

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 11720
Order No. R-10816**

**APPLICATION OF OIL CONSERVATION
DIVISION FOR AN ORDER AMENDING
RULE 103 OF ITS GENERAL RULES AND
REGULATIONS PERTAINING TO SIGNS
ON WELLS**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 19, 1997, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 5th day of June, 1997, the Commission, a quorum being present, having considered the record 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) The New Mexico Oil Conservation Division Rule 103 requires that every regulated well have a certain sign identifying such well and setting forth certain information regarding that well .

(3) Testimony indicated that Rule 103 should be changed to simplify the wording to eliminate unnecessary description and to require API numbers on new signs.

(4) It is necessary to amend Rule 103 in the manner as set forth in Exhibit "A" attached hereto so that signs on regulated wells provide the necessary information for proper identification.

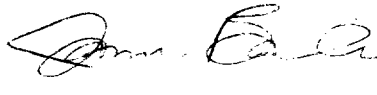
(5) There were no objections to the proposed rule changes.

IT IS THEREFORE ORDERED THAT:

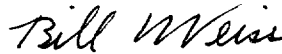
- (1) Division Rule 103 is hereby amended and adopted as shown on Exhibit A, attached hereto and made part of this order.
- (2) Rule 103 as amended shall be effective as of the date of its publication in the New Mexico Register.
- (3) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

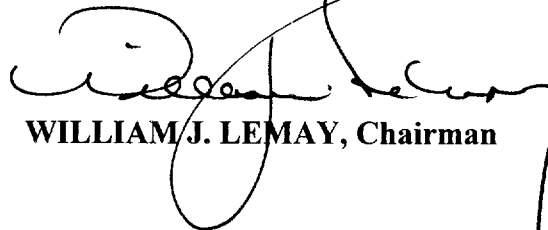
**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**



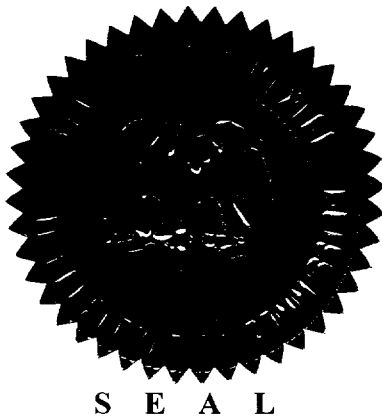
JAMI BAILEY, Member



WILLIAM W. WEISS, Member



WILLIAM J. LEMAY, Chairman



S E A L

CASE NO. 11720
Order No. R-10816
EXHIBIT "A"

103 SIGN ON WELLS

All wells subject to these regulations shall be identified by a sign not more than 50 feet from such well, and such sign shall be of durable construction and the lettering thereon shall be kept in legible condition and shall be large enough to be legible under normal conditions at a distance of 50 feet. Each sign shall show the number of the well, the name of the property, the name of the operator, and the location by unit letter, section, township and range. Each sign posted after June 30, 1997, shall show the API number of the well with the state code, the county code, and the next five digits of the API number. An operator will have 60 days from the effective date of an operator name change to change the operator name on the well sign unless an extension of time, for good cause shown along with a schedule for making the changes, is granted. If an API number has not been assigned to a well before it is spud, then the number is not required on the sign used at the drilling site even if it is a permanent sign. The API number must however be added after it is assigned.