

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

CASE NOS. 13,482 and 13,437 de novo (Continued)

CASE NO. 13,402 (Dismissed)

CONTINUED AND DISMISSED CASES

TRANSCRIPT OF PROCEEDINGS

BEFORE: MARK E. FESMIRE, CHAIRMAN
JAMI BAILEY, COMMISSIONER

July 7th, 2005
Santa Fe, New Mexico

2005 JUL 11 PM 1 04

These matters came on for hearing before the Oil Conservation Commission, MARK E. FESMIRE, Chairman, on Thursday, July 7th, 2005, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

I N D E X

July 7th, 2005
Commission Hearing
CASE NOS. 13,482 and 13,437 *de novo* (Continued)
CASE NO. 13,402 (Dismissed)

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A P P E A R A N C E S

FOR THE COMMISSION:

CAROL LEACH
General Counsel
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 9:00 a.m.:

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4 CHAIRMAN FESMIRE: We're going to go on the
5 record for the Thursday, July 7th, 2005, meeting of the New
6 Mexico Oil Conservation Commission. At this time I'll call
7 the meeting to order.

8 Let the record reflect that it is nine o'clock,
9 a.m. on Thursday, July 7th. The location of the meeting is
10 Porter Hall, in the Oil Conservation Division office, 1200
11 [sic] South St. Francis, Santa Fe, New Mexico.

12 My name is Mark Fesmire, I'm the Chairman of the
13 Commission.

14 To my right is Commissioner Jami Bailey.
15 Commissioner Bailey is the designee to the Commission of
16 State Land Commissioner Frank [sic] Lyons.

17 The third member of the Commission today, Mr.
18 Frank Chavez, is not present. However, two out of the
19 three Commissioners does make up a quorum, so let the
20 record reflect that there is a quorum present.

21 Also present today are acting Commission Counsel
22 Carol Leach, Commission Secretary Florene Davidson, and the
23 court reporter is Mr. Steve Brenner.

24 * * *

25

1 CHAIRMAN FESMIRE: The first matter of business
2 before the Commission today is the adoption of the minutes
3 of the last meeting held on Thursday, June 9th, 2005.

4 Commissioner Bailey, have you had an opportunity
5 to review the minutes?

6 COMMISSIONER BAILEY: Yes, I have, and I move
7 that we adopt them.

8 CHAIRMAN FESMIRE: I will second that. All those
9 in favor?

10 COMMISSIONER BAILEY: Aye.

11 CHAIRMAN FESMIRE: Opposed? Let the record
12 reflect that the quorum present adopted the minutes.

13 MS. DAVIDSON: It's upstairs, I'm sorry.

14 (Laughter)

15 CHAIRMAN FESMIRE: Do you want to -- Probably
16 better to do that, and the minutes will be signed.

17 I guess we can go off the record till she gets
18 back.

19 (Off the record)

20 | * * *

21

22 CHAIRMAN FESMIRE: The first matter before the
23 Commission is Case Number 13,482, in the matter of the
24 proposed Oil Conservation Commission, on its own motion --
25 in the proposal of the Oil Conservation Commission on its

1 own motion to amend Oil Conservation Division Rules 1201,
2 1203 through 1205, 1207, 1208, 1211, 1212, 1214 and 1220.

3 Let the record reflect that the notice for this
4 meeting was published, however it was one day short of the
5 20 days required, and therefore the Commission will put off
6 considering this matter until the next meeting, and that
7 that will -- that that cause will be continued until the
8 next meeting.

9 MS. LEACH: Let me just clarify that the -- there
10 were a couple of published notices and the one we're
11 talking about that was a day late was in the *Albuquerque*
12 *Journal*, but we also are required to publish in the *New*
13 *Mexico Register*, and that was done in a timely manner.
14 However, in continuing that to a later date, we've posted
15 that on the door of this meeting room, and it's also on the
16 website and will be on the next docket.

17 CHAIRMAN FESMIRE: Any further comment from the
18 Commission?

19 COMMISSIONER BAILEY: No.

20 * * *

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22 CHAIRMAN FESMIRE: The next cause before the
23 Commission today is Case Number 13,437, it's the *de novo*
24 Application of Lance Oil and Gas Company for compulsory
25 pooling in San Juan County, New Mexico.

1 At the request of the Applicant's attorney, this
2 cause will be continued to August 18th, 2005. And let the
3 record reflect that the parties have been notified of this
4 continuance and that there are no parties present today.

5 * * *

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7 CHAIRMAN FESMIRE: And lastly, the last cause
8 before the Commission today is Case Number 13,402. It's a
9 continuation from the June 9th, 2005, Commission meeting.
10 It's the consolidated Application of Loco Hills gas storage
11 facility for an exemption to the liner and leak detection
12 requirements of 19.15.2.50.C NMAC and approval of the Stage
13 1 and 2 abatement plan, with proposed alternative abatement
14 standards. The facility is located in Eddy County, New
15 Mexico.

16 At the request of the Applicant's attorney, this
17 case will be dismissed.

18 Is there any further business before the
19 Commission today?

20 COMMISSIONER BAILEY: No.

21 MS. LEACH: No.

22 CHAIRMAN FESMIRE: With that, the Chair would
23 entertain a motion for adjournment.

24 COMMISSIONER BAILEY: I move we adjourn.

25 CHAIRMAN FESMIRE: I will second that.

1 All those in favor?

2 COMMISSIONER BAILEY: Aye.

3 CHAIRMAN FESMIRE: There's no -- All those
4 opposed?

5 Let the record reflect there was no opposition to
6 the motion for adjournment.

7 (Thereupon, these proceedings were concluded at
8 9:07 a.m.)

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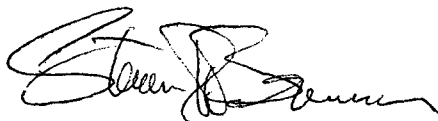
CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Commission was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL July 7th, 2005.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006