Entered October 5, 1960 all.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 2070 Order No. R-1775

APPLICATION OF THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO CON-SIDER THE REVISION OF RULE 311 OF THE COMMISSION RULES AND REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 14, 1960, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>3rd</u> day of October, 1960, 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,

FINDS:

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

(2) That it has come to the attention of the Commission that in some instances there has been an undue delay between approval of a sediment oil destruction permit (Form C-117-A) and the utilization thereof.

(3) That accordingly Rule 311 (b) of the Commission Rules and Regulations should be revised to provide that a sediment oil destruction permit must be utilized within ten (10) days after approval thereof by the District Supervisor, with a proviso that one ten (10) day extension can be approved by said District Supervisor.

IT IS THEREFORE ORDERED:

That Rule 311 (b) of the Commission Rules and Regulations be and the same is hereby revised to read in its entirety as follows:

> No sediment oil shall be burned or otherwise destroyed unless and until the Commission has

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> approved an application to destroy the same on Form C-117-A (sediment oil destruction permit). Unless the authorization to burn sediment oil is utilized within ten (10) days after approval of the Form C-117-A, such authorization is automatically revoked. However, the District Supervisor may approve one ten (10) day extension in writing for good cause shown. No sediment oil destruction permit shall be required when the sediment oil is put to beneficial use on the originating lease for purposes of oiling lease roads, fire walls, tank grades, or other similar purposes.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

Carter.

A. L. PORTER, Jr., Member & Secretary

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