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

APPLICANTS' NOTICE OF FILING AMENDED PROPOSED NOTICE OF HEARING

Applicants Western Environmental Law Center, et al., hereby file a Notice of Filing Amended Proposed Notice of Hearing. To account for Oil Conservation Division hearings coming up before the Oil Conservation Commission and the upcoming legislative session during which the Commission generally does not meet, Applicants propose a new hearing date of April 7, 2024, and have revised the dates for filing pre-hearing statements with direct testimony and exhibits and rebuttal testimony and exhibits, and related dates, accordingly. Applicants also make other minor non-substantive clarifying changes. Attached are a redline of the Notice of Hearing showing the changes to the notice, and a clean copy of the amended Proposed Notice of Hearing, which is Applicants' Amended Exhibit 2.

Respectfully submitted,

/s/Allyson A. Beasley
Allyson Beasley, Staff Attorney
Kyle Tisdel, Managing Attorney
Morgan O'Grady, Staff Attorney
Tannis Fox, Senior Attorney
Western Environmental Law Center
409 East Palace Avenue, #2
Santa Fe, New Mexico 87501
beasley@westernlaw.org
tisdel@westernlaw.org
ogrady@westernlaw.org
fox@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, San Juan Citizens Alliance, and Sierra Club

Certificate of Service

I certify that on August 12, 2024, I served a copy of the foregoing pleading to the following via electronic mail:

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

Attorneys for OXY USA Inc.

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

Attorneys for New Mexico Oil Conservation Division Andrew J. Cloutier Hinkle Shanor LLP P.O. Box 10 Roswell, New Mexico 88202-0010 acloutier@hinklelawfirm.com

Attorney for Independent Petroleum Association of New Mexico

Miguel A. Suazo
James Martin
James Parrot
Kaitlyn A. Luck
Beatty and Wozniak, P.C.
500 Don Gaspar Avenue
Santa Fe, New Mexico 87505
msuazo@bwenergylaw.com
jmartin@bwenergylaw.com
jparrot@bwenergylaw.com
kluck@bwenergylaw.com

Attorneys for New Mexico Oil and Gas Association

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

<u>/s/Allyson A. Beasley</u> Allyson A. Beasley

APPLICANTS' AMENDED EXHIBIT 2 REDLINE

AMENDED EXHIBIT B [PROPOSED] NOTICE OF PUBLIC HEARING

The New Mexico Oil Conservation Commission (Commission) hereby gives notice that the Commission will hold a public hearing to consider proposed amendments to Commission rules at 19.15.2, -5, -8, -9, and -25 NMAC. Western Environmental Law Center, Citizens Concerned for the Future, Conservation Voters New Mexico Education Fund, Diné C.A.R.E., Earthworks, Naeva, New Mexico Interfaith Power and Light, San Juan Citizens Alliance, and Sierra Club propose the amendments. The public hearing will held in-person, online, and by telephone commencing <u>April 7</u>, 2025 October 21, 2024 at 9:00 am and continuing each weekday thereafter as necessary.

<u>Purpose of Proposed Amendments.</u> The purpose of the proposed amendments is to require financial assurance from oil and gas operators that better reflects the actual costs to plug and abandon oil and gas wells in the state, to better protect the State of New Mexico against the risks of wells becoming orphaned, and to better ensure that wells placed in temporary abandonment will be returned to beneficial use within a reasonable period or will be plugged and abandoned.

<u>Summary of Proposed Amendments.</u> The proposed amendments would <u>require</u> add meeting the waste prevention requirements at 19.15.27 and -28 NMAC <u>in order</u> as a requirement for an operator to be in compliance at 19.15.5.9.A NMAC; modify financial assurance requirements for wells at 19.15.8 NMAC to better reflect actual well plugging and abandonment costs and risks to the state and add new categories for financial assurance based on risk; modify change of operator requirements at 19.15.9 NMAC to better protect against risks to the state; modify requirements at 19.15.25 NMAC for placing wells in approved temporary abandonment status, maintaining wells in that status, and renewing that status; and modify certain definitions at 19.15.2 NMAC to reflect the other proposed amendments.

Legal Authority. The proposed rule is authorized by the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38, including Section 70-2-6 (authorizing Commission to exercise jurisdiction, authority, and control over all persons, matters, and things necessary or proper to enforce the statute), Section 70-2-11 (authorizing Commission to make rules to prevent waste, protect correlative rights, and to do whatever may be reasonably necessary to implement the statute), Section 70-2-12 (enumerating powers of Commission and Oil Conservation Division (OCD)), and Section 70-2-14 (authorizing Commission to establish categories of financial assurance). The public hearing is governed by the Commission's rule on rulemaking proceedings at 19.15.3 NMAC.

<u>Availability of Proposed Amendments.</u> The full text of the proposed amendments are available on OCD's website at http://www.emnrd.state.nm.us/OCD/rules.html or may be obtained from Commission Clerk Sheila Apodaca at occ.hearings@emnrd.nm.gov.

<u>Written Comments.</u> Any person may submit written comments on the proposed amendments no later than 5:00 pm on <u>April 7, 2025October 21, 2024</u>, unless extended by the Commission, by mail or delivery to Sheila Apodaca, Commission Clerk, Wendell Chino Building, 1220 S. St. Francis Dr., Santa Fe, NM 87505, or by email to the Commission Clerk at <u>occ.hearings@emnrd.nm.gov</u>.

<u>Public Hearing.</u> The public hearing will be held in-person, online, and by telephone commencing on <u>April 7, 2025 October 21, 2024</u> at 9:00 am and continuing each weekday thereafter as necessary.

The hearing will be held in Pecos Hall on the first floor in the Wendell Chino Building at the address above. For information how to participate in the hearing, please contact the Commission Clerk at occ.hearings@emnrd.nm.gov or 505-699-8358, or visit the Hearings page on OCD's website at http://www.emnrd.state.nm.us/OCD/hearings.html. Public comment will be accepted each day of the hearing beginning at 9:00 am and at 4:00 pm.

Proposed Modifications. Technical Testimony, and Cross-Examination. Any person intending to propose a modification to the proposed amendments, to present technical testimony at the hearing, or to cross-examine witnesses must file a Pre-hearing Statement conforming to the requirements of 19.15.3.11.B NMAC, except that instead of filing a concise statement of each witness's testimony as required by 19.15.3.11.B(2) NMAC, the person shall file each witness's full testimony. Full direct testimony and exhibits shall be filed no later than 5:00 pm on January 31, 2025 August 26, 2024. Full rebuttal testimony and exhibits shall be filed no later than 5:00 pm on March 7, 2025 September 23, 2024. Filing may be accomplished by mail or delivery to Sheila Apodaca, Commission Clerk, Wendell Chino Building, 1220 S. St. Francis Dr., Santa Fe, NM 87505, or by email to the Commission Clerk at occ.hearings@emnrd.nm.gov. Any person who presents technical testimony will be subject to cross-examination by the members of the Commission, the Commission's counsel, or another person who filed a Pre-hearing Statement.

Oral Comments. Any person who did not file a Pre-hearing Statement may present non-technical testimony or make an unsworn statement at the hearing, and may offer exhibits at the hearing so long as the exhibits are relevant to the proposed rule and do not unduly repeat testimony. Any person who presents sworn, non-technical testimony will be subject to cross-examination by the Commission, the Commission's counsel, or another person who has filed a Pre-hearing Statement.

Persons with Disabilities. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, including a summary or other accessible form of document, please contact the Commission Clerk at <u>occ.hearings@emnrd.nm.gov</u> or 505-699-8358 or through the New Mexico Relay Network at 1-800-659-1779, no later than 5:00 pm on <u>April 4, 2025 October 18, 2024</u>.

Technical Information. Technical information that may be provided through Pre-hearing Statements and written technical testimony will be made publicly available on the OCD Imaging, Case File Search portal on OCD's website at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx, and may be accessed by searching for Case File No. 24683—.

APPLICANTS' AMENDED EXHIBIT 2

AMENDED EXHIBIT B [PROPOSED] NOTICE OF PUBLIC HEARING

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