

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
Meeting Minutes
Deliberations Meeting
February 11-12, 2021**

The Oil Conservation Commission meeting was held via Webex Meeting platform.

MEMBERS PRESENT:

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| Adrienne Sandoval | Chair, Oil Conservation Division |
| Jordan Kessler | Designee, State Land Office Commissioner |
| Thomas Engler | Designee, Energy, Minerals and Natural Resources Department |

OTHERS PRESENT:

Felicia Orth, Hearing Examiner
Christopher Moander, Counsel for the Commission
Florene Davidson, Commission Clerk

Deliberation and possible action on proposed rule changes in Case 21528: Application of the New Mexico Oil Conservation Division to consider proposed rules to regulate the venting and flaring of natural gas from oil and natural gas production and gathering facilities

The meeting was called to order by Chair Sandoval at approximately 9:09 a.m. All three Commissioners were present. Chair Sandoval announced that the evidentiary case in Case 21528 was concluded on January 15, 2021, and only the deliberations in this case will be conducted in this hearing. She said that each Commissioner at different times during the January 1-15, 2021 hearing had been unable to attend the entire hearing but all have reviewed the transcripts of each day's hearing and are fully advised in all testimony given. Commissioner Engler, Commissioner Kessler, and Chair Sandoval stated that they had reviewed each day's transcripts of the hearing.

Commissioner Engler asked what the procedure would be if the Commission did not agree on certain issues during the deliberations. Counsel Moander and Hearing Examiner Orth advised that if there was not complete agreement by all Commissioners, a vote would be taken. Commissioner Engler asked if the Commission could request the Division to provide an update to the Commission within a year after an order is signed. Counsel Moander advised that the Commission could request an update from the Division, but it should not be made part of the rules. The Commission discussed timelines for when a final order will be signed in this case, when the rules can be implemented, and when gas capture requirements must be met.

Using the Oil Conservation Division (OCD) proposed rule and the modifications proposed by the other parties in the case, the Commission began discussion of each section of the proposed rules line by line.

The meeting was adjourned at 5:15 p.m.

The meeting reconvened at 9:05 a.m. on February 12, 2021. The Commission resumed deliberations of the proposed rules. Commissioner Kessler made a motion to include new language

as proposed by her in Section 19.15.27.8 (G) 4 as amended. Chair Sandoval seconded the motion. A roll call vote was taken.

Commissioner Kessler – Approved
Commissioner Engler – Rejected
Chair Sandoval – Approved

The motion carried.

The Commission resumed and finished deliberations of the proposed rules. Commissioner Kessler made a motion to adopt Rule 19.15.27 NMAC and Rule 19.15.28 NMAC as discussed and accepted at this meeting. Commissioner Engler seconded the motion. A roll call vote was taken.

Commissioner Kessler – Approved
Commissioner Engler – Approved
Chair Sandoval – Approved

The motion carried.

Commissioner Kessler made a motion to adopt the amendments to Rule 19.15.7 NMAC, 19.15.18 NMAC, and 19.15.19 NMAC, as discussed and accepted at this meeting. Commissioner Engler seconded the motion. A roll call vote was taken.

Commissioner Kessler – Approved
Commissioner Engler – Approved
Chair Sandoval – Approved

The motion carried.

Commissioner Kessler made a motion to permit the Commission Counsel and the Hearing Officer to make non-substantive changes to the rules as necessary. Commissioner Engler seconded the motion. A roll call vote was taken.

Commissioner Kessler – Approved
Commissioner Engler – Approved
Chair Sandoval – Approved

The motion carried.

Chair Sandoval instructed Counsel Moander to draft an order incorporating the final rules accepted at this meeting and circulate it to the Commissioners for their review.

The Commission agreed to set the hearing in which to discuss and vote on the order as agreed to at this hearing for March 25, 2021.

Chair Sandoval adjourned the meeting at 5:08 p.m.

A handwritten signature in black ink, appearing to read 'AS' or 'ASD', written in a cursive style.

Adrienne Sandoval, Chair