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

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

> CASE NO. 10907 Order No. R-10061

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION TO AMEND RULES 1111, 1112 AND 1115 OF ITS GENERAL RULES AND REGULATIONS.

INTERIM ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at Santa Fe, New Mexico, on February 10, 1994, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this <u>1/th</u> day of February, 1994, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,</u>

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The Commission finds that the Oil Conservation Division has filed an application with the Commission to amend Rules 1111, 1112 and 1115 to provide for the filing of operators and transporters monthly reports on the last day of the month following the month of production.

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(3) The previous rule requires the filing of Form C-111 and C-112 by the 15th of the month following the month of production and filing of the operators Form C-115 by the 24th day of the month following the month of production. These filing deadlines do not provide sufficient time to enable operators and transporters to correctly gather and report the information required.

(4) The Oil Conservation Division, together with Taxation and Revenue Department and State Land Office, are implementing the ONGARD Reporting system, and the proper implementation of that system requires accurate and complete reports which can best be accomplished by extending the filing dates prior to the time the rule change can be made.

(5) A witness for Yates Petroleum Corp. requested that the filing date be the 15th day of the second month following the month of production in order to permit more time to gather information to prepare accurate reports. The Division witness had no objection to that request.

(6) Because the ONGARD reporting system will be used for the production month of January, 1994, and thereafter, it is necessary that until such time as Rules 1111, 1112 and 1115 can be amended, the filing date for reports C-111, C-112 and C-115 should be the Fifteenth (15th) day of the second month following the month of production, or if such day falls on a weekend or holiday, the last workday prior thereto. Reports must be postmarked or otherwise transmitted by 5:00 p.m. on that date.

IT IS THEREFORE ORDERED THAT:

(1) Until such time as new rules 1111, 1112 and 1115 are adopted by the Commission, the deadline for filing reports C-111, C-112 and C-115 shall be the Fifteenth (15) day of the second month following the month of production, or if such day falls on a weekend or holiday, the last workday prior thereto. Reports must be postmarked or otherwise transmitted by 5:00 p.m. on that date.

Jurisdiction of this cause is hereby retained for the entry of such further orders as the Commission may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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WILLIAM J. WEISS, Member

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GARY CARLSON, Member

and the <u></u>

WILLIAM J. LEMAY, Chairman