wells to be transferred in light of all the operator's assets and liabilities. The division may request the operator to provide additional information including a corporate credit rating, to the extent the operator has one already available corporate financial statements, long term liabilities, reserves and economics report, records of the operator's historical costs for decommissioning activities, estimate of the operator's decommissioning obligations, and history of inactive wells and returning wells to production.~~

~~19.15.9(C)(2) the new operator is acquiring wells, facilities or sites subject to a compliance order requiring remediation or abatement of contamination, or compliance with 19.15.25.8 NMAC, and the new operator has not entered into an agreed compliance order setting a schedule for compliance with the existing order.~~

~~19.15.9(C)(3) the new operator has had a final administrative forfeiture demands from any state or federal agency, has forfeited financial assurance to any state or federal agency, or has been is out of compliance with has unresolved an adjudicated orders or unresolved settlement agreements with a state or federal agency for any state or federal violations related to oil and gas laws or regulations is out of compliance with federal and state oil and gas laws and regulations in any domestic jurisdiction each state in which the new operator does business.~~

~~(3) any officer, director, partner in the new operator or person with an interest in the new operator exceeding 25 percent, who is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC;~~

~~(4) the new operator is or was within the past five years an officer, director, partner, or person with an interest exceeding 25 percent in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC;~~

~~(5) the applicant is a corporation, limited liability company, limited liability limited partnership, or limited partnership and is not registered or is not in good standing with the New Mexico secretary of state to do business in New Mexico; or~~

~~(6) the certification or disclosure requirements set forth in Subsection B of this Section disclose a substantial risk that the new operator would be unable to satisfy the plugging and abandonment requirements of 19.15.25 NMAC for the well or wells the new operator intends to take over.~~