

PRELIMINARY DOCKET: COMMISSION MEETING - THURSDAY - NOVEMBER 10, 2005

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 October 12 and 13, 2005, Commission meetings 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

Final action may be taken in the following:

CASE 13564: *In the matter of the Proposal of the Oil Conservation Division, On Its Own Motion, To Amend Rule 7 of 19.15.1 NMAC, Rules 101 and 102 of 19.15.3 NMAC; Rules 201 and 203 of 19.15.4 NMAC; Rule 701 of 19.15.9 NMAC; Rules 1101, 1103, 1104 and 1115 of 19.15.13 NMAC. The adoption of Rules 37 and 38 of 19.15.1 NMAC; Rule 100 of 19.15.3 NMAC; Rule 1227 of 19.15.14 NMAC.*

CASE 13586: *In the matter of the 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 Oil Conservation Division proposes repeal of OCD Rules 709, 710 and 711 [Sections 709, 710 and 711 of 19.15.9 NMAC] that presently govern transportation and disposition of produced water and surface waste management facilities, and adoption of new rules to govern the transportation and surface disposition of produced water and other oilfield wastes and the permitting and operation of surface waste management facilities. The proposed amendments will extend permitting requirements for carriers of produced water and rules concerning surface disposition of produced water so that they will apply to all oilfield wastes, change the procedures for permitting new surface waste management facilities or modifications of existing facilities, prohibit disposal of salt-contaminated wastes in landfarms, and adopt other detailed regulations concerning surface waste management facilities. Copies of the text of the proposed new rules 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/rules.htm>. Written comments on the proposals must be received no later than 5:00 P.M. on Thursday, November 3, 2005. Written comments may be hand-delivered or mailed to the Division office at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or may be faxed to Ms. Davidson at 476-3462. A public hearing to consider adoption of the proposed new rules will be held before the Commission in Porter Hall, 1220 South St. Francis Drive, Santa Fe, New Mexico, on Thursday, November 10, 2005, at 9:00 A.M. The application of the proposed new rules will be STATEWIDE.

CASE 13486: *De Novo – Continued from September 15, 2005, Commission Meeting*
Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the following described acreage in Section 8, Township 29 North, Range 11 West, and in the following manner: The W/2 to form a standard 320-acre gas spacing and proration unit for any pools or formations developed on 320-acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any pools or formations developed on 160-acre spacing within that vertical extent, including the Undesignated Bloomfield-Farmington Pool. The units are to be dedicated to the Duff 29-11-8 Well No. 104, to be drilled at an orthodox location in the NW/4 of Section 8, and the Duff 29-11-8 Well No. 105, to be drilled at an orthodox location in the SW/4 of Section 8. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The units are located approximately 6 miles south-southwest of Aztec, New Mexico. Upon applications of Edwin Smith, LLC and Jerry Walmsley, Trustee, Bypass Trust U/W June H. Walmsley, this case will be heard De Novo pursuant to the provisions of Rule 1220.