STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING THE APPLICATION BY THE OIL CONSERVATION DIVISION TO AMEND COMMISSION ORDER NO. R-7940 TO PROVIDE FOR THE EXPANSION OF THE DESIGNATED VULNERABLE AREA OF THE SAN JUAN BASIN, ELIMINATION OF DISCHARGES TO UNLINED PITS, CREATION OF WELLHEAD PROTECTION AREAS, ESTABLISHMENT OF DEADLINES FOR COMPLIANCE AND REGISTRATION OF CERTAIN PITS.

> CASE NO. 10436 Order No. R-7940-B

ORDER GRANTING REHEARING

The Oil Conservation Division grants the petition for rehearing of the captioned case which was applied for by the Four Corners Gas Producers Association and the New Mexico Oil and Gas Association. The Commission will hear evidence only pertaining to the following issues:

1. <u>Time Table For Discharge Elimination</u>.

To reconsider allowing extensions of up to two years to the basic one year- two year- three year timetable for the elimination of discharges;

2. <u>Radius of Protection Area</u>.

To reconsider the establishment of a different radius wellhead protection area around private water wells and springs which are not part of a community or municipal water supply; and

3. Notice Requirements for Variances.

To consider clarifying language for the provision of the order which provides for variances on a "case by case basis" and to determine appropriate notice requirements for a variance request.

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DONE at Santa Fe, New Mexico on this 4th day of September, 1992.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Qo WILLIAM J. LEMAY, Chairman

SEAL