

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

**Meeting Minutes
Regular Meeting
January 16, 2020
Porter Hall
Wendell Chino Building
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505**

MEMBERS PRESENT:

Adrienne Sandoval Chair, Oil Conservation Division
Tom Engler Designee, Energy, Minerals and Natural Resources Department
Jordan Kessler and Designee, New Mexico State Land Commissioner
Niranjan Khalsa

OTHERS PRESENT:

Miguel Lozano, Counsel for the Commission
Florene Davidson, Commission Clerk

The meeting was called to order by Chair Sandoval at 9:03 a.m.

Item 1. Roll Call.

Roll was taken; a quorum was present.

Item 2. Approval of Agenda.

Action: Chair Sandoval proposed to move Agenda Item No. 4, Adoption of Annual Resolution, to between Items No. 5 and 6 in order to allow Commissioner Khalsa to participate in Item No. 5, Case 20780. Commissioner Engler moved adoption of the amended agenda. Commissioner Khalsa seconded the motion. The motion passed unanimously.

Item 3. Approval of minutes of January 2, 2020 special meeting.

Action: Commissioner Engler moved to approve the minutes. Commissioner Khalsa seconded the motion. The motion passed unanimously.

Item 5. Final action may be taken in:

Case No. 20780: Application of Salt Creek Midstream LLC for authorization to drill, complete and operate an Acid Gas Injection (AGI) well at the Ameredev South gas processing facility (the "Plant") in Lea County, New Mexico.

Action: All Commissioners stated that they had the opportunity to review the proposed order in this case and they had no changes to the proposed order. Commissioner Engler made a motion to adopt the proposed order, Commissioner Khalsa seconded the motion, and the motion passed unanimously. Order No. R-20913-C was signed by all Commissioners.

Commissioner Khalsa left the meeting and Commissioner Kessler joined the meeting.

Item 5. Final action may be taken in:
Case No. 20895: Application of the New Mexico Oil Conservation Division to Amend the Commission's Rule for Compliance and Enforcement in Sections 3, 8, 9, and 10 of 19.15.5 NMAC; Statewide

Action: Counsel Lozano identified certain changes to the proposed order that the Commissioners had not had the opportunity to read. The Commissioners reviewed the changes and did not have any comments on the changes. Chair Sandoval noted that Larry Marker had submitted a petition to hold in abeyance the final order of the case until related court cases had been resolved. She stated that an order denying the petition had been issued. The Commissioners stated that they had read the proposed final amendments and had no proposed changes. Commissioner Kessler made a motion to adopt the proposed rule and order, Commissioner Engler seconded the motion, and the motion passed unanimously. Order No. R-20985-A was signed by all Commissioners.

Item 4. Adopt Annual Resolution setting forth reasonable notice standards for Commission Public Meetings

Action: Chair Sandoval explained that the Commission is required to adopt a resolution annually in accordance with the Open Meetings Act. Counsel Lozano identified a change to the notice provisions from 72 hours to ten days for regular meetings. Commissioner Kessler moved to adopt the 2020 Open Meetings Annual Resolution with the proposed change. Commissioner Engler seconded the motion. The motion passed unanimously. The resolution is attached to these minutes.

Item 6. ***Case No. 20779: Application of Lucid Energy Delaware, LLC for authority to inject, Lea County, New Mexico.***

Action: Chair Sandoval announced that this case has been continued to the March 12, 2020 meeting.

Item 7. ***Case No. 20556 (De Novo): Application of Goodnight Midstream Permian, LLC for Approval of a Salt Water Disposal Well, Lea County, New Mexico.***

Item 8. ***Case No. 20557 (De Novo): Application of Goodnight Midsream Permian, LLC for Approval of a Salt Water Disposal Well, Lea County, New Mexico.***

Item 9. ***Case No. 20558 (De Novo): Application of Goodnight Midstream Permian, LLC for Approval of a Salt Water Disposal Well, Lea County, New Mexico.***

Action: The De Novo applicant in Items 7, 8, and 9 withdrew its De Novo applications and the cases were dismissed.

Item 10. ***Case No. 20679 (De Novo): Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.***

Action: Chair Sandoval announced that this case has been continued to the March 12, 2020 meeting.

Item 11. **Pending litigation**

Counsel Lozano stated that oral arguments had been presented in the Jalapeno case which involved compulsory pooling and special units, and the Commission is now awaiting a final order in the case.

Item 12. Other business

There was no other business.

Item 13. Next meeting: February 27, 2020

Item 14. Adjournment

Chair Sandoval adjourned the meeting at 9:20 a.m.



ADRIENNE SANDOVAL, Chair