

**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

REPLY IN SUPPORT APPLICANTS' MOTION FOR REHEARING

Applicants file this brief reply to Independent Petroleum Association of New Mexico (“IPANM”) Response to Applicants’ Motion for Rehearing to correct the record:

1. First, IPANM objects to the phrase “for which an operator is seeking approved temporary abandonment pursuant to 19.15.25.13 NMAC” in proposed 19.15.8.9.F NMAC. IPANM Res. at 2.

To clarify: that phrase is in **existing** rule at 19.15.25.D NMAC; neither Applicants nor the Oil Conservation Commission (Commission) proposed this phrase as new language.

2. Second, IPANM misrepresents Applicants’ evidence when it claims that Applicants’ “experts and analysis represent that 98% of TA [temporary abandonment] wells are activated within the first 8 years” IPANM Res. at 3.

This is incorrect. Applicants’ Exhibit 13 demonstrates that **of inactive wells that have been reactivated**, between 2010 and 2024, 99.5% were reactivated within eight years, demonstrating that wells that have been inactive for more than eight years have almost no chance of being reactivated. Applicants’ Exhibit 14 demonstrates that, between 2010 and 2024, 13% of wells deactivated were not reactivated.

3. Third, IPANM objects to Applicants’ proposed clarifying language on the ground that the language was never proposed by Applicants. IPANM Res. at 2-3.

But, of course, Applicants did not previously propose the clarifying language. Applicants proposed throughout the proceeding that **all** wells in TA status be subject to the single well bond

of \$150,000. As a result of deliberations, the Commission created a limited exception to the single well bond of \$150,000 for wells in TA under two years that were not previously subject to a single well bond of \$150,000 as a low producing well (at proposed 19.15.8.9.D NMAC) or as a well in the operator level category (at proposed 19.15.8.9.E NMAC). Applicants proposed new language clarifying the intent of the Commission's limited exception, language no party had seen prior to the Commission's filing on July 16, 2026.

Based on the foregoing and the reasons set forth in Applicants' Motion for Rehearing, Applicants respectfully request the Commission to amend its Final Proposed Rule Amendments as requested in Applicants' motion to clarify the rules to reflect its decision and to ensure there is no ambiguity or uncertainty that wells subject to a \$150,000 single well bond pursuant Subsection D (as a low producing well) or Subsection F (as a well operated by an operator with more than 20% of its wells in inactive, approved TA, or expired TA status) of 19.15.8.9 NMAC immediately prior to being approved for TA status will continue to be subject to a single well bond of \$150,000 during the first two years in TA status.

Respectfully submitted,

/s/ Tannis Fox

Tannis Fox, Senior Attorney
Morgan O'Grady, Staff Attorney
Western Environmental Law Center
330 Garfield Street, Suite 304
Santa Fe, New Mexico 87501
505.629.0732
ogrady@westernlaw.org
fox@westernlaw.org

Kyle Tisdell, Managing Attorney
Western Environmental Law Center
208 Paseo del Pueblo Sur, #602
Taos, New Mexico 87571
575.613.8050
tisdell@westernlaw.org

Matt Nykiel, Staff Attorney
 Western Environmental Law Center
 224 West Rainbow Boulevard, #247
 Salida, Colorado 81201
 720.778.1902
nykiel@westernlaw.org

*Attorneys for Applicants Western
 Environmental Law Center, Citizens Caring
 for the Future, Conservation Voters New
 Mexico Education Fund, Diné C.A.R.E.,
 Earthworks, Naeva, New Mexico Interfaith
 Power and Light, Sierra Club, and
 WildEarth Guardians*

Certificate of Service

I certify that on August 5, 2026, I served by a copy of this pleading to the following via email:

Jesse Tremaine
 Chris Moander
 Michael Hall
 Assistant General Counsels
 New Mexico Energy, Minerals, and
 Natural Resources Department
 1220 South St. Francis Drive
 Santa Fe, New Mexico 87505
jessek.tremaine@emnrd.nm.gov
chris.moander@emnrd.nm.gov
michael.hall@emnrd.nm.gov

Attorneys for Oil Conservation Division

Michael H. Feldewert
 Adam G. Rankin
 Paula M. Vance
 Holland & Hart, LLP
 P.O. Box 2208
 Santa Fe, New Mexico 87504
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

Aaron B. Tucker

Holland & Hart, LLP
 555 17th Street, Suite 3200,
 Denver, Colorado 80202
abtucker@hollandhart.com

Attorneys for OXY USA Inc.

Andrew J. Cloutier
 Ann Cox Tripp
 Hinkle Shanor LLP
 P.O. Box 10
 Roswell, New Mexico 88202-0010
acloutier@hinklelawfirm.com
atripp@hinklelawfirm.com

Attorneys for Independent Petroleum
 Association of New Mexico

Miguel A. Suazo
 James Martin
 James Parrot
 Jacob L. Everhart
 Valkyrie E. Buffa
 Beatty and Wozniak, P.C.
 500 Don Gaspar Avenue

Santa Fe, New Mexico 87505
msuazo@bwenergylaw.com
jmartin@bwenergylaw.com
jparrot@bwenergylaw.com
jeverhart@bwenergylaw.com
kbuffa@bwenergylaw.com

Attorneys for New Mexico Oil and
Gas Association

Jennifer L. Bradfute
Matthias Sayer
Bradfute Sayer P.C.
P.O. Box 90233
Albuquerque, New Mexico 87199
jennifer@bradfutelaw.com
matthias@bradfutelaw.com

Jordan L. Kessler
EOG Resources, Inc.
125 Lincoln Avenue, Suite 213
Santa Fe, New Mexico 87501
Jordan_kessler@eogresources.com

Attorneys for EOG Resources, Inc.

Mariel Nanasi
422 Old Santa Fe Trail
Santa Fe, New Mexico 87501
mnanasi@newenergyeconomy.org

Attorney for New Energy Economy

Nicholas R. Maxwell
P.O. Box 1064
Hobbs, New Mexico 88241
inspector@sunshineaudit.com

Ari Biernoff
General Counsel
Christopher Graeser

Richard H. Moore
Associate Counsel
New Mexico State Land Office
P.O. Box 1148
Santa Fe, New Mexico 87504-1148
abiernoff@nmslo.gov
cgraeser@nmslo.gov
rmoore@nmslo.gov

Attorneys for Commissioner of Public
Lands and New Mexico State Land Office

Felicia Orth
Hearing Officer
New Mexico Energy, Minerals, and
Natural Resources Department
Wendell Chino Building
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Felicia.l.orth@gmail.com

Oil Conservation Commission Hearing
Officer

Zachary A. Shandler
Assistant Attorney General
New Mexico Department of Justice
P.O. Box 1508
Santa Fe, New Mexico 87504
zshandler@nm DOJ.gov

Oil Conservation Commission Counsel

Sheila Apodaca
New Mexico Energy, Minerals, and
Natural Resources Department
Wendell Chino Building
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
occ.hearings@emnrd.nm.gov
Oil Conservation Commission Clerk

/s/ Tannis Fox
Tannis Fox