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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO CONSIDER AMENDMENTS TO ITS "SPECIAL RULES FOR APPLICATIONS FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATIONS," PURSUANT TO THE NATURAL GAS POLICY ACT OF 1978 (NGPA), AS PROMULGATED BY DIVISION ORDER NO. R-5878-B, AS AMENDED.

> CASE NO. 9356 ORDER NO. R-5878-B-4

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 11, 1988, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>17th</u> day of May, 1988, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) By its Order No. R-5878-B, effective July 15, 1980, the New Mexico Oil Conservation Division promulgated "Special Rules for Application of Wellhead Price Ceiling Category Determinations" pursuant to the Natural Gas Policy Act of 1978 and the "Final Regulations Implementing Filing Requirements of the Natural Gas Policy Act of 1978," as promulgated by Federal Energy Regulatory Commission (FERC) Order No. 65 effective February 4, 1980.

(3) Said special rules and the Division forms adopted pursuant thereto have from time to time been amended to conform with the FERC regulations as they have been amended, to eliminate unnecessary paperwork, to include various provisions necessary to up-grade filing procedures and to include a provision for filing fees.

(4) The 38th State Legislature of New Mexico, at its first Session, enacted Chapter 234, Laws of 1987, approved April 9, 1987, being the "Energy, Minerals and Natural Resources Department Act," and made effective July 1, 1987.

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(5) Said act established a single Department to administer laws and exercise functions formerly administered and exercised by the Natural Resources Department and the Energy and Minerals Department, now known as the Energy, Minerals and Natural Resources Department, one of the Divisions of which is the Oil Conservation Division, hereinafter referred to as the "Division."

(6) Division Form C-132, "Application for Wellhead Price Ceiling Category Determination," and Division Form C-132-A, "Application for Continued Stripper Classification," should be revised to reflect the Department name change as shown on Exhibits A and B respectively, attached hereto and made a part hereof.

(7) All other provisions included in said Order No. R-5878-B, as amended, should remain in full force and effect.

(8) This order should be made effective May 16, 1988.

IT IS THEREFORE ORDERED THAT:

(1) The New Mexico Oil Conservation Division Form C-132, "Application for Wellhead Price Ceiling Category Determination," is hereby revised to conform to Exhibit A attached hereto and, by reference, made a part hereof.

(2) Division Form C-132-A, "Application for Continued Stripper Classification," is hereby revised to conform to Exhibit B attached hereto and, by reference, made a part hereof.

(3) The effective date of this order shall be May 16, 1988.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVACTION DIVISION \mathcal{Q} WILLIAM J. LEMAY Director

SEAL

FOR DIVISION FOR DIVISION	Form C-132 Revised 5/16/88 SA. Indicate Type of Lease
USE ONLY: APPLICATION FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATION APPROPRIATE FILING FEE(S) ENCLOSED? YES NO DATE COMPLETE APPLICATION FILED Effective October 1. 1986. DATE DETERMINATION MADE a non-refundable filing fee WAS APPLICATION CONTESTED? YESNO of \$25.00 per category for NAME(S) OF INTERVENOR(S), IF ANY: (Rule 2. Order Ho. R-5878-8-3)	
2. Name of Operator	9. Well No.
3. Address of Operator	10. Field and Pool, or Wildcat
4. LOCATION OF Well UNIT LETTER LOCATED PEET PROM THE LINE LINE LINE PEET PROM THE LINE AND PEET PROM THE NUPL NUPL PEET PROM THE NUPL NUPL NUPL PEET PROM THE NUPL NUPL NUPL PEET PROM THE NUPL NUPLNUPLN	12. County

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Check appropriate box for category sought and information submitted. Enter

	information on lines 1 and 2, below.	
1. Categ	gory(ies) sought (By NGPA Section No.)	
2° Filin	ng Fee(s) Amount enclosed: \$	
3. All .	applications must contain:	
· 🗖 🚛	C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK	
<u>с</u> ь.	C-105 WELL COMPLETION OR RECOMPLETION REPORT	
— •.	DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111	
<u>с</u> а.	AFFIDAVITS OF MAILING OR DELIVERY	
	In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules Applications for Wellhead Price Ceiling Category Determinations" a follows:	for
	A. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Hile or 10 Feet Deeper Test)	00
	All items required by Rule 14(1) and/or Rule 14(2)	
	B. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reserved	.r)
	All items required by Rule 15	
	C. NEW ONSHORE PRODUCTION WELL UNDER SEC. 103	
	All items required by Rule 16A or Rule 16B	
	D. SEC. 107 HIGH-COST NATURAL GAS (TIGHT FORMATION, DEEP, COAL SEAM, AND PRODUCTION ENHANCEMENT)	、
	All items required by Rule 17(1), Rule 17(2), Rule 17(4) or Rule 17(5)	,
	E. STRIPPER WELL NATURAL GAS UNDER SEC. 108	
	. 🛄 All items required by Rule 18	
I HEREBY CERTIFY THAT THE	F INFORMATION CONTAINED FOR DIVISION USE ONLY	
HEREIN IS TRUE AND COMPLE KNOWLEDGE AND BELIEF.	ETE TO THE BEST OF MY Approved	
	Disapproved	
NAME OF APPLICANT	of the information required to be applicant under Subpart 8 of Part	The information contained herein includes all of the information required to be filed by the applicant under Subpart 8 of Part 274 of the
Title	FERC regulations.	
Date	EXAMINER	

EXHIBIT "A"

CASE NO. 9356

ORDER NO. R-5878-B-4

State of New Mexico	
ENDER ENDERALE DA NATURAL RESOURCES DEPARTMENT	Form C-132-A Revised 5/16/88
OIL CONSERVATION DIVISION FOR DIVISION F.G. BOX 2016 Sente Fo. New Mexico 87504-2088 USE ONLY: APPLICATION FOR CONTINUED STRIPPER CLASSIFICATION DATE COMPLETE APPLICATION FILED DATE DETERMINATION MADE OF \$25.00 per category for	3A. Indicate Type of Leave state state freed state rec
WAS APPLICATION CONTESTED? YESNO NAME(S) OF INTERVENOR(S), IF ANY:(Rule 2, Order Mo. R-5878-8-3)	8. Farm of Lease Name
2. Name of Operator	9. Well No.
3. Address of Operator	10. Field and Pool, or Wildcat
4. Location of Well UNIT LETTER LOCATED FEET FROM THE (INE	12. County
AND PEET FROM THE LINE OF SEE. THP. ROE. HUPW 11. Name and Address of Pyrchaser(s)	

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CLASSIFICATION

 Check appropriate box information submitted. lines 2 and 3.c., below 	for category sought and Enter required information on w.
2. Filing fee(s), Amount	enclosed: \$
the applicable rule of	contain the items required by the Division's "Special Rules ellhead Price Ceiling Category lows:
A. Increased product enhanced recovery	ion resulting from recognized techniques
🛄 All Items requ	ired by Rule 19 .
B. Well is seasonally	y affected
🔲 All items requ	ired by Rule 20
C. Increased product pressure buildup	ion resulting from temporary for the 90-day period ending
All items requi	ired by Rule 21
	·
I HEREBY CERTIFY THAT THE INFORMATION CONTAINED	FOR DIVISION USE ONLY
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.	Approved
	C Olsapproved
NAME OF APPLICANT (Type or Print)	The information contained herein includes all of the information required to be filed by the
SIGNATURE OF APPLICANT Title	applicant under Subpart B of Part 274 of the FERC regulations.
Date	FYAMINED

EXHIBIT "B" CASE NO. 9356 ORDER NO. R-5878-B-4