

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Secretary

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



## **OIL CONSERVATION DIVISION OPERATIONS DURING DECLARED PUBLIC HEALTH EMERGENCY**

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, EMNRD 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.

### **OCD TELEWORK DURING PUBLIC HEALTH EMERGENCY**

The OCD remains open for business for the public and the oil and gas industry. The OCD will continue to actively work with stakeholders to solve problems and provide the best customer service possible during this public health emergency. However, the OCD has implemented a statewide staff teleworking policy until further notice. The OCD has quickly provided alternative systems of communication and document filing while complying with the mandate to maintain social distance.

### **OCD AUTHORITY DURING PUBLIC HEALTH EMERGENCY**

The New Mexico Oil and Gas Act (Act) grants the OCD Director broad authority to do what is necessary to carry out the intent of the Act: prevent waste, protect correlative rights, and protect the environment. The OCD will continue to process applications and permits, ensure compliance with the Act, and respond in a timely manner to operators and the public.

### **OCD APPLICATIONS PROCESS DURING PUBLIC HEALTH EMERGENCY**

The OCD understands that the oil and gas industry is a vital part of New Mexico's economy and is actively working to facilitate production and compliance during this challenging time. To comply with the mandate to maintain a social distance, the OCD must now receive some document filing electronically instead of by first class mail or hand delivery. As processes change, OCD will promptly provide notice to operators on

how to submit documents and will continue to provide notice as needed during the public health emergency. The OCD continues to accept all applications, permits and document types.

**Fee Applications:**

All fee applications will continue to go through the OCD online Fees Portal which includes Applications for Permits to Drill (APD's), spill reporting and most other OCD applications.

**Non-Fee Applications (submitted by operators with active OGRIDs):**

Correspondence relating to drilling, completions, production and engineering that have previously been submitted via hard copy must now be submitted by operators in the OCD online E-Docs system in lieu of submitting paper copies. This includes the following documentation types:

- State Forms and Sundries
- Federal Sundries
- Federal Completion Reports
- Correspondence relating to drilling, completion, production and engineering
- Federal APDs- provide only the following items from the APD packet:
  - the Federal 3160-3 form
  - the OCD C-102 (Plat)
  - the Gas Capture Plan
  - the Drilling and Casing Plan
  - the Directional Plan
  - Federal Conditions of Approval
  - Hydrogen Sulfide Plan
  - Closed Loop or Pit Plan

Electronic files can be uploaded [here](#) using your OCD Online credentials (login and password). Submit pdf files only. Submissions by contractors will not be accepted. Provide complete and correct information; OCD will reject noncompliant submittals. OCD will notify you if your submittal is rejected, and you will have to resubmit.

Contact the local district office for assistance.

For Federal APDs: Select the file type as "UNKNOWN" and enter well name and number as the reference ID.

For Sundries: Select the file type as "Well File" and enter the API number as the reference ID.

**Time Extensions:**

The Oil and Gas Act authorizes the OCD Director to grant requests for extension of time in order to prevent waste, protect correlative rights, protect public health, and the environment.

OCD routinely receives and grants requests for extension of time upon a showing of good cause and compliance with the Act and implementing rules.

For field compliance issues that may be delayed due to the public health emergency please contact your OCD field representative prior to the expiration date and request an extension. Include the reason for the delay and the estimated extension timeframe being requested.

**For All Other Correspondence:**

All other correspondence, including from third parties such as legal counsel or contractors, should be emailed to the OCD.

For Engineering requests:

Please email all documents to [OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us). The email should provide a brief description of its purpose and contents, and the relevant documents attached in pdf format.

- For Saltwater Disposals (SWDs)
  - Injection Pressure Increase (IPI) Requests
  - SWD Protests
  - SWD Request for Extension of Time
  - Proposed SWD Well Location Modifications
  - Requested Additional C-108 Application Material
  - General C-108 Inquiries
  - Monthly/Quarterly/Annual Reporting Requirements for Acid-Gas Injection Wells
  - Requests for modification of reporting requirements for Acid-Gas injection wells
  - Analytical Results
  - Reporting requirements to be submitted to the Engineering Bureau as a condition of approval contained in either SWD or ER orders
  - Requests for exceptions to packer setting depths for either SWD or ER orders
- For Non-Standard Location (NSL) / Non-Standard Proration (NSP)
  - NSL/NSP Protests
- For Compulsory Pooling (CPs)
  - Updated AFEs
  - General CP Inquiries
- For Downhole Comingling (DHC) / Surface Comingling (SC)
  - Protests
  - Quarterly Reports for Well Tests

If you have any questions, please email [OCD.Engineer@state.nm.us](mailto:OCD.Engineer@state.nm.us)

For Environmental requests:

Please email all documents to [OCD.Enviro@state.nm.us](mailto:OCD.Enviro@state.nm.us). The email should provide a brief description of its purpose and contents, and the relevant documents attached in pdf format.

- For Spill Remediation
  - Requests for extensions of time for remediation plans
- For Recycling Facilities
  - Documents for Recycling Facilities or Containments

If you have any questions, please email [OCD.Enviro@state.nm.us](mailto:OCD.Enviro@state.nm.us)

For Hearings Documents:

Please email all documents to [OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us). The email should provide a brief description of its purpose and contents, and the relevant documents attached in pdf format including.

- Hearings Document Types
  - Any request for an extension of time for any application/permit/ order or regulatory requirement
  - Pre-hearing statements
  - Entry of Appearances
  - Dismissals
  - Withdrawal of Counsel
  - Any other non-fee document for hearings

If you have any questions, please email [OCD.Hearings@state.nm.us](mailto:OCD.Hearings@state.nm.us)

### **SPECIAL PROCEDURES FOR SHUTTING IN WELLS FOR ECONOMIC HARDSHIP**

An operator may request shut-in status for wells for economic hardship under the following conditions:

- The operator enters into an Agreed Compliance Order (ACO) for a period not to exceed thirty-six (36) months.
- For good cause, OCD may extend the ACO for an additional twelve (12) months.
- The operator shall conduct a Bradenhead test on each well in the ACO no later than twelve (12) months, twenty-four (24) months and thirty-six (36) months after the effective date of the ACO. To extend the shut in past four years the operator will need to place the well in approved Temporary Abandonment pursuant to 19.15.25.12-14 NMAC.
- The operator shall submit a compliance report for each Bradenhead test no later than thirty (30) days after such test.

Operators are advised to monitor the status of wells not included in the ACO to ensure that such wells do not become inactive for a period exceeding fifteen (15) months.

Please contact [Daniel.Sanchez@state.nm.us](mailto:Daniel.Sanchez@state.nm.us) in order to initiate the process.

## FIELD OPERATIONS

### **Artesia/Hobbs:**

- For general office questions please contact 575-626-0857.
- For field operations, compliance issues or after hours emergencies please contact 575-626-0830.

### **Aztec:**

- For general office questions please contact Amy Vermersch at 505-334-6178 ext 113.
- For releases or environmental concerns contact Cory Smith at 505-419-2687.
- For field operations, compliance issues or after hours emergencies please contact Brandon Powell at 505-320-0200.

### **Inspections:**

During this time, inspectors will not be performing any inspections that require other parties to be on site. UIC tests requiring an OCD inspector are currently suspended and will be rescheduled for a future date.

For further information regarding COVID-19, please visit <http://cv.nmhealth.org/faq/>.

For information for individuals experiencing financial hardship, please visit <https://www.newmexico.gov/i-need-assistance/>