State of New Mexico Energy, Minerals and Natural Resources Department

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NOTICE Guidance to Operators Submitting Priority Lists to OCD May 12, 2025

The New Mexico Oil Conservation Division ("OCD") has offered proactive operators the opportunity to submit priority lists to the Admin Engineering Team to assist in meeting compliance deadlines for development needs. Priority lists may be submitted as a list of submissions pending in OCD Permitting and including each submission Action ID, with a request that OCD expedite review of listed submissions. Priority list items may include APDs, C-103N, C-104s, etc. Due to the increasing number and rate of priority list submissions, OCD is no longer able to effectively expedite review of all requested items. The bullets below outline the new guidance for operators that are already participating and will take **effect 6/1/2025**.

- The number of priority sundries may not exceed ten per month.
 - o Operators are encouraged to only submit requests that are absolutely necessary.
 - OCD may require justifications for priority review. <u>Abuse of the priority list</u> <u>may result in denial of future requests.</u>
 - OCD may reduce the sundry limit at its discretion based upon number of participating operators and OCD capacity.
- Lists will be submitted on the first Monday of each calendar month.
 - If more than ten are needed, special approval will need to be granted in writing by the Admin Engineering Supervisor - Ward Rikala.
 - o If there is a justifiable need for modification to the priority list for unforeseen situations, please contact Admin Engineering Supervisor Ward Rikala.
 - If the modification process is abused or becomes excessive the operator may be removed from the program.
- Each request must include a valid reason for priority request, subject to OCD discretion.
- Each list must provide a priority ranking for each item and an anticipated date needed.
- The lists must be submitted as an excel file in the format of the attached example.
- The lists will be sent to <u>OCD.Engineer@emnrd.nm.gov</u> with the subject line as follows: "Operator Name, Month, Priority List"
- The excel file will follow the same naming convention described above.
- The list will not "roll" to the following month. A new list will need to be submitted each month.

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Some clarifications for approvals, prerequisites.

- When submitting sundries for priority review the operator needs to ensure any prerequisite sundries are;
 - 1. Approved already, or
 - 2. Added to the priority list for review

Note: The prerequisite sundries count toward the ten total submittals.

- **E.G.** A C-104 is submitted for priority. The prerequisite C-103N drilling sundries must be approved or added to the priority list with appropriate ranking. If prerequisite sundries are not added to the priority list and are needed to address a sundry, the priority list will be reduced by the number of prerequisites reviewed.
- The priority lists request expedited review of sundries and do not guarantee approval. A rejection will be counted as a completed review.
- Priority lists may be used for administrative sundries only and does not include administrative orders such as surface commingling, downhole commingling, NSL, NSP and C-108.
- Please note that OCD must continue processing other sundries while processing priority needs. Not all resources can be obligated to priority requests.
- The OCD does not make any guarantee that each operator's list will be completed each month. The number reviewed each month will be based on the number of requests received and reviewer availability.

Gerasimos Razatos Division Director (Acting) 5/8/2025

Date