

**STATE OF NEW MEXICO
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

ORDER ON EXPEDITED JOINT MOTION TO REOPEN

This matter comes before the Hearing Officer on the Expedited Joint Motion to Reopen Evidentiary Record filed March 13, 2026 by New Mexico Oil and Gas Association and Independent Petroleum Association of New Mexico (together, Movants). The Motion seeks to reopen the evidentiary record for additional testimony and cross-examination regarding the passage of HB 80 and a new lawsuit filed by San Juan Citizens Alliance against the Energy, Minerals and Natural Resources Department (EMNRD), along with an extension of time for post-hearing submissions. Applicants Western Environmental Law Center and others (Applicants), the Oil Conservation Division (OCD), and the State Land Office (SLO) filed separate Responses opposing the Motion between March 16-March 20, 2026; Movants filed a Reply to Applicants and a Reply to OCD and SLO on March 25, 2026.

Having reviewed the Motion, Responses, and Replies, the Hearing Officer notified the parties via email on March 30, 2026 that the Motion was granted in part to take administrative notice of the HB 80 legislative materials attached to the Motion as Exhibits A-D, and that an additional post-hearing submittal not to exceed five pages regarding the materials would be accepted. The Motion was otherwise denied for the reasons set out in the Responses:

1. The New Mexico Legislature passed, and the Governor signed on March 9, HB 80—the Oil and Gas Reclamation Fund Enhancement Act, to address orphan well cleanup funding that was the subject of testimony and argument during the hearing in this

matter. Applicants acknowledge that the Act is relevant to this rulemaking.

2. The Act and the related materials such as Bill analyses and fiscal impact reports are appropriate materials for the taking of administrative notice.
3. Movants also requested an opportunity to present additional testimony from Economist Dr. Arscott, but as noted by SLO, the Act's meaning may be derived from the Act itself, not from individuals providing testimony about the Act. SLO further notes that there have been other significant developments in the five months since the record was closed that would also go to financial assurance and the scope of the State's liabilities. This rulemaking began in June 2024, and the Commission should proceed to deliberations on the record already made.
4. As Applicants note, the Reclamation Fund addresses the orphan well problem only after the wells have become the State's responsibility. The proposed Rules in this matter are designed to prevent wells from becoming orphaned in the first place, by increasing financial assurance for high risk wells, strengthening transfer rules, identifying inactive wells, and ensuring that wells placed in temporary abandonment have future beneficial use. HB 80 does not include these measures.
5. No administrative or other notice should be taken of the Complaint filed on March 9 against EMNRD. A complaint includes unsubstantiated allegations that will be adjudicated over the coming years and is not the type of document suitable for administrative notice, much less a reopening of the evidentiary record made here.

-signed by-

Felicia L. Orth, Hearing Officer