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Issuing agency name and address:

Agency DFA code:

Contact person's name:

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Type of rule action:

(ALD Use) Recent filing date:

New ☐ Amendment ☒ Repeal ☐ Emergency ☐ Renumber ☐

Title number:

Title name:

Chapter number:

Chapter name:

Part number:

Part name:

Amendment description (If filing an amendment):

Amendment's NMAC citation (If filing an amendment):

19.15.25.8 NMAC  
19.15.25.9 NMAC  
19.15.25.10 NMAC  
19.15.25.11 NMAC  
19.15.25.12 NMAC

19.15.25.13 NMAC  
19.15.25.14 NMAC  
19.15.25.15 NMAC  
19.15.25.16 NMAC

Are there any materials incorporated by reference?

Please list attachments or Internet sites if applicable.

Yes ☐ No ☒

If materials are attached, has copyright permission been received?

Yes ☐No ☐Public domain ☐**Specific statutory or other authority authorizing rulemaking:**

Notice date(s):

Hearing date(s):

Rule adoption date:

Rule effective date:

# Concise Explanatory Statement For Rulemaking Adoption:

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## Findings required for rulemaking adoption:

### Findings MUST include:

- Reasons for adopting rule, including any findings otherwise required by law of the agency, and a summary of any independent analysis done by the agency;
- Reasons for any change between the published proposed rule and the final rule; and
- Reasons for not accepting substantive arguments made through public comment.

Please see attached Rule Making Order and Reasons for the Action Taken

Issuing authority (If delegated, authority letter must be on file with ALD):

Name:

Albert C.S. Chang

Check if authority has been delegated

☐

Title:

Oil Conservation Division Director/Oil Conservation Commission Chair

Signature: (BLACK ink only OR Digital Signature)

Date signed:

*Albert Chang*

Digitally signed by Albert Chang  
Date: 2026.09.10 17:38:19 -06'00'

9/10/2026

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

IN THE MATTER OF PROPOSED  
AMENDMENTS TO 19.15.2, 19.15.5, 19.15.8,  
19.15.9, and 19.15.25 NMAC

Case No. 24683  
Order No. R-24486

**Rule Making Order and Reasons for the Action Taken**

This matter comes before the New Mexico Oil Conservation Commission (“Commission” or “OCC”) upon a Petition filed on June 24, 2024, by Western Environmental Law Center, Citizens Caring for the Future, Conservation Voters New Mexico Education Fund, Dine C.A.R.E., Earthworks, Naeva, New Mexico Interfaith Power and Light, Sierra Club, and WildEarth Guardians (collectively, Applicants), for the adoption of proposed amendments to 19.15.2, 19.15.5, 19.15.8, 19.15.9 and 19.15.25 NMAC. Public hearings were held October 20-24, October 27-21 and November 3-6, 2025, in Santa Fe, New Mexico and on a virtual platform. Applicants presented a final set of proposed rules in its “Notice of Filing Closing Argument and Proposed Statement of Reasons” in Exhibits 90A-90E on April 3, 2026. Public deliberations were held on June 3, 5 and 11, and July 1, 2026.

The Commission, having reviewed the submittals, testimony, evidence, the parties’ filed Joint Stipulation and accompanying materials, Hearing Officer’s Report and the Proposed Findings of Fact and Conclusions of Law hereby issues, as provided for in 19.15.3.12 NMAC and 19.15.3.13C NMAC, the following ORDER and REASONS FOR THE ACTION TAKEN. The Commission has the authority to adopt, refuse to adopt or adopt the proposed rule change in part pursuant to 19.15.3.13C NMAC. The Commission’s actions are the following:

**A. Adoption of Applicants’ Proposed Language**

**1. 19.15.2, 19.15.5, 19.15.8, 19.15.9 and 19.15.25 NMAC**

- i. The Commission adopts Applicants’ proposed rule changes in 19.15.2, 19.15.5, 19.15.8, 19.15.9 and 19.15.25 NMAC in Applicants’ 90A-90E.
- ii. Exhibits 89A-89E show the parties’ “Joint Stipulation” regarding language changes.
- iii. Exhibits 90A-90E incorporate the parties’ “Joint Stipulation” regarding language changes.
- iv. The Commission ADOPTS AND INCORPORATES Applicants’ “Notice of Filing Closing Argument and Proposed Statement of Reasons” as its own Findings of Fact and Conclusions of Law and its own REASONS FOR THE ACTION TAKEN, except paragraphs 53, 258 through 261, and except as modified by this Order.

2026 SEP 11 AM 11:05

- v. The Commission finds that Applicants' "Notice of Filing Closing Argument and Proposed Statement of Reasons" provided persuasive legal arguments in favor of Applicants' positions for the major questions posed in the Hearing Officer's Report: (1) The Commission's Statutory Authority; (2) Preventing Waste; (3) Regulating Operator Registration and Change of Operator; (4) House Bill 80.
- vi. The Commission finds that Applicants' "Notice of Filing Closing Argument and Proposed Statement of Reasons" provided a preponderance of evidence, including substantial evidence, to support the Applicants' proposed rule changes.
- vii. All of Applicants' rule changes are adopted except as modified in the following below:

B. Modifications to Applicants' Proposed Language.

1. Part 8: 19.15.8.9(C) and (D)(1) and (D)(2) and (E) NMAC

- i. The Commission adopts Applicants' language with a modification in the first sentence of 19.15.8.9(C) NMAC. (The underline and strikethrough show the Commission's modification to the Applicants' language.) It reads: "An operator shall provide financial assurance for wells that are not subject to Subsections D, ~~and E~~ and F of 19.15.8.9 NMAC ~~in~~ via one of the following categories."
- ii. The Commission adopts Applicants' language with a modification in 19.15.8.9(D)1 NMAC. It reads: "**Low producing wells.** As of [effective date of amendments], a transferee operator shall provide a one well plugging financial assurance of \$150,000 for each low producing well prior to transfer, unless the well being transferred is already covered by a one well financial assurance under Subsection D(2), E or F of 19.15.8.9 NMAC."
- iii. The Commission adopts Applicants' language with a modification in the first sentence in 19.15.8.9(D)2 NMAC. It reads: "Beginning May 1, 2029, an operator shall provide a one well plugging financial assurance for each low producing well that is not covered by a one well financial assurance under Subsection E or F of 19.15.8.9 NMAC."
- iv. The Commission adopts Applicants' language with a modification in the second sentence in 19.15.8.9(D)2 NMAC. It reads: "Each operator with a one or more low producing well or wells shall annually review the number of low producing wells registered to the operator and shall update the one well plugging financial assurance by May 1 of each year."
- v. The Commission adopts Applicants' language with a modification in the first sentence in 19.15.8.9(E)1 NMAC. It reads: "Beginning May 1, 2029, an operator with 20 percent or more of their wells in inactive status,

approved temporarily status or expired temporarily abandoned status, or a combination thereof, shall provide a one well plugging financial assurance in the amount of \$150,000 for each well that is registered to the operator, but not covered by a one well financial assurance under Subsection D or F of 19.15.8.9 NMAC, until the percentage of the operator's wells in such statuses is decreased below 20 percent."

- vi. The reason for these modifications is because the Commission was concerned that the rules could be read such that two or three categories could be stacked upon each other where an operator would be forced to have multiple, overlapping \$150,000 bonds for a single well.
  - vii. The Commission concludes that the overall goal of the applicable statutes and Applicants' rule changes is to have a single well financial assurance that is set at a dollar figure that reasonably approximates the cost of plugging a single well. An overlapping bonding situation could result in a well being significantly more bonded than the Applicants' and OCD's estimate of the cost to plug a single well. The record did not support an overlapping bonding situation where a single well would have to be bonded to \$450,000 (e.g. stacking multiple \$150,000 bonds).
  - viii. The Commission adopts: "The overlapping structure of proposed 19.15.8.9(C) through (G) NMAC creates double-boding obligations for certain well types under multiple Subsections (C)-(G) simultaneously, without a provision clarifying which obligation controls or when satisfaction of one discharges another." NMOGA, Closing Brief with Proposed Findings of Fact and Proposed Conclusions of Law, p. 63, Finding #65. "19.15.8.9(A) should be amended to clarify that ... the requirements are alternatives rather than cumulative obligations." NMOGA, Closing Brief with Proposed Findings of Fact and Proposed Conclusions of Law, p. 63, Finding #66.
  - ix. The Commission, during its deliberations, went through possible scenarios under 19.15.8.9 NMAC to make sure there were no gaps in coverage, and an operator would not have bonds stacked upon each other for a single well.
  - x. To the extent that there was discussion that other agencies may potentially also require oil and gas industry financial assurance in the future, the Commission finds that the issue is premature and outside of the scope of what the Commission can consider in this rulemaking.
  - xi. The Commission added some phrases to these subsections for grammatical purposes.
2. **19.15.8.9(D)(3) NMAC**
- i. The Commission adopts Applicants' language with a modification to the end of Applicants' first sentence and made several changes to the second

2026 SEP 11 AM 11:05

sentence. (The underline and strikethrough show the Commission's modification to the Applicants' language.) It reads: "An operator of a low producing well may request a variance to the one well plugging financial assurance requirement of \$150,000 upon a demonstration satisfactory to the division that there is a physical impediment limiting the well's midstream takeaway capacity or interference from nearby operations, stimulation or drilling impacting safe or prudent pressure practices. The demonstration shall include a certification from the operator detailing the nature of the ~~physical impediment~~ constraint explaining why the ~~physical impediment~~ constraint is outside the control of the operator, detailing the alternatives that were or are being explored to address the constraint ~~lack of takeaway capacity~~ and an estimated date when the constraint ~~lack of takeaway capacity~~ will be corrected.

- ii. NMOGA had proposed language include "a proximity operation or interference including nearby fracturing, stimulation, drilling or operations impacting safe or prudent pressure practices. NMOGA's Closing Package, Exhibit 3. NMOGA had proposed a modification to Applicants' language to replace the term "physical impediment" with "constraint" because the latter term is a more inclusive term.
- iii. NMOGA witness Mr. Arthur testified there was a need for exceptions beyond Applicants' "midstream takeaway capacity" exception, particularly for safety issues. NMOGA's Closing Package, Exhibit 3 (citing to Tr. 97:4-98:3 (Oct. 29, 2025); Tr. 202:6 (Oct. 30, 2025).
- iv. There are instances where production will cease on a well that is deemed to be too close for safety reasons to completion operations (e.g. fracture stimulation).
- v. The Commission adopts the modification to address this safety issue.

### 3. 19.15.8.9(D)(4) NMAC

- i. The Commission adopts a new subsection 19.15.8.9(D)(4) NMAC. It reads: "(4) Upon receipt of an operator's written variance request, the division shall have 60 days to accept or deny the operator's variance. The division's failure to act on the variance request within such period shall be deemed a denial. If the division denies the operator's variance, the operator shall have 30 days in which to file a request for hearing with the division pursuant to 19.15.4 NMAC."
- ii. NMOGA proposed language in its "Closing Brief with Proposed Findings of Fact and Conclusions of Law" offered language explaining the mechanics of the variance process. NMOGA Closing Exhibit 3, p. 23 of 105; NMOGA's Finding of Fact #74.

2026 SEP 11 AM 11:05

- iii. The Applicants agreed there should be a “variance” to the one well plugging financial assurance requirement as part of the final language in the Joint Stipulation. Applicants’ Finding of Fact #134.
- iv. Based on this agreement, Commission used NMOGA’s proposed language as its template but: (a) enlarged the Division’s review period from 30 to 60 days to ensure there would be enough administrative time for review and (b) added a new second sentence regarding the result of when the Division does not issue a decision. The Commission took judicial notice of its existing rules in 19.14.4.25 NMAC and 19.15.17.16 NMAC and the language for the new second sentence is modeled after these current administrative processes in these NMAC sections.
- v. Applicants’ 19.15.8.9(D)(4) NMAC is adopted and re-numbered as needed.

#### 4. 19.15.8.9(F) NMAC

- i. The Commission adopts Applicants’ language with a modification in the title and first sentence in 19.15.8.9(F) NMAC. (The underline and strikethrough show the Commission’s modification to the Applicants’ language.) It reads: “Wells that are in approved temporarily abandoned status for more than two years, inactive wells, and wells that are in expired temporarily abandoned status. ~~Inactive wells and wells in approved and expired temporarily abandoned status.~~ An operator shall provide financial assurance for wells that are ~~inactive and wells in approved and expired temporarily abandoned status,~~ in approved temporarily abandoned status for more than two years, in inactive status, or in expired temporarily abandoned status or for which the operator is seeking approved temporary abandonment pursuant to 19.15.23.13 NMAC in one of the following categories:”
- ii. The Commission made this modification because the Commission is focused on the fact pattern when an operator already has bond for an active well, and wants to retain that bond, and wants to transition the well to an approved temporarily abandoned well.
- iii. The Commission adopts NMOGA’s citation to the record when it wrote: “Commissioner Ampomah concluded by noting he thought the risk of not allowing operators to use their active well blanket bond to cover active wells in approved TA [temporarily abandoned] status for short time periods, i.e. 2 years or less, for example, before being transitioned to water flooding, etc., would actually lead to the premature plugging of viable wells and considerable waste considering the amount of Permian oil that operators have been able to recover from oil recovery projects.” NMOGA’s Closing Brief with Proposed Findings of Fact and Proposed Conclusions of Law, p. 12 (citing to Tr. 505:6-19 (Oct. 21, 2025)).

2026 SEP 11 AM 11:05

- iv. The Commission's selection of a one-time two-year period is based on the time period referenced in NMSA 1978, Section 70-2-14 and 19.15.8.9D NMAC.

#### 5. Part 25: 19.15.25.9(D) NMAC

- i. The Commission adopts a new sentence to 19.15.25.9(D) NMAC. It shall be added after the Applicants' first sentence in this subsection of Exhibit 89D. It reads: "Upon request by the operator, the division may use its discretion to grant an extension of the 30 day rebuttal period for good cause."
- ii. NMOGA proposed a new sentence to provide for an extension period in the rebuttal process. NMOGA Closing Exhibit 3, p. 32 of 105; NMOGA's Closing Brief with Proposed Findings of Fact and Conclusions of Law, Finding of Fact #81 ("Upon request by the operator, the division may use its discretion to grant an extension of the 30 day rebuttal period for good cause.")
- iii. The Applicants had stated an operator who submits an application should have a "full opportunity" to provide relevant information for rebuttal. Applicants' Finding of Fact #232.
- iv. The Commission concludes that the new sentence is a reasonable and logical extension of Applicants' language that called for a "full opportunity" in the rebuttal process.
- v. The Commission used NMOGA's proposed language as a template but added "an" to make clear it was a one-time opportunity for an extension.

#### 6. 19.15.25.13C(2) NMAC

- i. The Commission adopted Applicants' proposed language for 19.15.25.13C(2) NMAC but with two sentence deletions and one modification. (The underline and strikethrough show the Commission's modification to the Applicants' language.) It reads: "(2) To obtain an extension, the operator shall apply to the division to extend temporary abandonment status. The division shall provide at least 30 days' notice of the application on its website and to the division mailing list ~~and the operator shall provide at least 30 days' notice of the application for extension in a newspaper of general circulation.~~ The operator, division or interested other person with standing may request a hearing on the application to extension before the division. Any such hearing shall be conducted pursuant to the procedures for adjudicatory proceedings in 19.15.4 NMAC, ~~except that in any such adjudicatory proceeding any interested person may intervene under 19.15.4.11.A NMAC.~~ If a hearing is not requested the division shall proceed with processing the application for extension."

- ii. First, Applicant had proposed language at the end of the first sentence requiring the operator to provide 30 days' notice in a newspaper of general circulation. OXY USA (OXY) had proposed language to delete this sentence. OXY Closing Argument Exhibit D.
- iii. The Commission concludes that notice on the OCD website is a sufficient form of public notice considering the current digital world. The Commission agrees with OXY by a 2-1 vote.
- iv. Second, Applicant had proposed language in the beginning portion of the second sentence using the term "any interested person." Applicants' OXY had proposed language to change this term to "other person with standing." OXY Closing Argument Exhibit D. The Commission adopts OXY's finding that "Applicants' proposal that the Commission eliminate the requirement that an interested party demonstrate 'standing' to request a hearing or to intervene ... is unnecessary, inappropriate, and will further burden the Division's crowded hearing docket." OXY Finding of Fact #63.
- v. The Commission took judicial notice of its current rules and noted that the term "interested person" is not used as a term. 19.15.4.10 NMAC. The Commission agrees with OXY by a 2-1 vote and adopts OXY's language.
- vi. Third, Applicant had proposed a sentence regarding intervention by "any interested person" before the last sentence of the subsection. OXY had proposed language to delete this sentence. OXY Closing Argument Exhibit D.
- vii. The Commission took judicial notice of its current rules and noted that the term "interested person" is not used as a term. 19.15.4.10 NMAC. The Commission agrees with OXY by a 2-1 vote. N

### Conclusion

The Commission is authorized to adopt regulations pursuant to the New Mexico Oil and Gas Act, NMSA 1978, Sections 70-2-11 and -12. The Commission concludes that the proposed changes to 19.15.2, 19.15.5, 19.15.8, 19.15.9 and 19.15.25 NMAC, as shown on Applicants' Exhibits 90A-E, and the above stated supplemental changes, are hereby approved.

This Order shall serve as the "concise explanatory statement" required by NMSA 1978, Section 14-4-5.5.

Based on the findings and reasons stated above and pursuant to this authority, this Order is ADOPTED.

2026 SEP 11 AM 11:06

**STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION**



DATED: 7/16/2026

*Albert Chang*

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Albert Chang, Chairman  
New Mexico Oil Conservation Commission

2026 SEP 11 AM 11:06

This is an amendment to 19.15.25 NMAC, Section 8, 9, 10, 11, 12, 13, 14, 15, 16, effective 9/22/2026.

**19.15.25.8 WELLS TO BE PROPERLY ABANDONED:**

A. The operator of wells drilled for oil or gas or services wells including seismic, core, exploration or injection wells, whether cased or uncased, shall plug the wells as Subsection B of 19.15.25.8 NMAC requires.

B. The operator shall either properly plug and abandon a well or apply to the division to place the well in approved temporary abandonment in accordance with 19.15.25 NMAC within [90] 60 days after:

(1) a 60 day period following suspension of drilling operations, except a well that has been drilled and properly cased but not completed for less than 18 months and a well that has been completed but has not produced for less than 18 months, unless the well is a dry hole;

(2) a determination that a well is no longer usable for beneficial purposes; or

(3) a period of one year in which a well has been continuously inactive.

[19.15.25.8 NMAC - Rp, 19.15.4.201 NMAC, 12/1/2008; A, 9/22/2026]

**19.15.25.9 PRESUMPTIONS OF NO BENEFICIAL USE:**

A. For oil and gas production wells, there is a rebuttable presumption that a well is not capable of beneficial use if, in a consecutive 12 month period, the well has not produced at least 90 barrels of oil equivalent.

B. For injection or salt water disposal wells, there is a rebuttable presumption that a well is not capable of beneficial use if, in a consecutive 12 month period, the well has not injected at least 100 barrels of fluid.

C. The rebuttable presumptions in this Section do not apply to wells that have been drilled but not completed for less than 18 months and wells that have been completed but have not produced for less than 18 months.

D. Within 30 calendar days after notice from the division that a well or wells are presumed to not being used for beneficial purposes, a well operator may submit an application for administrative review to the division. Upon request by the operator, the division may use its discretion to grant an extension of the 30 day rebuttal period for good cause. The division shall issue a final determination based on the application, information available in division records, and any information requested by the division. An operator may file an application for hearing within 30 days of the division's final determination pursuant to 19.15.4 NMAC. Applications shall demonstrate beneficial use of a well or wells and the operator shall provide any information requested by the division. Such documentation may include:

(1) a demonstration that the well is reasonably projected to produce in an economically beneficial manner;

(2) a demonstration that the well has effectively produced or injected at least 90 days within the consecutive 12 month period and there is no downhole mechanical integrity problem;

(3) a demonstration that the operator maintains adequate capitalization or reasonably projected revenue sufficient to meet all reasonably anticipated plugging and environmental liabilities of the well or wells and associated production facilities, not inclusive of any financial assurance associated with the well or wells;

(4) a plugging and abandonment plan as described in Subsection B of 19.15.9.9 NMAC; and

(5) other relevant information requested by the division or provided by the operator or a regulatory agency.

E. This subsection shall become effective 12 months after September 22, 2026, except that as to operators that the division determines are substantially out of compliance with 19.15.7.24 NMAC, 19.15.8.9 NMAC, or 19.15.25.8 NMAC, this subsection shall become effective on September 22, 2026.

[19.15.25.9 NMAC - Rp, 19.15.4.202 NMAC, 12/1/2008, A, 9/22/2026]

**[19.15.25.9] 19.15.25.10 NOTICE OF PLUGGING:**

A. The operator shall file notice of intention to plug with the division on form C-103 prior to commencing plugging operations. The notice shall provide all the information 19.15.7.14 NMAC requires including operator and well identification and proposed procedures for plugging the well.

B. In addition, the operator shall provide a well bore diagram showing the proposed plugging procedure.

C. The operator shall notify the division 24 hours prior to commencing plugging operations. In the case of a newly drilled dry hole, the operator may obtain verbal approval from the appropriate district supervisor or the district supervisor's representative of the plugging method and time operations are to begin. The operator shall file written notice in accordance with 19.15.25.11 NMAC with the division within 10 days after the district supervisor has given verbal approval.

[19.15.25.10 NMAC - Rn, 19.15.25.9 NMAC, 9/22/2026]

2026 SEP 11 AM 11:06

**[19.15.25.10] 19.15.25.11 PLUGGING:**

A. Before an operator abandons a well, the operator shall plug the well in a manner that permanently confines all oil, gas and water in the separate strata in which they are originally found. The operator may accomplish this by using mud-laden fluid, cement and plugs singly or in combination as approved by the division on the notice of intention to plug.

B. The operator shall mark the exact location of plugged and abandoned wells with a steel marker not less than four inches in diameter set in cement and extending at least four feet 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 marker's metal. A person shall not build permanent structures preventing access to the wellhead over a plugged and abandoned well without the division's written approval. A person shall not remove a plugged and abandonment marker without the division's written approval.

C. The operator may use below-ground plugged and abandonment markers only with the division's written approval when an above-ground marker would interfere with agricultural endeavors. The below-ground marker shall have a steel plate welded onto the abandoned well's surface or conductor pipe and shall be at least three feet below the ground surface and of sufficient size so that all the information 19.15.16.8 NMAC requires can be stenciled into the steel or welded onto the steel plate's surface. The division may require a re-survey of the well location.

D. As soon as practical, but no later than one year after the completion of plugging operations, the operator shall:

- (1) level the location;
- (2) remove deadmen and other junk; and
- (3) take other measures necessary or required by the division to restore the location to a safe and clean condition.

E. The operator shall close all pits and below-grade tanks pursuant to 19.15.17 NMAC.

F. Upon completion of plugging and clean up restoration operations as required, the operator shall contact the appropriate division district office to arrange for an inspection of the well and location.

[19.15.25.11 NMAC - Rn, 19.15.25.10 NMAC, 9/22/2026]

**[19.15.25.11] 19.15.25.12 REPORTS FOR PLUGGING AND [ABANDONMENT] ABANDONMENT:**

A. The operator shall file form C-105 as provided in 19.15.7.16 NMAC.

B. Within 30 days after completing required restoration work, the operator shall file with the division a record of the work done on form C-103 as provided in 19.15.7.14 NMAC.

C. The division shall not approve the record of plugging or release a bond until the operator has filed necessary reports and the division has inspected and approved the location.

[19.15.25.12 NMAC - Rn &amp; A, 19.15.25.11 NMAC, 9/22/2026]

**[19.15.25.12] 19.15.25.13 APPROVED TEMPORARY ABANDONMENT:**

A. The division may place a well in approved temporary abandonment for a period of up to five years [Prior to the expiration of an approved temporary abandonment the operator shall return the well to beneficial use under a plan the division approves, permanently plug and abandon the well and restore and remediate the location or apply for a new approval to temporarily abandon the well. An operator is limited to placing the following numbers of wells in approved temporary abandonment:

~~A. one well, if the operator operates between one and five wells; or~~

~~B. one third of all wells (rounded to the nearest whole number), if the operator operates more than five wells.] upon a demonstration from the operator that the well will be used for beneficial use within the approved period of temporary abandonment.~~

~~(1) The operator's demonstration shall include an explanation why the well should be placed in temporary abandonment, how the well will be put to beneficial use in the future including supporting technical data, a plan that describes the ultimate disposition of the well, and the time frame for that disposition.~~

~~(2) The operator shall provide any other information the division determines appropriate, including a current and complete well bore diagram; geological evidence; geophysical data; well casing information; waste removal and disposition; production engineering; geophysical logs, e.g., cement bond logs, caliper logs, and casing inspection logs; economic data; and health, safety, and environmental information.~~

~~(3) If the division denies a request, the operator shall return the well to beneficial use under a~~

2026 SEP 11 AM 11:06

plan the division approves or permanently plug and abandon the well and restore and remediate the location.

**B.** Prior to the expiration of an approved temporary abandonment, the operator shall return the well to beneficial use under a plan the division approves, permanently plug and abandon the well and restore and remediate the location, or apply for a new approval to temporarily abandon the well for a period of up to two years in accordance with Subsection A of 19.15.25.13 NMAC and demonstrate the well's mechanical integrity in accordance with Sections 19.15.25.14 and 15 NMAC. A second term shall not exceed two additional years, upon which time the operator shall return the well to beneficial use under a plan the division approves or permanently plug and abandon the well and restore and remediate the location.

**C. Extension.**

**(1)** Prior to the expiration of a renewal of an approved temporary abandonment, the operator shall return the well to beneficial use under a plan the division approves, permanently plug and abandon the well and restore and remediate the location, or apply for an extension to continue to place the well in temporary abandonment for a period of up to five years.

**(2)** To obtain an extension, the operator shall apply to the division to extend temporary abandonment status. The division shall provide at least 30 days' notice of the application for extension on its website and to the division mailing list. The operator, division, or other person with standing may request a hearing on the application for extension before the division. Any such hearing shall be conducted pursuant to the procedures for adjudicatory proceedings in 19.15.4 NMAC. If a hearing is not requested, the division shall proceed with processing the application for extension.

**(a)** To obtain an extension, the operator shall demonstrate to the division that the well has future beneficial use.

**(b)** The application for extension shall include:

**(i)** a plan of development for the well that includes documentation that the plan is technically feasible and financially viable;

**(ii)** a description of any work completed and in progress under the plan of development;

**(iii)** documentation demonstrating why the well was not brought back to beneficial use as had been proposed or plugged and abandoned during the prior period of temporary abandonment;

**(iv)** a plan that describes the ultimate disposition of the well including the time frame for that disposition; and

**(v)** documentation demonstrating the well's casing and cementing meet the requirements Sections 19.15.25.14 and 15 NMAC and that monitoring procedures are in place to ensure such requirements will be met and maintained during the period of temporary abandonment.

**(c)** The operator shall provide any other relevant information requested by the division including engineering information, geological information, financial information, and applicable contracts that support the future beneficial use.

**(3)** An operator may reapply for an extension for periods of up to five years under the same terms and conditions as provided for in this subsection. If the division denies a request for extension, the operator shall return the well to beneficial use under a plan the division approves or permanently plug and abandon the well and restore and remediate the location.

**D.** An operator is limited to placing the following numbers of wells in approved temporary abandonment:

**(1)** one well, if the operator operates between one and five wells; or

**(2)** one-third of all wells (rounded to the nearest whole number), if the operator operates more than five wells.

**E. Implementation schedule for existing wells.**

**(1)** Inactive wells (that are not in approved or expired temporary abandonment). Wells that have been inactive as of September 22, 2026, for less than three years are eligible for temporary abandonment status in accordance with Subsection A of this section. Wells that have been inactive for three or more years shall apply to the division to extend temporary abandonment status in accordance with Subsection B of this section.

**(2)** Wells in approved temporary abandoned status. Any operator of a well in temporary abandoned status as of September 22, 2026, shall apply to the division to extend temporary abandonment status in accordance with Subsection B of this section prior to the date temporary abandonment status terminates. Unless an operator of a well has renewed a temporary abandonment in accordance with this paragraph, the operator shall return the well to beneficial use under a plan the division approves or permanently plug and abandon the well and restore and remediate the location.

2026 SEP 11 AM 11:06

(3) Wells in expired temporary abandoned status. Any operator of a well in expired temporary abandoned status as of September 22, 2026, shall apply to the division to extend temporary abandonment status in accordance with Subsection B of this section. Unless an operator of a well has renewed a temporary abandonment in accordance with this paragraph, the operator shall return the well to beneficial use under a plan the division approves or permanently plug and abandon the well and restore and remediate the location.

F. The timeframes Subsections A, B and C in this section shall be implemented consistent with any applicable federal requirements.

[19.15.25.13 NMAC – Rn & A, 19.15.25.12 NMAC, 9/22/2026]

**[19.15.25.13] 19.15.25.14 REQUEST FOR APPROVAL AND PERMIT FOR APPROVED TEMPORARY ABANDONMENT:**

A. An operator seeking approval for approved temporary abandonment shall submit ~~[a notice of intent]~~ the request on form C-103 to seek approved temporary abandonment for the well setting forth the demonstration required in 19.15.25.13 NMAC and describing the proposed temporary abandonment procedure the operator will use. The operator shall not commence work until the division has approved the request. The operator shall give 24 hours' notice to the appropriate division district office before beginning work.

B. The division shall not approve a permit for approved temporary abandonment until the operator furnishes evidence demonstrating that the well's casing and cementing are mechanically and physically sound and in such condition as to prevent:

- (1) damage to the producing zone;
- (2) noncontainment of well bore fluids to the atmosphere or migration of hydrocarbons or water;
- (3) the contamination of fresh water or other natural resources; and
- (4) the leakage of a substance at the surface.

C. The operator shall demonstrate both internal and external mechanical integrity pursuant to Subsection A of ~~[19.15.25.14]~~ 19.15.25.15 NMAC.

D. Upon successful completion of the work on the temporarily abandoned well, the operator shall submit a request for approved temporary abandonment to the appropriate division district office on form C-103 together with other information Subsection E of ~~[19.15.7.14]~~ 19.15.7.15 NMAC requires.

E. The division shall not approve a permit for approved temporary abandonment until the operator provides financial assurance for the well that complies with ~~[Subsection D of]~~ 19.15.8.9 NMAC.

F. The division shall specify the permit's expiration date. ~~[which shall be not more than five years from the date of approval.]~~

[19.15.25.14 NMAC – Rn & A, 19.15.25.13 NMAC, 9/22/2026]

**[19.15.25.14] 19.15.25.15 DEMONSTRATING MECHANICAL INTEGRITY:**

A. An operator may use the following methods of demonstrating internal casing integrity for casing repairs and wells to be placed in approved temporary abandonment, for wells for which approved temporary abandonment is to be renewed, and for wells for which an extension is to be granted.

- (1) the operator may set a cast iron bridge plug within 100 feet of uppermost perforations or production casing shoe, load the casing with inert fluid and pressure test to 500 psi surface pressure with a pressure drop of not more than ten percent over a 30 minute period;
- (2) the operator may run a retrievable bridge plug or packer to within 100 feet of uppermost perforations or production casing shoe, and test the well to 500 psi surface pressure for 30 minutes with a pressure drop of not greater than ten percent over a 30 minute period; or
- (3) the operator may demonstrate that the well has been completed for less than five years ~~[and has not been connected to a pipeline].~~

B. During the testing described in Paragraphs (1) and (2) of Subsection A of ~~[19.15.25.14]~~ 19.15.25.15 NMAC the operator shall:

- (1) open all casing valves during the internal pressure tests and report a flow or pressure ~~[change]~~ occurring immediately before, during or immediately after the 30 minute pressure test;
- (2) top off the casing with inert fluid prior to leaving the location; and
- (3) report flow during the test in Paragraph (2) of Subsection A of ~~[19.15.25.14]~~ 19.15.25.15 NMAC to the appropriate division district office prior to completion of the temporary abandonment operations; the division may require remediation of the flow prior to approving the well's temporary abandonment.

2026 SEP 11 AM 11:06

(4) Any isolation device used to test mechanical integrity pursuant to Subsection A of this section shall remain in place for the duration of the temporary abandonment.

(5) The operator shall perform a caliper log and casing integrity log. Taking into account the purpose and duration of the temporary abandonment, the division may waive this requirement upon a demonstration by the operator of the current and anticipated internal casing integrity of the well and that such integrity shall be maintained throughout the period of temporary abandonment.

C. An operator may use any method approved by the EPA in 40 C.F.R. section 146.8(c) to demonstrate external casing and cement integrity for wells to be placed in approved temporary abandonment.

D. The division shall not accept mechanical integrity tests or logs conducted more than 12 months prior to submittal.

E. The operator shall record mechanical integrity tests on a chart recorder with a maximum two hour clock and maximum 1000 pound spring, which has been calibrated within the six months prior to conducting the test. Witnesses to the test shall sign the chart. The operator shall submit the chart, caliper log, and casing integrity log with form C-103 requesting approved temporary abandonment.

F. The division may approve other testing methods the operator proposes if the operator demonstrates that the test satisfies the requirements of Subsection B of ~~[19.15.25.13]~~ 19.15.25.14 NMAC. ~~[19.15.25.15 NMAC – Rn & A, 19.15.25.14 NMAC, 9/22/2026]~~

**~~[19.15.25.15]~~ 19.15.25.16 WELLS TO BE USED FOR FRESH WATER:**

A. When a well to be plugged may safely be used as a fresh water well and the landowner agrees to take over the well for that purpose, the operator does not need to plug the well above the sealing plug set below the fresh water formation.

B. The operator shall comply with other requirements contained in ~~[19.15.25.9]~~ 19.15.25.10 NMAC through ~~[19.15.25.11]~~ 19.15.25.12 NMAC regarding plugging, including surface restoration and reporting requirements.

C. Upon completion of plugging operations, the operator shall file with the division a written agreement signed by the landowner whereby the landowner agrees to assume responsibility for the well. Upon the filing of this agreement and division approval of well abandonment operations, the operator is no longer responsible for the well, and the division may release bonds on the well. ~~[19.15.25.16 NMAC – Rn & A, 19.15.25.15 NMAC, 9/22/2026]~~