

SENATE FINANCE COMMITTEE SUBSTITUTE FOR  
SENATE BILL 553

**54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

Pursuant to House Rule 24-1, this document incorporates amendments that have been adopted prior to consideration of this measure by the House. It is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO OIL AND GAS; IMPOSING FEES; CREATING A FUND; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Oil and Gas Act is enacted to read:

"[NEW MATERIAL] FEES--APPROPRIATION.--

A. The following fees are required to be paid to the oil conservation division of the energy, minerals and natural resources department:

.214330.3

underscored material = new

[bracketed material] = delete

Amendments: new = →bold, blue, highlight←

delete = →bold, red, highlight, strikethrough←

(1) with each application for a non-federal and non-Indian permit to drill, deepen, plug back or reenter a well, the applicant shall submit to the division a nonrefundable fee of five hundred dollars (\$500);

(2) with each individual application for administrative approval of a non-standard location, downhole commingle, surface commingle, off-lease measurement, release notification and corrective action, change of operator, application for modification to surface waste management facility, request for the creation of a new pool, proposed alternative method permit or closure plan application or authorization to move produced water, the applicant shall submit to the division a nonrefundable fee of one hundred fifty dollars (\$150);

(3) with each application for a fluid injection well permit, the applicant shall submit to the division a nonrefundable fee of five hundred dollars (\$500) per well;

(4) with each application for a permit for a commercial surface waste management facility, landfill or landfarm, the applicant shall submit to the division a nonrefundable fee of ten thousand dollars (\$10,000) per facility;

(5) with each application for an administrative hearing, re-hearing or de novo hearing before

.214330.3

underscored material = new  
[bracketed material] = delete  
Amendments: new = →bold, blue, highlight←  
delete = →bold, red, highlight, strikethrough←

underscored material = new  
[bracketed material] = delete  
Amendments: new = →bold, blue, highlight←  
delete = →bold, red, highlight, strikethrough←

the division or commission, the applicant shall submit to the division a nonrefundable fee of five hundred dollars (\$500) per application; and

(6) with each application for a continuance of an administrative hearing, re-hearing or de novo hearing before the division or commission, the applicant shall submit to the division a nonrefundable fee of one hundred fifty dollars (\$150) per application.

B. An application for an administrative hearing, re-hearing or de novo hearing before the oil conservation division or commission will be considered to be materially amended if the amendment is made for a purpose other than to correct:

- (1) typographical errors; or
- (2) clerical errors.

C. The "oil conservation division systems and hearings fund" is created in the state treasury as a nonreverting fund. All funds received by the oil conservation division from fees imposed pursuant to Subsection A of this section shall be delivered to the state treasurer and deposited in the fund. Disbursements from the fund shall be made upon warrants drawn by the secretary of finance and administration pursuant to vouchers signed by the secretary of energy, minerals and natural resources or the secretary's authorized representative. Money in the fund is HAFC→**appropriated**←HAFC HAFC→**subject to appropriation by the legislature**←HAFC to the division to develop and modernize the division's online application processing system, online case management system

.214330.3

and online case file system and for other technological upgrades and hearing administration costs. Any unexpended or unencumbered balance remaining in the fund at the end of a fiscal year shall not revert to the general fund. HAFC→Money in the fund in fiscal year 2020 may be expended by the division for the purposes of the fund.←HAFC"

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2019.

underscored material = new  
[bracketed material] = delete  
Amendments: new = →bold, blue, highlight←  
delete = →bold, red, highlight, strikethrough←