

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 Cabinet Secretary

**Adrienne Sandoval** Director  
Oil Conservation Division



## NOTICE

### Continuances of Cases Set for Hearing Before the OCD

This notice is to provide guidance for OCD staff on how Motions for Continuance are to be handled under NMSA 1978, Section 70-2-39 “OCD Fees Law” and OCD Rule 19.15.4.13(C) NMAC.

The [OCD Fees Law](#) requires that a Motion for Continuance be accompanied by a fee of \$150. The motion and the fee must be filed via the [OCD Fees portal](#) before the OCD can process the Motion for Continuance.

OCD Rule 19.15.4.13(C) requires that:

*“Parties shall file and serve motions for continuance no later than 48 hours prior to time the hearing is set to begin, unless the reasons for requesting a continuance arise after the deadline, in which case the party shall file the motion as expeditiously as possible after becoming aware of the need for a continuance.”*

Beginning July 26, 2019, any Motion for Continuance made (a) without payment of fees, (b) without the showing required by 19.15.4.13(C) for motions filed less than 48 hours prior to the hearing, or (c) filed after 4 p.m. the day before the hearing (including verbal motions made on the day of hearing) WILL BE DENIED and the case DISMISSED without prejudice. The case may then be re-filed as a new case with the associated fee.

If no Motion for Continuance has been granted and the applicant appears at the hearing and claims to be unprepared or unable to move forward with their case set for the docket, the case shall be DISMISSED without prejudice and may be re-filed as a new case with the associated fee.

If an opposed Motion for Continuance is timely filed and fees paid, a hearing on the motion will occur. If the Hearing Examiner denies the motion, the case will be heard regardless of whether the moving party is prepared or not.

# NOTICE

## CLARIFICATION OF NOTICES FOR OCD HEARING GUIDELINES AND COMPULSORY POOLING APPLICATIONS

**EFFECTIVE JANUARY 23, 2020**

The application must be included in the hearing exhibits. The OCD Hearing Guidelines and Compulsory Pooling Checklist Notice requires applicants to submit the application at the hearing. Although the application is already in the record, applicants must include the application in the hearing exhibits to facilitate the Engineering Bureau's review process.

Applicants must submit the original and three copies of the hearing exhibits. The OCD Hearing Guidelines require applicants to submit the original hearing exhibits to the hearing examiner and a copy to the court reporter. In light of recent changes to the hearing process, applicants must provide the original hearing exhibits to the hearing examiner, one copy to the court reporter, and two copies to Engineering Bureau staff in attendance at the hearing.

OCD will dismiss or continue cases that lack evidence of published notice or the compulsory pooling application checklist, as applicable. If the applicant did not publish the hearing notice when required, did not timely publish the hearing notice, or does not have the affidavit of publication or compulsory pooling application checklist at hearing, the applicant may dismiss or continue the case to the next docket. If the applicant decides to continue the case, it must file a motion for continuance via the OCD's fee portal no later than five (5) business days after the hearing. If the applicant does not timely file the motion for continuance, the application will be dismissed.

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

### OCD Hearings Scheduled for April 16, 2020 and After

On March 11, 2020, a Public Health Emergency (Executive Order 2020-004) was declared to prevent the spread of the novel coronavirus (COVID-19). In response to the declaration, Secretary Cottrell Propst directed the Oil Conservation Division (OCD) to take prudent precautionary steps to encourage the public and OCD staff to maintain social distance, a factor in preventing the spread of COVID-19, by cancelling, postponing, or taking other actions to limit public interaction.

Governor Michelle Lujan Grisham has directed that government buildings will be closed to the public.

The New Mexico Attorney General has issued the Open Government Division Advisory During COVID-19 State of Public Emergency, which makes recommendations to state agencies how to conduct virtual meetings.

### OCD Hearings Scheduled for April 16, 2020

OCD intends to conduct electronic hearings on April 16, 2020 in accordance with the Attorney General's recommendations.

Persons may view and participate in the hearings through the following link. **This link is good for the April 16, 2020 hearings only:**

<https://zoom.us/j/517058707?pwd=OHB0WnRBb1hHUExFQ3E5dk5GeTZXdz09>

Meeting ID: 517 058 707  
Password: 131433

One tap mobile  
+16699006833,,517058707# US (San Jose)  
+13462487799,,517058707# US (Houston)

April 21, 2020

Page 2

Dial by your location

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 301 715 8592 US

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 253 215 8782 US

Meeting ID: 517 058 707

Find your local number: <https://zoom.us/j/aeH2q3M9VZ>

The Hearing Examiners will hear only cases that can be taken by affidavit. If a case requires a witness or cross-examination, or a party does not consent to the case be taken by affidavit, the case will be continued.

To be heard, the applicant must submit the exhibits, including the public notice affidavit and compulsory pooling checklist, if applicable, to the Hearings Bureau at [ocd.hearings@state.nm.us](mailto:ocd.hearings@state.nm.us) no later than 5:00 p.m. on April 14, 2020.

The Hearing Examiners in their sole discretion will call cases that meet the above requirements in any order for a hearing. The Hearing Examiners will call for appearances. The applicant shall advise if the application will be presented by affidavit. Upon concurrence of the other parties, the Hearing Examiners will inquire whether any party requests a special provision or stipulation. OCD's technical reviewer may ask questions of the applicant and other parties, if any.

The hearing will be transcribed by a court reporter. Participants are reminded to identify themselves whenever they speak, and to speak clearly so that the audio is understandable.

The Hearing Examiners in their sole discretion may continue any application to a future date for any reason.

### **OCD Hearings Scheduled After April 16, 2020**

OCD intends to conduct electronic hearings for dockets after April 16, 2020 until further notice. An applicant for a hearing is advised to provide the following statement in the public notice:

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on [date] beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website:

<http://www.emnrd.state.nm.us/OCD/announcements.html>.

# **NOTICE**

## **AMENDMENT TO COMPULSORY POOLING CHECKLIST**

**EFFECTIVE APRIL 9, 2020**

The Oil Conservation Division has adopted an amendment to the compulsory pooling checklist. The checklist has been amended to add "Special Provisions/Stipulations" in line 78 of the checklist.

Applicants and parties are advised to note special provisions and stipulations on line 78 and provide a copy of the proposed language or a reference to the exhibit containing such language to ensure incorporation into compulsory pooling orders.

A copy of the amended checklist is posted contemporaneously herewith.

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

### OIL CONSERVATION DIVISION'S INSTRUCTIONS FOR APRIL 30, 2020 HEARING DOCKET

**APRIL 22, 2020**

The following information applies to the April 30, 2020 docket.

OCD previously announced that it will conduct virtual hearings in accordance with the Attorney General's recommendations.

Cases by Affidavit. The Hearing Examiner will only hear cases that can be taken by affidavit. If a party does not consent to the case being taken by affidavit, the case will be considered to be a contested case. For the Hearing Examiner to hear a case by affidavit, the applicant must submit the exhibits, including the public notice affidavit and compulsory pooling checklist, if applicable, to the Hearings Bureau at [OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us). Do not submit hard copies by mail or to OCD offices.

Contested Cases. The Hearing Examiner will hold a status conference for all contested cases, which includes any case for which a party intends to call a witness. The Hearing Examiner may set a contested case for a virtual hearing on or after May 2020. The parties must be capable of presenting their witnesses in the audio and visual formats. The parties or their counsel shall prepare and submit a joint stipulation identifying the dates on which they will submit the following information:

- a. a list of material facts not in dispute;
- b. a list of disputed facts and issues;
- c. identification of witnesses and their qualifications;
- d. a full narrative of the direct testimony and exhibits for witnesses;
- e. the filing of prehearing motions, including evidentiary objections, and a briefing schedule;

- f. a telephonic conference to hear motions and to address questions regarding the conduct of the hearing; and
- g. the hearing.

An applicant may decline the opportunity for a status conference by filing a motion for continuance via the fee portal.

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**, Director  
Oil Conservation Division



## NOTICE

### MATERIAL CHANGES OR DEFICIENCIES IN APPLICATIONS SUBMITTED TO THE OCD ENGINEERING BUREAU

**EFFECTIVE June 11, 2020**

The OCD Engineering Bureau (OCD) gives notice that it intends to deny applications for which the applicant proposes a material change during the review process or when a material deficiency is identified during the administrative or technical review process. A change or deficiency is material if its existence or nonexistence is of consequence to the public notice or substantive rules for the application. If OCD denies an application, the applicant may refile through the fee portal.

OCD provides the following non-exclusive list of common material changes and deficiencies:

- **Compulsory Pooling**
  - Change to horizontal spacing unit
  - Change to financial evidence, including expenditures or risk charge
  - Failure to completely and accurately notice as required by 19.15.4.12 NMAC
- **Authorization to Inject**
  - Change to surface or bottom-hole location that results in a new “affected person” as defined in 19.15.2.7(A)(8) NMAC. [Note: If the change of location does not result in a new “affected person”, the applicant must re-notice the application to all previously identified “affected persons.”].
  - Change to injection interval
  - Failure to completely and accurately provide notice as required by 19.15.26.8(C) NMAC
- **Non-Standard Location**
  - Change to first or last take point resulting in increased encroachment
  - Failure to completely and accurately provide notice as required by 19.15.4.12 NMAC for hearings and 19.15.15.13 NMAC for administrative applications



- **Downhole Commingling**
  - Change or addition of pool
  - Changes to allocation method made by the applicant
  - Failure to completely and accurately provide notice as required by 19.15.12.11(C) NMAC
  
- **Surface Commingling**
  - Change or addition of lease
  - Change or addition of pool
  - Change to allocation method made by the applicant
  - Failure to completely and accurately provide notice as required by 19.15.12.10(C)(4) NMAC
  
- **Off-Lease Storage and Measurement**
  - Change or addition of lease
  - Change or addition of pool
  - Change to location of storage facility or measurement configuration
  - Failure to completely and accurately provide notice as required by 19.15.23.9(A)(5) NMAC
  
- **OCD Hearing Applications**
  - Change of Operator Name
  - Change in Operator OGRID Number

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**

**July 22, 2020**

### **OCD Hearings Scheduled for August 6, 2020 and After**

On March 11, 2020, Governor Michelle Lujan Grisham issued Executive Order 2020-004 declaring a Public Health Emergency to prevent the spread of the novel coronavirus. The Executive Order closed government buildings to the public.

Additionally, Secretary Cottrell Propst directed the Oil Conservation Division (OCD) to take prudent precautionary steps to encourage the public and OCD staff to maintain social distance by cancelling, postponing, or taking other actions to limit public interaction.

To comply with these directives, OCD has been conducting electronic hearings in accordance with the New Mexico Attorney General's Open Government Division Advisory During COVID-19 State of Public Emergency.

#### **HEARINGS ON AUGUST 6, 2020 AND AFTER**

This notice governs OCD hearings on August 6, 2020 and after, and supersedes the earlier notices entitled "OCD Hearings Scheduled for April 16, 2020 and After" and "Oil Conservation Division's Instructions for April 30, 2020 Hearing Docket."

The Hearing Examiner will call each case and inquire whether the parties agree that the case can be taken by affidavit. If the parties concur, the Hearing Examiner will hear the case by affidavit, provided that the applicant submitted the exhibits, including the public notice affidavit and the compulsory pooling checklist, if applicable, to the Hearings Bureau at [ocd.hearings@state.nm.us](mailto:ocd.hearings@state.nm.us) no later than 5:00 p.m. on the Tuesday preceding the hearing date. The Hearing Examiner will inquire whether any party requests a special provision or stipulation, and the OCD's technical reviewer may ask questions of the applicant and parties, if any.

If the parties do not concur that the case may be taken by affidavit, and do not agree to continue the case, the Hearing Examiner will conduct a status conference, set

the case for an electronic hearing, and direct the parties to submit a pre-hearing order setting forth the dates on which they will submit to OCD and exchange between the parties the following information:

- a. a list of material facts not in dispute;
- b. a list of disputed facts and issues;
- c. identification of witnesses and their qualifications;
- d. a full narrative of the direct testimony and exhibits for witnesses;
- e. the filing of prehearing motions, including evidentiary objections, and a briefing schedule; and
- f. the date and time for a telephonic conference to hear prehearing motions and address questions regarding the conduct of the hearing.

Any party may request a status conference to resolve disputes regarding the preparation of the pre-hearing order.

The Hearing Examiner in her sole discretion will call cases on the docket in any order.

The hearings will be transcribed by a court reporter. Participants are reminded to identify themselves when they speak and to speak clearly so that the audio is understandable.

The Hearing Examiner in her sole discretion may continue any application to a future date for any reason.

Applicants for a hearing are advised to provide the following statement in their public notice:

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on [date] beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>.

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 Cabinet Secretary

**Adrienne Sandoval**, Division Director  
**Oil Conservation Division**



## **NOTICE**

### **Filing of Documents in OCD and OCC Cases**

**May 28, 2021**

All filings by participants in cases before the Oil Conservation Division (OCD) and the Oil Conservation Commission (OCC) shall be accomplished through the OCD E-Permitting system (<https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/>). This requirement includes applications for hearing, entries of appearance, motions, exhibits and all other pleadings. For further instructions on how to use the OCD E-Permitting system, consult this guidance [\[link\]](#) or contact Marlene Salvidrez at [marlene.salvidrez@state.nm.us](mailto:marlene.salvidrez@state.nm.us) or (505) 469-5527.

This method of filing will become mandatory as of June 14, 2021. Failure to comply with this filing process shall result in the rejection of filings.

Filing through the E-Permitting system eliminates the need to file multiple copies of pleadings provided in 19.15.4.13(A) NMAC. For filings that pertain to several cases, a filing must be made for each case. Parties must continue to provide service of all pleadings to other parties in a case as provided in 19.15.4.13(A) NMAC.

A person seeking to submit correspondence or provide non-technical written comments in a case may do so by emailing them to the Division Clerk at [OCD.hearings@state.nm.us](mailto:OCD.hearings@state.nm.us) or to the Commission Clerk at [OCC.hearings@state.nm.us](mailto:OCC.hearings@state.nm.us). The case number must be included in the title of the e-mail message.

This Notice supersedes instructions that pertain to filing in OCD and OCC cases which are contained in the OCD Notice dated November 20, 2020 (“Electronic Submittal of OCD and OCC Correspondence”).

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**

# **OCD HEARINGS UPDATES: Compulsory Pooling Checklist and Request for Additional Information Process**

**November 29, 2022**

Due to the increase in applications for hearings which request a Compulsory Pooling and Non-Standard Spacing Unit ("NSP") combined, OCD is introducing an amended Compulsory Pooling Checklist ("Checklist"). This Checklist will be used for all Compulsory Pooling cases beginning on January 5, 2023, including those with or without NSP requests attached to them. The changes made to the checklist allow the OCD to verify proper notice has been met per 19.15.16.15(B)(5) NMAC. From January 5, 2023, onward, if the updated Checklist is not utilized the case will be dismissed.

During the hearings conducted in August, September, October, and the first hearing of November, OCD took under advisement 132 cases. Of those cases **56%** required additional information or contained errors. This necessitated OCD to solicit edits or additional information prior to further review of the applications. Due to this large percentage of cases missing information or containing errors, OCD is issuing a new process for those cases in which additional information is required by the Examiners. Effective the January 5, 2023 hearing, any information requested by the examiners must be submitted to OCD within two-weeks. It is the applicants responsibility to meet the two-week deadline. If the OCD has not received the information by the end of that two-week time period then the OCD will dismiss the application for being incomplete. The application will need to be refiled in order to proceed. Exceptions may be considered upon documentation of extenuating circumstances establishing good cause.

This new process will encourage more complete and accurate submissions enabling the OCD to process hearing orders in a more timely manner.