

STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION FOR  
THE PURPOSE OF CONSIDERING:

CASE NOS: 21381

APPLICATION OF AMEREDEV OPERATING LLC,  
FOR AUTHORIZATION TO INJECT,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
COMMISSIONER HEARING  
Agenda Item 4  
November 4, 2020  
Santa Fe, New Mexico

BEFORE: ADRIENNE SANDOVAL, CHAIRWOMAN  
JORDAN KESSLER, COMMISSIONER  
DR. THOMAS ENGLER, COMMISSIONER  
CHRIS MOANDER, ESQ.

This matter came on for hearing before the New Mexico Oil Conservation Commission on Thursday, November 4, 2020, via Webex Virtual Platform, hosted by New Mexico Energy, Minerals, and Natural Resources Department.

Reported by: Irene Delgado, NMCCR 253  
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1 APPEARANCES

2 FOR THE APPLICANT:

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4 HOLLAND & HART  
5 110 North Guadalupe, Suite 1  
6 Santa Fe, NM 87501  
7 505-954-7286

8 FOR OIL CONSERVATION DIVISION:

9 ERIC AMES  
10 1220 South St. Francis Drive  
11 Santa Fe, NM 87501

12

13 FOR STATE LAND OFFICE:

14 ARI BIERNOFF  
15 P.O. Box 1148  
16 Santa Fe, NM 87504-1148

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1                   CHAIRWOMAN SANDOVAL: Next on the agenda is final  
2     action in case Number 21381, which was an AGI application  
3     from Ameredev LLC. The final order was circulated, I  
4     believe, the first day last week. Commissioners, have you  
5     had an opportunity to review that order?

6                   COMMISSIONER KESSLER: Yes, Director, I have had  
7     an opportunity to review.

8                   COMMISSIONER ENGLER: Same here, I've reviewed  
9     it.

10                  CHAIRWOMAN SANDOVAL: Are there any changes or  
11     objections to the order?

12                  COMMISSIONER KESSLER: Madam Chair, would there  
13     be an opportunity to hear from counsel? I believe that it  
14     was an agreed order, but I'm wondering if counsel has input  
15     on that.

16                  CHAIRWOMAN SANDOVAL: Yes. Let's start with  
17     counsel for Ameredev. Mr. Rankin, do you have any comments  
18     regarding the order?

19                  MR. RANKIN: Madam Chair, members, thank you for  
20     the opportunity. No, we have no comments on the order we  
21     submitted by the parties. It was submitted jointly, and so  
22     we have no comments, unless the Commission has any  
23     questions. We appreciate your consideration.

24                  CHAIRWOMAN SANDOVAL: Mr. Ames, do you have any  
25     comments on behalf of the Oil Conservation Division?

1                   MR. AMES: Yes. Thank you, Madam Chair, members  
2 of the Commission. Eric Ames, general counsel under Mineral  
3 and Natural Resource Department for the Oil Conservation  
4 Division.

5                   I concur with the comments of Mr. Rankin. The  
6 parties, including the State Land Office, OCD and Ameredev  
7 conferred, and we reached agreement on the proposed form of  
8 order which has now been presented to you, so that does  
9 represent, Commissioner Kessler, the agreement of counsel  
10 for the parties. Thank you.

11                  CHAIRWOMAN SANDOVAL: Thank you, Mr. Ames.  
12 Mr. Biernoff, do you have anything to say on behalf of the  
13 State Land Office?

14                  (No audible response.)

15                  CHAIRWOMAN SANDOVAL: If you are saying  
16 something, we can't hear you.

17                  (No audible response.)

18                  CHAIRWOMAN SANDOVAL: Mr. Biernoff, are you  
19 there? It looks like you are on and unmuted.

20                  (No audible response.)

21                  CHAIRWOMAN SANDOVAL: Mr. Biernoff?

22                  (No audible response.)

23                  CHAIRWOMAN SANDOVAL: Okay. Oh, it just changed  
24 a little bit. Mr. Biernoff, it looks like you're muted.  
25 Unmute or we can't hear you.

1                   COMMISSIONER KESSLER: Do you remember, is it S 7  
2 or star 8 that you can press if you are on the phone to  
3 unmute yourself? Do you remember what that is?

4                   CHAIRWOMAN SANDOVAL: It's star 3, the call-in  
5 users.

6                   COMMISSIONER KESSLER: I'm not sure. I was just  
7 wondering if that's the problem.

8                   CHAIRWOMAN SANDOVAL: The two call-in users we  
9 have. Mr. Biernoff, were you on the phone with us? I have  
10 unmuted the call-in users if you were on the phone.

11                   MR. BIERNOFF: (No audible response.)

12                   CHAIRWOMAN SANDOVAL: Appears no such luck. Is  
13 there any other representative on behalf of the State Land  
14 Office that -- it doesn't look like it.

15                   (No audible response.)

16                   CHAIRWOMAN SANDOVAL: Okay. Well, I think we  
17 will continue.

18                   COMMISSIONER KESSLER: Perhaps he could send an  
19 e-mail to Commission counsel, and if he has concerns,  
20 perhaps he could read them into the record. I'm not sure  
21 that he has concerns. And I see that he is trying to unmute  
22 himself, but just as an opportunity to -- to make sure that  
23 he is heard.

24                   I heard from other counsel, Director, I do not  
25 have specific concerns with the order. I would note that it

1 looks like for condition 16, OCD is responsible now for  
2 coordinating between the Bureau of Geology at New Mexico  
3 Tech for a seismic monitoring station. That's the only  
4 difference I noted between the order as proposed and what I  
5 understand was agreed at the hearing. I have certainly no  
6 concerns from my end on that, I just want to bring that to  
7 the OCD and make sure that other folks were okay with that  
8 condition.

9 CHAIRWOMAN SANDOVAL: Mr. Ames, did you have any  
10 comments on that condition, or was the OCD in agreement with  
11 that?

12 MR. AMES: Madam Chair, OCD is in agreement with  
13 the condition.

14 CHAIRWOMAN SANDOVAL: Okay.

15 MR. AMES: We think it would be appropriate for  
16 OCD to be involved in the discussion. We have a  
17 longstanding relationship with New Mexico Tech regarding  
18 seismicity.

19 CHAIRWOMAN SANDOVAL: Okay, great. Thank you.  
20 Mr. Biernoff, if you can hear us, I tried to type something  
21 into the chat to you.

22 MR. AMES: Madam Chair, I just received a message  
23 from Mr. Biernoff. He is saying his computer audio  
24 connection is not working, and he is looking for a way to  
25 dial in by phone, so --

1                   CHAIRWOMAN SANDOVAL: That should be listed in  
2 the original notice. Mr. Ames, I'm going to send it to you  
3 in the chat.

4                   MR. AMES: Okay. And I will send it to  
5 Mr. Biernoff as well. If you could do that, Madam Chair,  
6 I'd appreciate it because I saw the note come up in chat,  
7 and it just faded and disappeared on me, so I don't know --

8                   CHAIRWOMAN SANDOVAL: That's weird.

9                   MR. AMES: Yeah, I tried to retype it into the  
10 e-mail, but it's not going to work.

11                  CHAIRWOMAN SANDOVAL: Ms. Malave, do you have  
12 any -- is there any reason why we couldn't circle back to  
13 this and voting on the order after we do the other agenda  
14 items?

15                  MS. MALAVE: No, you can choose to do that.

16                  CHAIRWOMAN SANDOVAL: Okay. Why don't we --

17                  MR. AMES: Madam Chair, I apologize for  
18 interrupting you. Eric Ames for OCD. I had asked Ari to  
19 send me a statement by e-mail, and I will read it into the  
20 record. He sent it to me, and if you wouldn't mind, I could  
21 read it into the record and you might be able to proceed.

22                  CHAIRWOMAN SANDOVAL: Yeah, go ahead.

23                  MR. AMES: This is what Mr. Biernoff wrote. On  
24 behalf of the Commission of Public Lands and the New Mexico  
25 State Land Office, I concur with Mr. Rankin and Mr. Ames.

1 This order represents a negotiated effort by the parties to  
2 address OCD's and SLO's concerns regarding the initial  
3 application, and we thank the other parties for their  
4 cooperative approach.

5 CHAIRWOMAN SANDOVAL: Okay, all right. Great.  
6 Thank you. I'm glad we got that worked out. With that, do  
7 the Commissioners have any follow-up questions regarding the  
8 orders?

9 COMMISSIONER KESSLER: I do not.

10 COMMISSIONER ENGLER: I have none.

11 CHAIRWOMAN SANDOVAL: All right. Is there a  
12 motion to adopt the order, or approve the order?

13 COMMISSIONER KESSLER: So moved.

14 COMMISSIONER ENGLER: Second.

15 CHAIRWOMAN SANDOVAL: Ms. Malave, would you do a  
16 roll call vote, please?

17 MS. MALAVE: Commissioner Kessler?

18 COMMISSIONER KESSLER: Approved.

19 MS. MALAVE: Commissioner Engler?

20 COMMISSIONER ENGLER: Approved.

21 MS. MALAVE: Commissioner Sandoval?

22 CHAIRWOMAN SANDOVAL: Approved. The motion  
23 carries unanimously, and the order in Case Number 21381 is  
24 approved. (Motion passes unanimously.)

25 (Case 21318 concluded.)



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STATE OF NEW MEXICO  
COUNTY OF BERNALILLO

REPORTER'S CERTIFICATE

I, IRENE DELGADO, New Mexico Certified Court Reporter, CCR 253, do hereby certify that I reported the foregoing virtual proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings to the best of my ability.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case and that I have no interest in the final disposition of this case.

I FURTHER CERTIFY that the Virtual Proceeding was of poor to good quality.

Dated this 4th day of November 2020.

/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
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