

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

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

*Case No. 12248
Order No. R-11249*

**APPLICATION OF OIL CONSERVATION DIVISION TO AMEND DIVISION
RULE 34 REGARDING THE NEW WELL TAX INCENTIVE**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 10 o'clock a.m. on September 23 and October 14, 1999, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 14th day of October, 1999, the Commission, a quorum being present, having considered the record,

FINDS THAT:

(1) Due public notice has been given and the Commission has jurisdiction of this case and its subject matter.

(2) Section D of New Mexico Oil Conservation Division Rule 34 should be amended to delete from 34.D(2) the sentence "Any application not acted upon by the Division within thirty (30) days from the date it is filed is deemed denied."

(3) This amendment will enable the Division to hold applications longer than 30 days when determining which wells qualify as the first 600 new wells drilled.

(4) It is necessary to adopt Section D of Rule 34 as amended and set forth in the attached Exhibit "A".

IT IS THEREFORE ORDERED:

(1) Section D of Division Rule 34 is hereby amended and adopted as set forth in the attached Exhibit "A".

(2) Amended Section D of Rule 34 shall be effective as of the date of its publication in the New Mexico Register.

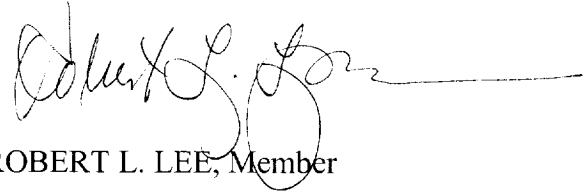
(3) Jurisdiction of this case is retained for the entry of such further orders as the Commission may deem necessary.

(4) Done at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JAMI BAILEY, Member



ROBERT L. LEE, Member



LORI WROTENBERG, Chairman

S E A L

EXHIBIT "A"
CASE NO. 12248
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34 NEW WELL TAX INCENTIVE

34.D. Certification, Notification and Hearing

- (1) Upon approval of the application, the Division shall certify that approval by sending a copy of the approved application to the operator and the Secretary of Taxation and Revenue.
- (2) The Division shall consider applications without a hearing. The Division may request additional information from an operator to support the application. If the Division denies an application, the Division upon the applicant's request shall set the application for hearing.
- (3) The operator shall notify all working interest owners of the approval and certification of the well as a new well.

[6-15-99, A, 10-29-99]