

State of New Mexico
Energy, Minerals and Natural Resources Department

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NOTICE

REQUEST FOR PUBLIC COMMENT ON DRAFT POLICY FOR MATERIAL CHANGES OR DEFICIENCIES IN APPLICATIONS SUBMITTED TO THE OCD ENGINEERING BUREAU

APRIL 14, 2020

OCD proposes to adopt a policy to clarify the types of changes or deficiencies in an engineering application that will require the applicant to submit a new application in order for OCD to proceed with administrative and technical review.

The draft policy is reproduced below.

OCD will consider public comments on the draft policy. Interested persons are invited to submit written comments to OCD.Engineer@state.nm.us no later than the close of business on Friday, April 24, 2020. The email must identify the subject as "Public Comment on Draft Policy for Material Changes or Deficiencies in Applications".

MATERIAL CHANGES OR DEFICIENCIES IN APPLICATIONS SUBMITTED TO THE OCD ENGINEERING BUREAU

EFFECTIVE APRIL __, 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 or addition of lease
 - 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 re-notice 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 or addition of pool
 - Change to first or last take point
 - 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
 - Changes to allocation method
 - Failure to completely and accurately provide notice as required by 19.15.12.11(C) NMAC

- **Surface Commingling**
 - Change or addition of lease
 - Change or addition of pool
 - Change to location of commingling facility
 - Change to allocation method
 - Failure to completely and accurately provide notice as required by 19.15.12.10(C)(4) NMAC

- **Off-Lease Storage and Measurement**
 - Change or addition of lease
 - Change or addition of pool
 - 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
 - Change in Operator OGRID Number