

State of New Mexico
Energy, Minerals and Natural Resources Department

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NOTICE
Modification of OCD Forms (C-102, C-104, and C-105) and Submission Categories
July 9, 2024

The Oil Conservation Division (“OCD”) is in the process of updating the current OCD Permitting C-104 Completion Packet, C-104 Tight Hole Completion Packet, and the C-104 Transport Authorization (collectively known as “C-104 Completion Packet”) processes and procedures which have largely been unchanged in recent years. The current process requires Operators to submit a C-104, C-105, C-102 as drilled, directional or deviation survey, and a C-103 completion sundry. Many of the items on these forms are duplicative of information either from another form in the C-104 Completion Packet or duplicative of information provided with prior submissions such as C-103N Drilling Sundries. This duplication imposes additional burdens on OCD review staff and operator submission staff, and it increases the risk of human error in the process. OCD has also determined that this process does not provide Operators an efficient process for submitting information nor does it provide OCD Engineering staff the ability to efficiently review this information which is critical to the transportation of oil and gas.

The C-104 Completion Packet is used by Operators to gain authorization to transport oil and gas from the well pursuant to 19.15.7.15 NMAC. The updates will provide a more efficient system for the C-104 Completion Packet submission on both the Operator and OCD side by reducing the amount of duplicative information that needs to be filed out and reviewed on these forms. The changes announced today is the initial phase of a planned multiphase process to digitize these forms and streamline the overall review process.

The first phase of changes requires Operators to begin submitting a C-104 Completion Packet on the attached updated C-102, C-104, and C-105 forms. If the well is federal, the BLM approved equivalent of the C-105 must be submitted in lieu of the state form, unless the BLM approved version is not available 30 days after submittal to the BLM as a state sundry can be filed in accordance with 19.15.7.9 NMAC.

The first phase also includes the retirement of the existing submission options which previously were as follows:

- [C-104] Transport Authorization (C-104)
- [C-104] Completion Packet (C-104C)
- [C-104] Tight Hole Completion Packet (C-104CT)

Through August 1, 2024, OCD staff will continue to review applications submitted prior to this change, however, as August 1, 2024, operators will no longer be able to submit to the above options. The above options have been upgraded to allow OCD the ability to better review and prioritize C-104 Test Allowable (C-104RT) reviews, the submission portals will now read as follows:

- [C-104] Completion Packet – Test Allowable (C-104RT)
 - This submission is for Operators to submit a C-104RT, once OCD approves the operator will receive a temporary C-104 approval to allow for flowback and testing of the well.

- 30 days for vertical wells
- 90 days for horizontal wells
- [C-104] Completion Packet (C-104NW)
 - This submission is for Operators to submit a C-104 New Well or C-104 Recomplete, once approved the C-104 approval becomes permanent, unless one of the following is met:
 - OCD revokes the C-104 for compliance issues.
 - Operator changes any items that affect downhole status such as but not limited to:
 - Plug Back
 - Deepen
 - Perf add (outside of previously approved range)
- [C-104] Completion Packet – Tight Hole/Confidential (C-104CT)
 - This submission is identical to the C-104NW; however, Operators can assert confidential status for up to 90 days from the wells ready date per NMAC.

The form redesigns include a new and updated C-104, this new C-104 is intended to minimize information needed for more efficient submission and processing times. The new C-104 is to be submitted anywhere a C-104 is required such as:

- C-104 New Well
- C-104 Recomplete
- C-104 Test Allowable
- C-104 Pay add
- Other applicable submissions.

The form redesigns include a new and updated C-102, this new C-102 is to be submitted anywhere a C-102 is needed such as but not limited to the following list:

- Application to Drill (State, Fee, and Federal)
- C-103A change of plans as necessary.
- C-104 Submissions
- Hearing Cases which require a C-102
- Non-standard Locations (NSL)
- Non-standard Prorations (NSP)
- UIC applications
- Other applicable submissions

Lastly the form redesigns include a new and updated C-105, this new C-105 is to be submitted anywhere a C-105 is needed such as but not limited to the following list:

- UIC applications
- C-104 Submissions
- Pit closures.
- Other applicable submissions

Failure to use the new updated forms or submission portals correctly after August 1, 2024, or failure to complete all items on the forms after this notice **will** result in a rejection of the submission.

Operator guidance is also available as part of this notice for C-104 Completion Packet submissions.

Additional notices may be posted on the Divisions website prior to future phase implementations. If you have any questions regarding this notice, please email the OCD Engineering general E-mail box at ocd.engineer@emnrd.nm.gov with the subject line of “Notice: C-104 and C-102 Changes”.