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

ORIGINAL

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

Case Nos. 14784 and 14785

APPLICATION OF THE NEW MEXICO OIL AND GAS ASSOCIATION  
AND THE INDEPENDENT PETROLEUM ASSOCIATION OF NEW  
MEXICO FOR AMENDMENT OF CERTAIN PROVISIONS OF  
TITLE 19, CHAPTER 15 OF THE NEW MEXICO ADMINISTRATIVE  
CODE CONCERNING PITS, CLOSED-LOOP SYSTEMS, BELOW-GRADE  
TANKS, SUMPS AND OTHER ALTERNATIVE METHODS RELATED TO  
THE FOREGOING AND AMENDING OTHER RULES TO CONFORMING  
CHANGES

Case No. 14976

APPLICATION OF OCCIDENTAL PERMIAN, LTD., FOR APPROVAL TO  
ADD THE NORTH HOBBS GSA UNIT WELL NO. 431 AS AN  
INJECTION WELL FOR WATER, CARBON DIOXIDE, AND PRODUCED  
GAS IN ITS NORTH HOBBS GRAYBURG-SAN ANDRES TERTIARY  
RECOVERY PROJECT LOCATED WITHIN THE HOBBS GRAYBURG-SAN  
ANDRES POOL, LEA COUNTY, NEW MEXICO

REC'D  
JUN 10 2013

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
COMMISSIONER HEARING

BEFORE: JAMI BAILEY, Chairman  
DR. ROBERT BALCH, Commissioner  
GREG BLOOM, Commissioner  
TERRY WARNELL, Commissioner

June 6, 2013  
Santa Fe, New Mexico

REPORTED BY: Jacqueline R. Lujan, CSR #91  
Paul Baca Professional Court Reporters  
500 Fourth Street, N.W., Suite 105  
Albuquerque, NM 87103 505-843-9241

A P P E A R A N C E S

FOR THE NEW MEXICO OIL CONSERVATION COMMISSION:

MARK A. SMITH  
Assistant General Counsel  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

ALSO PRESENT:

Florene Davidson, Secretary  
Theresa Duran-Saenz  
Karin Foster

I N D E X

REPORTER'S CERTIFICATE

20

1                   CHAIRMAN BAILEY: Good morning. This is  
2 the meeting of the Oil Conservation Commission on  
3 Thursday, June 6th, 2013, here in Porter Hall, in Santa  
4 Fe, New Mexico.

5                   To my right is Commissioner Greg Bloom, who  
6 is the designee of the Commissioner of Public Lands. To  
7 my left is Dr. Robert Balch, who's the designee of the  
8 Secretary of the Energy, Minerals & Natural Resources  
9 Department. Mark Smith is our counsel for the first  
10 part of today's hearing.

11                  There is a quorum of the Commission. We are  
12 here today to discuss consolidated Cases 14784 and  
13 14785, with the probable signing of the order of the  
14 rule that has been amended.

15                  Counsel Smith, do you have some discussion  
16 which you would like to --

17                  MR. SMITH: I do. I have some really  
18 house cleaning matters that I'd like to go over with the  
19 Commission. If you would pass that down?

20                  What I'm handing to you now is an amended  
21 stipulated exhibit list. It was filed in -- I think  
22 early March is the stamp, which is after you all closed  
23 the record. But the parties filed this in order to  
24 amend an earlier filing so that this would be a complete  
25 list of the exhibits to which the parties stipulated

1 CHAIRMAN BAILEY: Do I hear a motion for  
2 me to sign on behalf of the Commission?

3 COMMISSIONER WARNELL: I move to sign.

4 COMMISSIONER BALCH: I second the motion.

5 CHAIRMAN BAILEY: All those in favor?

6 Then I will sign on behalf of us all.

7 Now we have Case Number 14976, which is the  
8 application of Occidental Permian, Limited, for approval  
9 to add the North Hobbs Grayburg-San Andres Unit Well  
10 Number 431 as an injection well for water, carbon  
11 dioxide and produced gas in its North Hobbs Grayburg-San  
12 Andres Tertiary Recovery Project located within the  
13 Hobbs Grayburg-San Andres Pool, in Lea County, New  
14 Mexico. We have a draft of the order in that case.

15 Commissioners, have you had a chance to  
16 review this order?

17 COMMISSIONER WARNELL: Yes, I have.

18 COMMISSIONER BALCH: I have, as well.

19 CHAIRMAN BAILEY: Do I hear a motion to  
20 sign this order?

21 COMMISSIONER BALCH: I make the motion.

22 COMMISSIONER WARNELL: I second.

23 CHAIRMAN BAILEY: All those in favor?

24 We will transfer these documents to the  
25 Commission Secretary, Florene Davidson.

1 Is there any other business before the Commission today?

2 Do I hear a motion for us to adjourn?

3 COMMISSIONER WARNELL: I so move.

4 COMMISSIONER BALCH: I second.

5 CHAIRMAN BAILEY: All those in favor?

6 Thank you very much.

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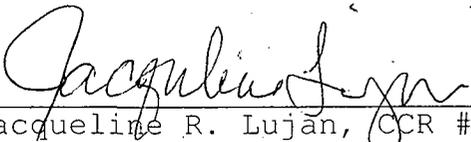
REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91,  
DO HEREBY CERTIFY that on June 6, 2013, proceedings in  
the above captioned case were taken before me and that I  
did report in stenographic shorthand the proceedings set  
forth herein, and the foregoing pages are a true and  
correct transcription to the best of my ability.

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

WITNESS MY HAND this 17th day of June,  
2013.

  
Jacqueline R. Lujan, CCR #91  
Expires: 12-31-2013