Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne Sandoval, Division Director Oil Conservation Division



Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Operator Notice: Update to Change of Operator (C-145) Process

This notice clarifies OCD's process for approval of the Change of Operator (C-145) and is effective on November 1, 2019.

Beginning on July 1, 2019, OCD began charging fees on administrative applications as provided in NMSA 1978 Section 70-2-39.OCD will use the fees to modernize its IT and business systems and offset administrative hearing costs.

OCD recently discovered an error in the fee charged for the C-145. Accordingly, OCD will charge the following fees for C-145's:

- For wells on the Inactive Wells list:
 - The operator must file a C-145 for each well.
 - The fee is \$150 for each C-145.
 - o Inactive wells subject to an Agreed Compliance Order are subject to these requirements.
 - o Inactive wells in approved Temporary Abandonment status are not subject to these requirements.
 - The Inactive Well List can be found <u>here</u>:
- For wells with Active Environmental Incident(s):
 - The operator must file a C-145 for each well.
 - The fee is \$150 for each C-145.
 - The OCD's Environmental Incidents database can be found <u>here</u>:
- For wells that are on both the Inactive Well List (but not in approved Temporary Abandonment status) and in the Environmental Incidents database:
 - The operator must file a C-145 for each well.
 - The fee is \$150 for each C-145.
 - o Inactive wells subject to an Agreed Compliance Order are subject to these requirements.
- For wells that are not on the Inactive Well List or Incident database:
 - The operator may file a C-145 for multiple wells.
 - The fee is \$150.
 - OCD will deny the C-145 if the operator includes a disqualified well even if the well is added to the Inactive Well or Environmental Incidents database after the operator submits the C-145. The fee will not be refunded.

For any questions please contact the OCD mainline at 505-476-3441 and request the Administrative Compliance Program.