State of New Mexico Energy, Minerals and Natural Resources Department

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NOTICE

EXTENSIONS OF TIME TO FILE COMPLETION REPORTS FOR FEDERAL WELLS AND INITIAL PRODUCT TESTING DATA

Effective September 29, 2020

To streamline the process and prevent delays, the OCD is announcing a revised process for obtaining authorization to transport oil and gas from a producing well. 19.15.7.36 NMAC requires an operator to submit a BLM-approved Well Completion or Recompletion Report and Log (Form 3160-4) in conjunction with the request for authority to transport oil and gas (Form C-104). However, there have been delays in obtaining BLM's approval of Forms 3160-4. To address the resulting processing delays, OCD will conditionally approve Form C-104 pending subsequent receipt of a BLM-approved Form 3160-4 as specified below. This extension of time applies only for wells subject to federal permitting.

- Following the process below, include in the Completion Sundry (Form 3160-5) the statement, "Request for OCD extension of time to file BLM- approved Form 3160-4." An extension shall not exceed 12 months from the completion date unless OCD grants an additional extension for good cause shown.
 - File Form 3160-5 containing information regarding formation tops from total depth to surface demonstrating that the perforations are within the correct formation and the zones are properly isolated.
 - File Form 3160-4 with BLM no later than forty-five (45) days following the completion of the well.
 - File all required downhole logs with OCD prior to the submittal of the C-104.
 - File Form 3160-4 with OCD no later than ten (10) days after its approval or denial by BLM.

 If an operator submitted Form C-104 prior to this notice and attached the "as-filed" copy of Form 3160-4, OCD will grant an extension to file the BLM-approved Form 3160-4.

Extensions of time to report initial production data and tubing information

Operators must file initial production data and tubing information for a new well in Form C-104 or C-105. However, an operator may not have this data on the filing date, hindering OCD's ability to approve Form C-104 to produce and transport oil and gas. In order to address this issue, OCD will conditionally approve a timely Form C-104 that provides the initial production test data and tubing information when the operator files a Form C-104 or C-105 stating that the initial production data and tubing information will be reported in the first production/first delivery sundry.

In order to process Form C-104s as quickly and efficiently as possible, the OCD requests that forms be submitted electronically. For more information regarding how to submit forms electronically, please see OCD's <u>March 20, 2020 notice</u>.