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. 9503 ORDER NO. R-8794

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULES 4 AND 1128 TO REFLECT THE COR-RECT FEDERAL AGENCY NAME AND FORM NUMBERS REQUIRED ON FEDERAL LAND.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on October 20, 1988, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>lst</u> day of December, 1988, 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 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 Bureau of Land Management (BLM) assumed all functions of the United States Geological Survey (USGS) relating to oil and gas production.

(3) In November, 1983, the BLM revised various form numbers so that Form No. 9-331C (Application for Permit to Drill, Deepen or Plug Back) is now No. 3160-3; Form No. 9-331 (Sundry Notices And Reports On Wells) is now No. 3160-5; and Form No. 9-330 (Well Completion Or Recompletion Report And Log) is now No. 3160-4. -2-CASE NO. 9503 Order No. R-8794

(4) Rule 4, which governs United State Government Leases, and Rule 1128, which governs Forms Required on Federal Land, have not been amended to reflect the changes listed above.

(5) At the hearing Phillips Petroleum Company appeared and presented recommendations for minor language changes in order to clarify both rules.

(6) No objections were made to Phillips' recommendations and these changes should be incorporated into the amended rules.

(7) Division Rule 4 should be amended to reflect the changes in Federal agency name and form numbers as shown on Exhibit "A" attached to this order.

(8) Division Rule 1128 should be amended to reflect the changes in Federal agency name, form numbers, and revision dates for forms as shown on Exhibit "B" attached to this order.

IT IS THEREFORE ORDERED THAT:

(1) Division Rule 4 is hereby amended to read in its entirety as shown on Exhibit "A" attached to and made a part of this order.

(2) Division Rule 1128 is hereby amended to read in its entirety as shown on Exhibit "B" attached to and made a part of this order.

(3) The effective date of this order and amended Rules 4 and 1128 shall be January 1, 1989.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary. -3-CASE No. 9503 Order No. R-8794

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

WILLIAM R. HUMPHRIES, Member

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ERLING A. BROSTUEN, Member

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WILLIAM J. LEMAY, Chairman and Secretary

S E A L

Exhibit "A"

RULE 4. UNITED STATES GOVERNMENT LEASES

Operator shall file or cause to be filed with the Division copies of "Application for Permit to Drill, Deepen or Plug Back," (BLM Form No. 3160-3), "Sundry Notices and Reports on Wells," (BLM Form No. 3160-5), and "Well Completion or Recompletion Report and Log," (BLM Form No. 3160-4), as approved by the Bureau of Land Management for wells on U.S. Government Land.

Exhibit "B"

RULE 1128. FORMS REQUIRED ON FEDERAL LANDS

Federal forms shall be used in lieu of State forms when filing APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK and SUNDRY NOTICES AND REPORTS ON WELLS and WELL COMPLETION OR RECOMPLETION REPORT AND LOG for wells on Federal lands in New Mexico. However, it shall be the duty of the operator to submit two extra copies of each of such forms to the BLM, which, upon approval, will transmit same to the Division. The following BLM forms will be used in lieu of Division forms by operators of wells on Federal land:

BLM Form No.	Title of Form	Form No.
	(Same for both agencies)	
3160-3 (Nov. 1983)	APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK	C-101
3160-5 (Nov. 1983)	SUNDRY NOTICES AND REPORTS ON WELLS	C-103
3160-4 (Nov. 1983)	WELL COMPLETION OR RECOM- PLETION REPORT AND LOG	C-105

The above forms as may be revised are the only forms that may be submitted in place of Division forms.

After a well is completed and ready for pipeline connection, Division Form C-104 shall be filed along with a copy of Form C-105 or BLM Form No. 3160-4, whichever is applicable, with the Division on any and all wells drilled in the State, regardless of land status. Further, all reports and forms as required under the preceding rules of this section of the Rules and Regulations that pertain to production must be filed on the proper Oil Conservation Division form as set out in said rule - no other forms will be accepted.

Failure to comply with the provisions of this rule will result in the cancellation of Form C-104 for the affected well or wells.