

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION FOR THE
AMENDMENT OF 19.15.14.8.A NMAC.**

CASE NO. 14805

OIL CONSERVATION DIVISION PRE-HEARING STATEMENT

The Oil Conservation Division (OCD) submits this pre-hearing statement pursuant to 19.15.3.11 NMAC.

1. The OCD requests the Commission adopt amendment to Part 14.8.A of Title 19, Chapter 15 of the New Mexico Administrative Code, revising the provision relating to requiring an operator to obtain an approved application for permit to drill, as follows:
2. Require an operator to obtain A PERMIT approved by the division prior to commencing drilling, deepening or re-entry operations, commencing an additional lateral, plugging a well back to a different pool, or completing or re-completing a well in an additional pool. (Emphasis added).

Witness

1. David K. Brooks, Attorney

Qualifications and Experience:

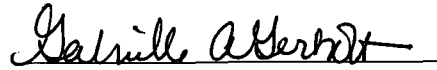
J.D. degree (with high honors) from University of Texas at Austin, 1973.
Practiced oil and gas law with private law firms for 15 years in Texas, Colorado and New Mexico.
Employed by the Division for 10 ½ years as attorney and hearing examiner.

Concise statement of testimony

Mr. Brooks will describe the Division's existing rule regarding the requirement for an approved application for permit to drill and why it is necessary to amend the rule to require an operator to obtain a permit.

Approximate time of testimony: 15 minutes

Respectfully Submitted,

A handwritten signature in black ink, reading "Gabrielle Gerholt", written over a horizontal line.

Gabrielle Gerholt
Assistant General Counsel
Energy, Minerals and Natural
Resources Department
Oil Conservation Division
1220 S. St. Francis Drive
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(505)-476-3451

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AFFIDAVIT OF NOTICE

My name is Theresa Duran-Saenz, and I am a Legal Assistant with the Energy, Minerals and Natural Resources Department. I hereby certify that notice of Case 14805 was given as follows:

1. On February 28, 2012, the Oil Conservation Commission issued a notice for hearing in Case No. 14805 to be conducted on March 27, 2012 for the purpose of amending 19.15.14.8.A and to require an operator to obtain a permit for deepening or re-entry operations, plugging a well back to a different pool or completing or re-completing a well in an additional pool.

2. 19.15.3.9(A)(1) NMAC requires that the notice be published one time in a newspaper of general circulation in the state, no less than 20 days prior to the scheduled hearing date. The proposed amendments in Case 14805 affect the state of New Mexico.

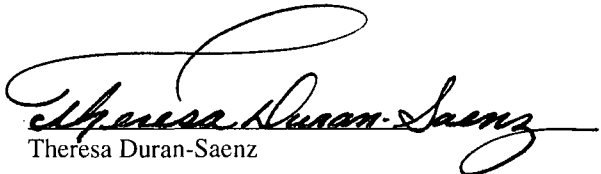
- The Albuquerque Journal is a newspaper of general circulation in New Mexico. Exhibit 1.A is a copy of the publication from the Albuquerque Journal, showing publication of the Notice on March 2, 2012.

3. 19.15.3.9.A(2) NMAC requires that the notice be published on the applicable Oil Conservation Commission (OCC) docket and that the clerk send the docket by regular or electronic mail not less than 20 days prior to the hearing to all who have requested such notice. The docket was posted on March 6, 2012 and sent that day by electronic mail to those individuals who requested such notice, and to those individuals who requested notice of rulemaking. See Exhibit 1.B (the docket), attached.

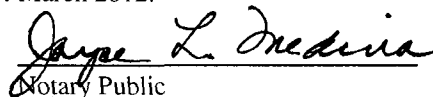
4. 19.15.3.9.A(3) NMAC requires that the notice be published one time in the New Mexico Register, with the publication date not less than 10 business days prior to the scheduled hearing date. The Notice was published in the New Mexico Register on March 15, 2012. See Exhibit 1.C, attached.

5. 19.15.3.9.A(4) NMAC requires that the notice be published by posting on the OCD's website not less than 20 days prior to the scheduled hearing date. The Notice was scanned and posted on February 28, 2012. See Exhibit 1.D, attached.

This concludes my affidavit.


Theresa Duran-Saenz

SUBSCRIBED AND SWORN to before me this 20th day of March 2012.


Notary Public

My Commission Expires: 12/31/15