

PRELIMINARY DOCKET: COMMISSION MEETING - THURSDAY – SEPTEMBER 21, 2006

9:00 A.M. – Porter Hall
1220 South St. Francis
Santa Fe, New Mexico

Land Commissioner, Patrick H. Lyons, may designate Jami Bailey as his representative for this meeting, or may participate himself.

Notice: The minutes of the August 10, 2006 Commission Meeting will be adopted.

Notice: During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

CASE NO. 13586: Continued from July 13, 2006 Commission Meeting.

Application of the New Mexico Oil Conservation Division for Repeal of Existing Rules 709, 710 and 711 Concerning Surface Waste Management and Adoption of new Rules Governing Surface Waste Management. The New Mexico Oil Conservation Division hereby gives notice that the Oil Conservation Commission will conduct a public hearing at 9:00 A.M. on **Thursday, April 20, 2006**, in Porter Hall at 1220 South St. Francis Drive, Santa Fe, New Mexico, concerning the adoption of amendments to 19.15.1, 19.15.2 and 19.15.9 NMAC. The proposed amendments will amend Section 7 of 19.15.1 NMAC to change the definition of "oil field wastes," and the definition of "watercourse," and to adopt of new definitions of "biopile," "soil" and "surface waste management facility." The proposed amendments will also amend 19.15.9 NMAC by removing Sections 709 (concerning transportation of produced water), 710 (concerning disposition of produced water) and 711 (concerning surface waste management facilities) to 19.15.2 NMAC, where these sections will become new Sections 51 (Transportation of Produced Water, Drilling Fluids and Other Liquid Oil Field Waste), 52 (Disposition of Produced Water and Other Oil Field Wastes) and 53 (Surface Waste Management Facilities) of 19.15.2 NMAC. These sections [19.15.2.51, 19.15.2.52 and 19.15.2.53 NMAC] will be substantially re-written to provide revised permitting requirements for transporters of produced water and oil field wastes, to revise rules for disposition of produced water and other oil field wastes, and to revise permitting requirements and procedures and siting, design, construction and operational requirements for surface waste management facilities. Copies of the text of the proposed amendments are available from Division Administrator Florene Davidson at (505)-476-3458 or from the Division's web site at <http://www.emnrd.state.nm.us/ocd/rules.htm>.

CASE NO. 13274: De Novo Continued from August 10, 2006 Commission Meeting.

Application of Arch Petroleum Inc. for Approval of Two Non-Standard Gas Spacing and Proration Units in the Jalmat Gas Pool, Lea County, New Mexico. Applicant seeks approval of (i) a non-standard gas spacing and proration unit comprised of the SW/4 of Section 20, Township 23 South, Range 37 East, to be dedicated in the Jalmat Gas Pool to the Steeler "A" Well No. 1, located in the NW/4 SW/4 of the section, to be operated by Westbrook Oil Corporation, and (ii) a non-standard gas spacing and proration unit comprised of the SE/4 of Section 20, in said township and range, to be dedicated in the Jalmat Gas Pool to the Resler "B" Well No. 1, located in the NW/4 SE/4 of the section, to be operated by applicant. The units are located approximately 10-½ miles south-southwest of Eunice, New Mexico. Upon the application of Arch Petroleum Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.