BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULE 701 OF THE COMMISSION RULES AND REGULATIONS AND SECONDARY RECOVERY ORDERS NOS. R-1244, R-1311, R-1456, R-1470, R-1505, R-2064, R-2178-B, R-2268-A, R-2269, R-2403, R-2541, R-2622, R-2664, R-2700, AND R-2795, TO DELETE THEREFROM ALL REFERENCES TO THE STATE ENGINEER OR THE STATE ENGINEER OFFICE.

CASE No. 3712 Order No. R-3375

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 24, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 14th day of February, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That in order to ease the administrative burden upon operators and Commission, thereby preventing economic waste, Rule 701 of the Commission Rules and Regulations and secondary recovery orders Nos. R-1244, R-1311, R-1456, R-1470, R-1505, R-2064, R-2178-B, R-2268-A, R-2269, R-2403, R-2541, R-2622, R-2664, R-2700, and R-2795 should be amended by deleting therefrom all references to the State Engineer or the State Engineer Office.
- (3) That New Mexico Oil Conservation Commission Form C-108, Application to Dispose of Salt Water by Injection Into a Porous Formation, should be revised to conform with the above amendments.

-2-CASE No. 3712 Order No. R-3375

IT IS THEREFORE ORDERED:

- (1) That Rule 701 B, Method of Making Application, is hereby amended by deleting therefrom the following paragraph:
 - "5. Evidence that a copy of the application, complete with all attachments, has been sent to the State Engineer Office, Capitol Building, Santa Pe."
- (2) That paragraph four of Rule 701 C, Salt Water Disposal Wells, is hereby amended to read in its entirety as follows:

"The Commission may dispense with the 15-day waiting period if waivers of objection are received from all offset operators and the surface owner."

(3) That paragraph four of Rule 701 E 5 is hereby amended to read in its entirety as follows:

"The Secretary-Director may, if in his opinion there is need for conversion of the additional wells to water injection, authorize such conversion without notice and hearing, provided that no offset operator objects to the proposed conversion within fifteen (15) days. The Secretary-Director may grant immediate approval of the proposed conversion upon receipt of waivers of objection from all operators offsetting the proposed injection well."

(4) That paragraphs four and five of Order (2) of Order No. R-1244 are hereby amended by deleting therefrom the following-quoted words:

Faragraph four - last line: "and to the State Engineer"
Faragraph five - line four: "nor the State Engineer"
- lines seven and eight: "and the State
Engineer"

(5) That paragraphs three and four of Order (2) of Order No. R-1311 are hereby amended by deleting therefrom the following-quoted words:

Paragraph three - last line: "and to the State Engineer"

Paragraph four - line four: "nor the State Engineer"

- lines seven and eight: "and the State Engineer"

-3-CASE No. 3712 Order No. R-3375

(6) That paragraphs three and four of Order (3) of Order No. R-1456 are hereby amended by deleting therefrom the following-quoted words:

Paragraph three - lines 13 and 14: "and the State Engineer"

Paragraph four - line 4: "nor the State Engineer"

- last line: "and from the State Engineer"

(7) That paragraphs three and four of Order (4) of Order No. R-1470 are hereby amended by deleting therefrom the following-quoted words:

Paragraph three - lines 13 and 14: "and to the State Engineer"

Paragraph four - line 4: "nor the State Engineer"
- last line: "and from the State Engineer"

(8) That paragraphs three and four of Order (2) of Order No. R-1505 are hereby amended by deleting therefrom the following-quoted words:

Paragraph three - last line: "and to the State Engineer"

Paragraph four - line four: "nor the State Engineer"

- last line: "and from the State Engineer"

(9) That Order (2) of Order No. R-2064 is hereby amended by deleting therefrom the following-quoted words:

Lines 6, 7, 8, and 9: "The State Engineer shall be furnished a copy of said application, and, if no objection to the application is received within fifteen (15) days, the Secretary-Director may authorize such conversion without notice and hearing."

(10) That Order (2) of Order No. R-2178-B is hereby amended by deleting therefrom the following-quoted words:

Lines 5 and 6: "A copy of said application shall be furnished to the office of the State Engineer."

- (11) That Order (3) of Order No. R-2268-A is hereby amended to read in its entirety as follows:
 - "(3) That the applicant shall not utilize any casing or tubing program in expansion of the waterflood project as approved by this order unless the Commission shall have approved said casing or tubing program."

-4-CASE No. 3712 Order No. R-3375

(12) That Order (2) of Order No. R-2269 is hereby amended by deleting therefrom the following-quoted words:

Lines 6 and 7: "to the State Engineer Office and"

(13) That Order (2) of "IT IS FURTHER ORDERED" of Order No. R-2403 is hereby amended by deleting therefrom the following-quoted words:

Line 14: "and the State Engineer" Lines 17 and 18: "or the State Engineer" Lines 20 and 21: "and the State Engineer"

(14) That paragraph two of Rule 11 of Orders Nos. R-2541, R-2622, R-2664, R-2700, and R-2795 is hereby amended by deleting therefrom the following-quoted words:

Last line: "and from the State Engineer"

- (15) That Commission Form C-108, Application to Dispose of Salt Water by Injection Into a Porous Formation, is hereby revised as shown by Exhibit 1 attached hereto and made a part hereof.
- (16) That this order shall become effective at 7:00 o'clock a.m. on March 1, 1968.
- (17) That 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

DAVID F. CARGO, Chairman

HAYS, Member

A. L. PORTER, Jr., Member & Secretary