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

CASE NO. 14151 Order No. R-12965

IN THE MATTER OF THE REQUEST SUBMITTED BY THE BUREAU OF LAND MANAGEMENT REGARDING THE PLUGGED AND ABANDONED WELL MARKERS IN THE LESSER PRARIE CHICKEN AND SAND DUNE LIZARD HABITAT

BY THE OIL CONSERVATION DIVISION (DIVISION):

This request came to the attention of NMOCD oil and gas inspectors on May 27, 2008, through a letter dated May 23, 2008 (BLM REFERENCE NUMBER 1310 (NM51O)).

After review of that letter, those inspectors, having considered the matter, conclude the following:

- 1. The United States Bureau of Land Management (Bureau of Land Management or BLM) has observed that Raptors perch on steel markers placed pursuant to NMAC 19.15.4.202(B)(2) in portions of Eddy, Lea, Chaves, and Roosevelt Counties (hereinafter "Special Status Species Resource Management Plan Area" or "SSSRMPA") and prey on the Lesser Prairie Chickens and Sand Dune Lizards.
- 2. The lesser Prairie Chicken and the Sand Dune Lizard are Special Status Species warranted for listing pursuant to the Endangered Species Act, and considerable effort has been expended by the BLM and Oil and Gas Operators in the SSSRMPA to stabilize the population of these species within the area.
- 3. The SSSRMPA is that area designated in the Special Species Resources Management Plan (as amended), which is attached hereto as map no. 1.
- 4. The BLM has requested that operators or other parties be allowed to replace or install well markers at a level in the SSSRMPA that does not extend significantly above ground to prevent predators' use of plugged and abandoned well markers as perches.
- 5. Lowering these markers to ground level will significantly improve the chances of maintaining a stable population of Lesser Prairie Chickens and Sand Dune Lizards.
- 6. Stable populations of the two species will minimize operating costs within the SSSRMPA.

- 7. Division Rule 202 B (2) states that "The operator shall mark the exact location of plugged and abandoned wells with a steel marker not less than four inches (4") in diameter set in cement and extending at least four feet (4") above mean ground level. The operator name, lease name, and well number and location, including unit letter, Section, Township, and Range, shall be welded, stamped, or otherwise permanently engraved into the metal of the marker......No plugged and abandoned marker shall be removed without the written permission of OCD".
- 8. Division Rule 1303 states in part "Only oil and gas inspectors and their deputies shall have the discretion to allow minor deviations from requirements of the rules as to field practices, where, by so doing, waste will be prevented, or burdensome delay or expense on the part of the operator will be avoided."
- 9. Changing the required height of the steel markers is a minor deviation from the requirement of the rules.
 - 10. The Division accordingly concludes that BLM's request should be granted.

IT IS THEREFORE ORDERED THAT:

- 1. The request of the Bureau of Land Management is hereby granted. The plugged and abandoned well markers within BLM's Special Status Species Resources Management Plan, (Amendment 2008) in portions of Eddy, Lea, Chaves, and Roosevelt Counties of New Mexico, may be installed or cut off at approximately 2 inches above ground level, and the party installing or replacing such marker shall weld a rounded metal plate to it with the information required by Rule 202 (B)(2).
- 2. The granting of this request is subject to approval by the Bureau of Land Management.
- 3. Upon replacement of existing plugged and abandoned well markers, or installation of a new well marker, the operator or party replacing such marker shall submit a letter to the applicable OCD district office. This letter shall contain the affected well name, the GPS location of the well and the well API number. This letter will become part of the OCD well file.

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DONE at District I Hobbs, and District II Artesia, New Mexico, on the day and year hereinbelow designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISON HOBBS DISTRICT OFFICE

Oil and Gas Inspector

Date: 6/25/2008

STATE OF NEW MEXICO OIL CONSERVATION DIVISION ARTESIA DISTRICT OFFICE

Oil and Gas Inspector

Date: 6/25/2008