

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



NOTICE

REQUEST FOR FEEDBACK ON OCD WASTE RULE TEMPLATES

May 6, 2021

On Tuesday, May 25th the Oil Conservation Division's new waste rules, 19.15.27 and 19.15.28, will go into effect. As part of continued collaboration and engagement with stakeholders, the OCD is seeking feedback as we implement this rule to ensure a successful implementation. An amended C-129 form and process will be required to report venting and flaring events for emergencies, malfunctions, and events lasting longer than 8 hours. An amended Natural Gas Management Plan will be required with all new APDs or recompleted wells.

Feedback can be sent to EMNRD.wasterule@state.nm.us and must be received by end of business on Wednesday, May 12th in order to be considered.

OCD Natural Gas Management Plan (See Appendix 1)

The OCD has designed a draft Natural Gas Management Plan which must be attached to each APD for a new or recompleted well submission. In Appendix 1 we have provided a mockup of the form design for review and feedback.

OCD Amended Venting and Flaring Form (C-129) (See Appendix 2)

The OCD has designed an amended electronic form C-129 in the E-permitting system. In Appendix 2 OCD has provided a mockup of the design and its intended functions for review and feedback.

DRAFT

Appendix 1

OCD Natural Gas Management Plan Draft Form

State of New Mexico
 Energy, Minerals and Natural Resources Department

Submit Electronically
 Via E-permitting

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator: _____ **OGRID:** _____ **Date:** ____/____/____

II. Type: Original Amendment due to 19.15.27.9.D(6)(a) NMAC 19.15.27.9.D(6)(b) NMAC Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells drilled or recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D

IV. Central Delivery Point Name: _____

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells drilled or recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: Attach a complete description of Operator’s best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

I certify that Operator is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system will will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator does does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

I certify that, after reasonable inquiry and based on the available information at the time of submittal:

Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will:

Well Shut-In. Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

Effective May 25, 2021

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:	
Printed Name:	
Title:	
E-mail Address:	
Date:	
Phone:	
OIL CONSERVATION DIVISION	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

Appendix 2
OCD Amended Venting and Flaring Draft Form (C-129)

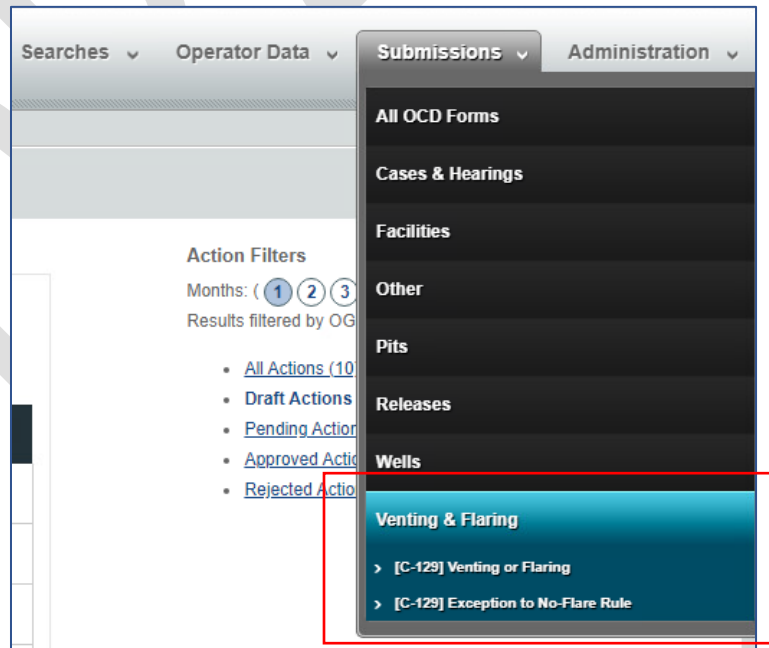
OCD Amended Venting and Flaring Form (C-129)

Operators will utilize the OCD E-permitting portal to submit updated form C-129 for reporting venting or flaring of natural gas under three specific circumstances: 1) venting or flaring that exceeds 50 MCF and results from an emergency; 2) venting or flaring that exceeds 50 MCF and results from a malfunction; or 3) venting or flaring for any reason that lasts eight hours or more cumulatively within any 24-hour period from a single event. See 19.15.27.8.G.(1)(a); 19.15.28.F.(1)(a). OCD will employ a digital form C-129 that consists of a series of questions to report vented or flared gas. The C-129 will assign each submission a unique identifier code.

Operators are required to be a registered Operator with a valid OGRID number for any submission through the OCD E-permitting system. Please contact the OCD Administrative Bureau Eva Mathes (505-470-5721) or Amalia Bustamante (575-703-6742) for guidance on registration if you are not registered as an Operator in the OCD E-permitting portal. In addition, the digital C-129 form and any screens displayed in this walk through are still under development and are subject to change.

Below is a step by step mock up of the electronic site, comments should be made based off of the mock up.

1. Navigate to the OCD E-permitting portal located on the OCD main website, login using the proper username and password, and select the option to submit a Form C-129 “Venting or Flaring” from the submissions drop down list.



2. Select "New C-129 Application".

The screenshot shows the 'OCD Permitting' web application interface. At the top left is the logo for the 'OIL CONSERVATION DIVISION'. Below the logo is the title 'OCD Permitting' and a breadcrumb trail: 'Home > Submissions > All OCD Forms >'. A 'Status:' dropdown menu is set to 'Under OCD Review'. Below this is a table with the following data:

PO Number	Type	ID	Status	Fee Amount	Payment Type	Created	Submitter *	Modified
B33W2-210427-C-1290	C-129		Under OCD Review	\$0.00	Non-Fee Application	4/27/2021	Cory Smith	4/27/2021
9QWSP-210430-C-1290	C-129		Under OCD Review	\$0.00	Non-Fee Application	4/30/2021	Cory Smith	4/30/2021

Below the table, a blue button labeled 'New C-129 Application' is highlighted with a red rectangular box.

3. Enter in the Latitude, Longitude of the Venting/Flaring event. The system will automatically fill in the Section, Township and Range. Operators must verify the Unit Letter information.

The screenshot shows the 'Add Application Location' form. On the left, under 'Application Details', there is a blue 'Add Location' button and a yellow callout box with an information icon and the text 'Location required for submission.'. The main form area is titled 'Add Application Location' and contains the following fields:

- Latitude:
- Longitude:
- District:
- County:
- OCD Unit:
- U-S-T-R:
- Lot:
- NS Footage: feet from the boundary
- EW Footage: feet from the boundary

At the bottom of the form is a grey 'Add Location' button. A red box highlights the entire form area, and a red arrow points from the 'Add Location' button in the 'Application Details' section to the main form.

4. Upload any, volume calculations or estimate methodology, gas analysis, and site maps for review. (Note uploaded documents must be in PDF format.)

Method of submission

Upload Application:

Add Application Attachments

Application attachments indicate: Attachment(s) required to proceed.

Notice: It is your responsibility to verify that your uploaded application and attachments are complete and accurate.

- If your upload is successful and your application or attachments contains fillable fields, use the link above to verify all the fields are being populated appropriately.
- If the fields in your file(s) are not being populated after uploading, we recommend using your editing software to flatten or restrict the editing options on your file(s) prior to uploading.
- Use the delete link to remove any attachment and re-upload a new file; only the current attachment(s) is submitted for review.

Supporting Document

- If your document requires your signature, please upload the signed document.
- Uploaded documents must be PDF format and should be scanned at 300 DPI.
- Name your PDF files appropriately (e.g. AppHearing_CaseNo.pdf, Cont_CaseNo.pdf, C-133_CoNo.pdf).
- A file name can't contain any of the following characters: < > : " / \ | ? * & % ' "

Attachment Type: -- Select Document Type --

Attachment: -- Select Document Type --
Compositional analysis of vented or flared natural gas
Calculations or Specific Justification for the Volumes
Scaled Site Map
C-129, Other Form

Upload Selected Files

5. Questions highlighted by orange boxes are required to be answered prior to submission. Answer the question by selecting the blue + buttons. Clicking the + button opens a dialogue box with a checkbox. Clicking the check box is a YES answer to the question. To answer NO leave the check box empty and CLICK SAVE.

Questions

Determination of Reporting Requirements

Answer all questions that apply. The Reason(s) statements are calculated based on your answers and may provide additional guidance.

- Are you reporting for the Venting of Natural Gas
Required: Please indicate either Venting OR Flaring.
- OR are you reporting for the Flaring of Natural Gas
Required: Please indicate either Venting OR Flaring.
- Was or is this venting or flaring caused by an emergency or malfunction
Required: Please select a reason for reporting on a C-129 instead of the C-115B.
- Did or will this venting or flaring last eight hours or more cumulatively within any 24-hour period from a single event
Required: Please select a reason for reporting on a C-129 instead of the C-115B.
- Is this considered a submission for a notification of a major venting or flaring
N/A, not enough information to determine severity or less than minor venting or flaring of natural gas volumes reported.
- The operator shall file a form C-141 instead of a form C-129 for a release that includes liquid during venting or flaring that is or may be a major or minor release under 19.15.29.7 NMAC.
- Was there or will there be at least 50 MCF of natural gas vented or flared during this event
- Did this venting or flaring result in the release of ANY liquids (not fully and/or completely flared) that reached (or has a chance of reaching) the ground, a surface, a watercourse, or otherwise, with reasonable probability, endanger public health, the environment or fresh water

Venting Natural Gas

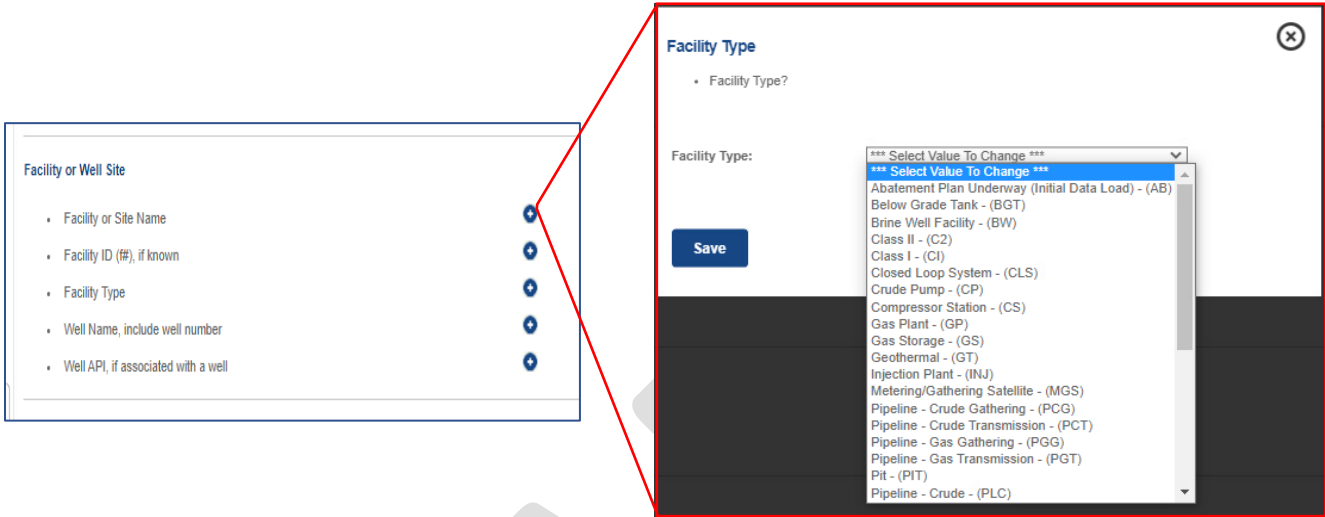
- Are you reporting for the Venting of Natural Gas?

Venting Natural Gas:

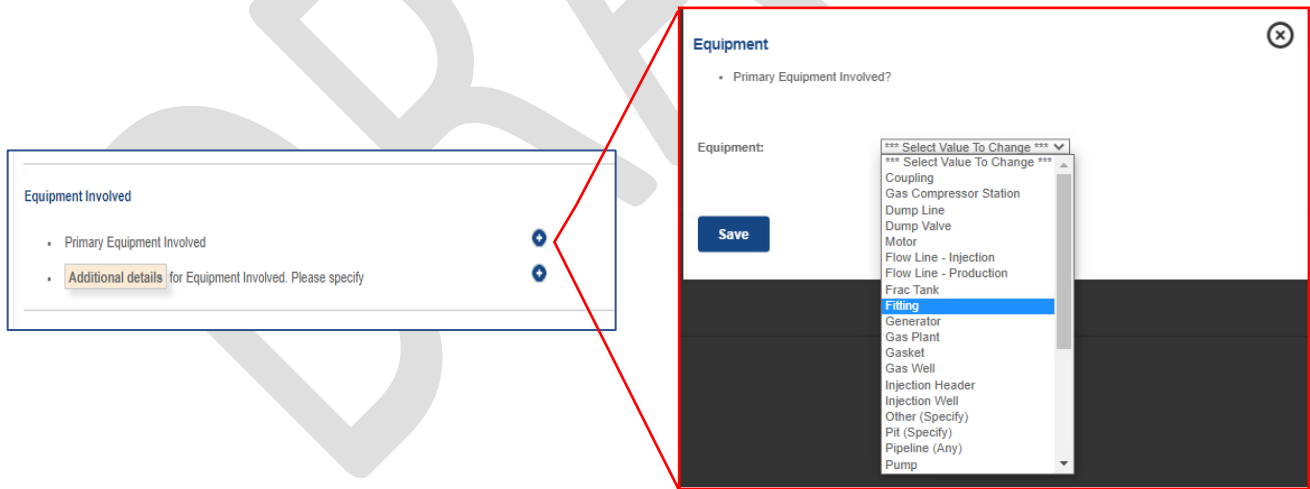
Question is looking for a "Yes" or "No" answer. Check the box and press the Save button to record a "Yes" answer. To record a "No", leave the box unchecked and press the Save button.

Save

6. Operators will be able to link venting and flaring events to facilities and wellsites by utilizing new and or existing facilities ID's and API numbers.













7. Identify the type of equipment involved in the venting/flaring.



8. Operators will enter the compositional analysis percentages of five different gasses for their representative site, rounding to the nearest whole percentage. Hydrogen Sulfide will be reported in parts per million. This entry can be used for future submissions and/or reporting.




—If reporting venting/flaring due to not meeting pipeline quality specifications, pipeline specifications must be entered utilizing the same questions.

Compositional Analysis of Vented or Flared Natural Gas

- Percentage of Methane (CH4) 
- Percentage of Nitrogen (N2), if greater than one percent 
- Percentage of Hydrogen Sulfide (H2S), if greater than one percent 
- Percentage of Carbon Dioxide (CO2), if greater than one percent 
- Percentage of Oxygen (O2), if greater than one percent 
- *Please detail each of the quality specifications of pipeline, equipment, or facility that the natural gas was required to meet.*
- Percentage of Methane (CH4) percentage quality requirement 
- Percentage of Nitrogen (N2) percentage quality requirement 
- Percentage of Hydrogen Sulfide (H2S) percentage quality requirement 
- Percentage of Carbon Dioxide (CO2) percentage quality requirement 
- Percentage of Oxygen (O2) percentage quality requirement 

9. Complete the Date/Time sections, reporting when venting/flaring started and ended. (Development note, there will be an additional section here for Upstream/Midstream operators to input dates for when they received/provided notification of pipeline issues.)

Date(s) and Time(s)


- Date venting or flaring was discovered or commenced  
- Time venting or flaring was discovered or commenced 
- Is the venting or flaring event complete  
- Date venting or flaring was terminated 
- Time venting or flaring was terminated 
- Duration of venting or flaring in hours, if venting or flaring has terminated 

10. Document the volume of natural gas vented/flared. If there are any other type of materials vented, flared or released operators will utilize the “Other release details” option.

Measured or Estimated Volume of Vented or Flared Natural Gas

- Natural Gas Released (Mcf) Details 
- Other Released Details 

 Required.

Natural Gas 


- Natural Gas Released (Mcf) Details?

Natural Gas: Cause: Spilled:

Source: Recovered: Unknown

Material: Units: Spilled Amount

Save

Other 

- Other Released Details?

Other: Cause: Spilled:

Source: Recovered: Unknown

Material: Units: Spilled Amount

Save

11. Record any steps taken during the venting/flaring event and any type of corrective actions taken. (This section is limited to 2,000 characters per question. If needed, additional information may be submitted in the attachment section.)

The screenshot shows a form titled "Steps and Actions to Prevent Waste". It contains two bullet points, each followed by a plus sign icon and a yellow "Required" label with an information icon. The first bullet point is "Steps taken to limit the duration and magnitude of venting or flaring". The second bullet point is "Corrective actions taken to eliminate the cause and recurrence of venting or flaring".

12. Once all the required questions have been answered the "Submit to OCD" button will change colors and the venting/flaring can be submitted. Operators will receive an e-mail from the OCD E-permitting system that includes the incident number for the venting/flaring event. This unique number will be needed to amend or submit any additional reports for ongoing venting/flaring events.

This screenshot shows the same form as above, but with two buttons at the bottom: "Submit to OCD" and "Delete". The "Submit to OCD" button is highlighted with a red rectangular border, indicating it is the active state after all required questions are answered.

13. Please provide additional feedback for adding, or modify the choices available in the Facility, Source, Material and Cause drop down list in OCD E-permitting.

Facility Types		
Abatement Plan Underway (Initial Data Load) - (AB)	Metering/Gathering Satellite - (MGS)	Pit - Temporary - (PTT)
Below Grade Tank - (BGT)	Pipeline - Crude - (PLC)	Recycling Facility - (RFL)
Brine Well Facility - (BW)	Pipeline - Crude Gathering - (PCG)	Refinery - (RF)
Class I - (CI)	Pipeline - Crude Transmission - (PCT)	Remediate - (RM)
Class II - (C2)	Pipeline - Gas - (PLG)	Service Company - (SC)
Closed Loop System - (CLS)	Pipeline - Gas Gathering - (PGG)	Sump - (SMP)
Compressor Station - (CS)	Pipeline - Gas Transmission - (PGT)	Tank Battery - (TB)
Crude Pump - (CP)	Pipeline - Water - (PLW)	Treating Plant - (TP)
Gas Plant - (GP)	Pit - (PIT)	Unknown Source - (UNK)
Gas Storage - (GS)	Pit - Emergency - (PTE)	Waste Management - (WM)
Geothermal - (GT)	Pit - Multi-well Fluid Management - (PTM)	Well Head - (WH)
Injection Plant - (INJ)	Pit - Permanent - (PTP)	

	Source		Material		Cause
Coupling	Gas Well	Truck	Acid	Mercury	Blow Out
Gas Compressor Station	Injection Header	Transport	Brine Water	Motor Oil	Corrosion
Dump Line	Injection Well	Treating Tower	B.S. & W.	Natural Gas (Methane)	Equipment Failure
Dump Valve	Other (Specify)	Unknown	Chemical (Specify)	Natural Gas Liquids	Fire
Motor	Pit (Specify)	Valve	Condensate	Lube Oil	Freeze
Flow Line - Injection	Pipeline (Any)	Well	Diesel	Other (Specify)	Human Error
Flow Line - Production	Pump	Water Tank	Drilling Mud/Fluid	Produced Water	Lightning
Frac Tank	Producing Well		Glycol	Sulphuric Acid	Other
Fitting	Refinery		Gasoline	Triethylene	Normal Operations
Generator	Separator		Gelled Brine (Frac Fluid)	Unknown	Overflow - Tank, Pit, Etc.
Gas Plant	Tank (Any)		Hydrogen Sulfide		Vandalism
Gasket	Production Tank		Crude Oil		Vehicular Accident