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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION THROUGH THE SUPERVISOR OF DISTRICT II FOR AN EMERGENCY ORDER SUSPENDING CERTAIN APPROVED APPLICATIONS FOR PERMITS TO DRILL, AND FOR ADOPTION OF SPECIAL RULES FOR DRILLING IN CERTAIN AREAS FOR THE PROTECTION OF FRESH WATER, CHAVES AND EDDY COUNTIES, NEW MEXICO

EXTENSION ORDER NO. E-42 CASE NO. 15487

EMERGENCY ORDER

BY THE DIVISION:

This matter came on for consideration by the Division Director on April 7, 2016, pursuant to the Application of the acting Supervisor of District II.

NOW, on this 25th day of April, 2016, the Director, having considered the matter, and being fully advised;

FINDS THAT:

- [1] An emergency exists that requires the extension of the Emergency Order heretofore issued in this case for an additional 15 days, to be effective from the date of this Order, pursuant to NMSA 1978, Section 70-2-23, and shortening the time for notice of the hearing.
- [2] The emergency exists because applications for permits to drill have been issued and are now in force the conditions of which may not adequately protect certain fresh water aquifer(s) in the area specified in Exhibit "A" attached hereto (Designated Area), and a hearing cannot practicably be held before May 10, 2016.

IT IS THEREFORE ORDERED THAT:

[1] Emergency Order No. E-42 is hereby extended for an additional fifteen days, commencing on the date of this Order.

- [2] All Applications for Permits to Drill that the Division has heretofore approved and that have not expired, for wells within the Designated Area (as defined on Exhibit A attached to this Order) not yet drilled, are hereby suspended during the term of this order.
- [3] The acting District Supervisor of Oil Conservation Division District II is authorized to make exceptions to the suspension above provided upon conditions that he determines will adequately protect all sources of fresh water designated by the State Engineer.
- [4] This case is hereby set for hearing on Wednesday, May 10, 2016 at 9:00 a.m; the earliest date and time at which it can be set consistently with orderly administration.
- [6] By reason of the emergency above described, and pursuant to the authority of OCD Rule 19.15.2.11.B NMAC, the 20-day period required for notice of Oil Conservation Division hearings required by Rules 19.15.4.9.B and 19.15.4.12B is hereby shortened to ten business days, and must be posted or mailed, as required, not later than Tuesday, April 26, 2016.
- [7] Jurisdiction is retained for issuance of such additional orders as may be necessary and proper.

DONE at Santa Fe, New Mexico, on the day and year above stated.

STATE OF NEW MEXICO OIL CONSERVATION, DIVISION

DAVID R. CATANACH Director

Exhibit A

T 7S R21E - All - All, T 7S R22E - All - All, T7S R23E - All - All, T7S R24E Sec 4-9, 16-21, 27-34

T 8S R21E - All, T 8S R22E - All, T8S R23E - All, T8S R24E Sec 2-11, 13-36 T8S R25E Sec 30 & 31

T 9S R21E - All, T 9S R22E - All, T9S R23E - All, T9S R24E Sec 6-8, 18-20, 29-33

T 10S R21E - All, T 10S R22E - All, T10S R23E, T10S R24E - All, T10S R25E Sec 4-10, 14-24, 26-35

T11S R21E - All, T11S R22E - All, T11S R23E - All, T11S R24E - All, T11S R25E Sec 2-11, 14-23, 26-36

T12S R21E - All, T12S R22E - All, T12S R23E - All, T12S R24E - All, T12 R25E - All, T12S R26E Sec 5-8, 16-20, 26-35

T13S R21E - All, T13S R22E - All, T13S R23E - All, T13S R24E - All, T13S R25E - All T13S R26E Sec 2-11, 14-23, 27-35

T14S R21E - All, T14S R22E - All, T14S R23E - All, T14S R24E - All, T14S R25E - All T14S R26E - All

T15S R21E - All, T15S R22E - All, T15S R23E - All, T15S R24E - All, T15S R25E - All T15S R26E Sec 1-11, 14-23, 27-33

T16S R21E - All, T16S R23E - All, T16S R24E - All, T16S R25E - All, T16S R26E - All T16S R27E Sec 19 & 30

T17S R21E - All, T17S R23E - All, T17S R24E - All, T17S R25E - All, T17S R26E - All T17S R27E Sec 5-8, 18, 19, 30, 31

T18S R23E - All, T18S R24E - All, T18S R25E - All T18S R26E - All, T18S R27E Sec 6,7, 18, 19, 30, 31

T19S R23E - All, T19S R24E - All, T19S R25E - All T19S R26E - All T19S R27E Sec 5-8, 18,19

T20S R23E - All, T20S R24E - All, T20S R25E - All T20S R26E Sec 1-12, 14-23, 28-32

T20.5S R22E - All, T20.5S R23E - All