State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

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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 renotice 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
- o Changes to allocation method made by the applicant
- o Failure to completely and accurately provide notice as required by 19.15.12.11(C) NMAC

• Surface Commingling

- o Change or addition of lease
- o Change or addition of pool
- o Change to allocation method made by the applicant
- o Failure to completely and accurately provide notice as required by 19.15.12.10(C)(4) NMAC

Off-Lease Storage and Measurement

- o Change or addition of lease
- Change or addition of pool
- o 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
- o Change in Operator OGRID Number