#### 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. 9505 ORDER NO. R-8796

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULES 1100 AND 1123.

### 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) Division Rule 1123 provides for an operator to file Form C-123, Request For The Extension Of An Existing Pool Or The Creation Of A New Pool, with the appropriate district office of the Oil Conservation Division when seeking to extend an existing pool or create a new pool.

(3) Since the promulgation of Division Rule 1123, Division policy regarding the extension of pools has changed in that the district geologists initiate regular nomenclature hearings to provide for routine pool extensions. CASE NO. 9505 Order No. R-8796 Page -2-

(4) The Division now seeks to amend Rule 1123 by eliminating the requirement for the filing of Form C-123 for pool extensions.

(5) Division Rule 1123 should be amended as shown on Exhibit "A" attached to this order.

(6) Division Rule 1100, which lists the number and title of all Division forms, should be amended, as shown on Exhibit "B" attached to this order, to eliminate "--or Extension of an Existing Pool" from the title of Form C-123.

The effective date of this order should be January (7) 1, 1989.

IT IS THEREFORE ORDERED THAT:

(1) Division Rule 1123 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 1100 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 1123 and 1100 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.

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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WILLIAM J. LEMAY, Chairman and Secretary

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# Exhibit "A"

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RULE 1123. REQUEST FOR THE CREATION OF A NEW POOL (Form C-123)

The operator of a well which requires the creation of a pool shall be given written instructions by the appropriate district office regarding the filing of Form C-123 in DUPLICATE.

### Exhibit "B"

RULE 1100. GENERAL

## A. Where to File Reports

Unless otherwise specifically provided for in any rule or order of the Division, all forms and reports required by these rules shall be filed with the appropriate District Office of the Division as provided in Rules 1301 and 1302.

#### B. Additional Data

These rules shall not be construed to limit or restrict the authority of the Oil Conservation Division to require the furnishing of such additional reports, data, or other information relative to the production, transportation, storing, refining, processing, or handling of crude petroleum oil, natural gas, or products in the State of New Mexico as may appear to it to be necessary or desirable, either generally or specifically, for the prevention of waste and the conservation of natural resources of the State of New Mexico.

# C. Books and Records

All producers, injectors, transporters, storers, refiners, gasoline or extraction plant operators, treating plant operators, and initial purchasers of natural gas within the State of New Mexico shall make and keep appropriate books and records for a period of not less than five years, covering their operations in New Mexico, from which they may be able to make and substantiate the reports required by these rules.

# D. Written Notices, Requests, Permits and Reports

The forms listed below shall be used for the purpose shown in accordance with the instructions printed thereon and the rule covering the use of the form, or any special rule or order pertaining to its use.

Form C-101	Application for Permit to Drill, Deepen or Plug Back
Form C-102	Well Location and Acreage Dedication Plat
Form C-103	Sundry Notices and Reports on Wells
Form C-104	Request for Allowable and Authorization to Transport Oil and Natural Gas
Form C-105	Well Completion or Recompletion Report and Log

- Form C-106 Notice of Intention to Utilize Automatic Custody Transfer Equipment
- Form C-107 Application for Multiple Completion
- Form C-108 Application to Dispose of Salt Water by Injection into a Porous Formation
- Form C-109 Application for Discovery Allowable and Creation of a New Pool
- Form C-111 Gas Transporter's Monthly Report (Sheet 1 and Sheet 2)
- Form C-112 Transporter's and Storer's Monthly Report
- Form C-113 Refiner's Monthly Report (Sheet 1 and Sheet 2)
- Form C-115 Operator's Monthly Report
- Form C-115-EDP Operator's Monthly Report (electronic data processing)
- Form C-116 Gas-Oil Ratio Tests
- Form C-117-A Tank Cleaning, Sediment Oil Removal, Transportation of Miscellaneous Hydrocarbons and Disposal Permit
- Form C-117-B Monthly Sediment Oil Disposal Statement
- Form C-118 Treating Plant Operator's Monthly Report (Sheet 1 and Sheet 2)
- Form C-119 Carbon Black Plant Monthly Report
- Form C-120-A Monthly Water Disposal Report
- Form C-121 Crude Oil Purchaser's Nomination
- Form C-121-A Purchaser's Gas Nomination
- Form C-122 Multi-Point and One Point Back Pressure Test for Gas Wells
- Form C-122-A Gas Well Test Data Sheet-San Juan Basin (Initial Deliverability Test, blue paper; Annual Deliverability Test, white paper)
- Form C-122-B Initial Potential Test Data Sheet
- Form C-122-C Deliverability Test Report

- Form C-122-D Worksheet for Calculation of Static Column Wellhead Pressure (P<sub>w</sub>)
- Form C-122-E Worksheet for Stepwise Calculation of (Surface) (Subsurface) Pressure ( $P_c$  and  $P_w$ )
- Form C-122-F Worksheet for Calculation of Wellhead Pressures (P or P) from Known Bottomhole Pressure ( $P_f$  or  $P_s$ )
- Form C-122-G Worksheet for Calculation of Static Column Pressure at Gas Liquid Interface
- Form C-123 Request for the Creation of a New Pool
  - Form C-124 Reservoir Pressure Report
  - Form C-125 Gas Well Shut-in Pressure Report
  - Form C-126 Permit to Transport Recovered Load Oil
  - Form C-127 Request for Allowable Change
  - Form C-129 Application for Exception to No-Flare Rule 306
  - Form C-130 Notice of Disconnection
- Form C-131-A Monthly Gas Storage Report
- Form C-131-B Annual LPG Storage Report
- Form C-133 Authorization to Move Produced Water