

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

IN THE MATTER OF:

CASE NO. 13564

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR THE ADOPTION OF NEW RULES, 19.15.1.37 NMAC, 19.15.1.38 NMAC, 19.15.3.100 NMAC AND 19.15.14.1227 NMAC; AND THE AMENDMENT OF 19.15.1.7 NMAC, 19.15.3.101 NMAC, 19.15.3.102 NMACV, 19.15.4.201 NMAC, 19.15.14.203 NMAC, 19.15.14.1101 NMAC, 19.15.9.701 NMAC, 19.15.13.1103 NMAC, 19.15.13.1104 NMAC AND 19.15.13.1115 NMAC

ORDER NO. R-12430-A

ORDER OF THE DIVISION

BY THE DIVISION:

THIS MATTER came before the Director of the Oil Conservation Division (the Division) for consideration on October 4, 2005 at Santa Fe, New Mexico, and the Director, having reviewed the matter and carefully considered the same, now, on this 4th day of October, 2005,

FINDS THAT:

(1) Prior to September 7, 2005, the Division filed its application in this case seeking adoption of various new rules, and amendment of existing rules in order to provide a comprehensive regulatory framework for enforcement of the Division's rules governing oil and gas operations.

(2) On September 7, 2005 a public hearing was scheduled on the proposals in the Division's application, to take place before the Oil Conservation Commission, at its regular October meeting on October 13, 2005.

(3) Timely notice of the scheduled October 13 hearing was published in the *Albuquerque Journal* and in the *New Mexico Register*, and by posting on the Division's website, in accordance with Division Rule 1202.

(4) However, the docket for the October 13 Commission meeting was not distributed to persons who had requested notices of Commission dockets at least 20 days prior to the hearing, as required by Division Rule 1202.A(2). Instead, the docket was distributed on September 26, only 17 days prior to the date of the hearing.

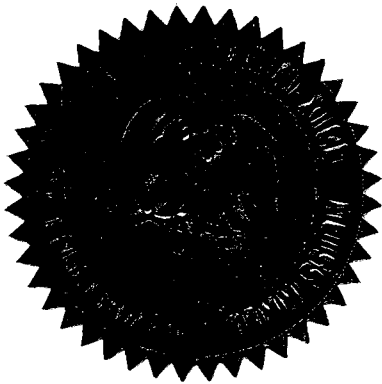
(5) The Director of the Division has jurisdiction, pursuant to Division Rule 1202.B, to shorten the time for giving notice of rulemaking hearings in case of emergency.

(6) An emergency exists that requires expeditious hearing and consideration of the Division's proposed enforcement rules, because the Division has many pending enforcement cases that cannot be satisfactorily resolved until an appropriate regulatory framework is in place.

(7) Furthermore, the difficulty of enforcing the Division's operating rules under the existing regulatory framework will probably cause waste, impair correlative rights and endanger public health and the environment.

IT IS THEREFORE ORDERED THAT :

1. Due to the recited emergency, the time for distribution of notice of the contemplated hearing in this case is hereby shortened to 17 days prior to the hearing.
2. Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Director