

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

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IN THE MATTER OF

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION FOR
AMENDMENT OF SECTION 19.15.7.24 NMAC CHANGING THE TIME FOR DIVISION
NOTIFICATION AND ENFORCEMENT AFTER AN OPERATOR'S FAILURE TO FILE
AN ACCEPTABLE MONTHLY REPORT (FORM C-115)

CASE NO. 15802

**OIL CONSERVATION DIVISION'S NOTICE OF
PROPOSED MODIFICATION OF RULE CHANGES**

Pursuant to 19.15.3.11(C) NMAC, the Division herewith submits a proposal to modify the changes to 19.15.7.24 NMAC that are proposed in its Application.

Text of Recommended Modifications:

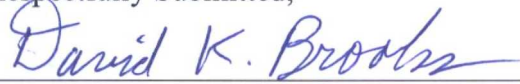
[1] The text of the Division's proposed modification is set forth in Exhibit A to this pleading. Changes from the originally proposed amendment to 19.15.7.24 NMAC are shown on such exhibit in red type font. Added language is shown in bold, red-type format.

Impact and Reasons for Adoption the Recommended Modifications:

[2] The modification will ensure that an operator receiving a notice of the Division's intention to cancel an operator's authorization to transport pursuant to the proposed rule will be notified of its right to request a hearing to review the Division's determination that it has not filed a proper Operator's Monthly Report (Form C-115).

WHEREFORE, the Division requests that is proposed modification be adopted as 19.15.7.24 NMAC, in lieu of the amendment previously proposed.

Respectfully Submitted,



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Exhibit A to Application – Rule Text

19.15.7.24 OPERATOR'S MONTHLY REPORT (Form C-115):

A. An operator shall file a form C-115 for each non-plugged well completion for which the division has approved a form C-104 and for each secondary or other enhanced recovery project or pressure maintenance project injection well or other injection well within the state, setting forth complete information and data indicated on the forms in the order, format and style the director prescribes. The operator shall estimate oil production from wells producing into common storage as accurately as possible on the basis of periodic tests.

B. An operator shall file the reports 19.15.7.24 NMAC requires using the division's web-based online application on or before the 15th day of the second month following the month of production, or if such day falls on a weekend or holiday, the first workday following the 15th. An operator may apply to the division for exemption from the electronic filing requirement based upon a demonstration that such requirement would operate as an economic or other hardship.

C. If an operator fails to file a form C-115 that the division accepts, the division shall, within ~~60~~ 30 days of the appropriate filing date, notify the operator by electronic mail or letter of its intent to ~~revoke~~ cancel the operator's authorization to transport or inject if the operator does not file an acceptable and complete form C-115. The notice shall inform the operator of the right to request a hearing pursuant to 19.15.4.8 NMAC. If the operator does not either file an acceptable and complete form C-115 or request a hearing on the proposed cancellation within ~~120~~ 60 days of the original due date of the form C-115, the division may cancel the operator's authority to transport from or inject into all wells it operates.