

**STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION  
Meeting Minutes  
Regular Meeting  
March 25, 2021**

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

**MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Christopher Moander, Counsel for the Commission  
Florene Davidson, Commission Clerk

The meeting was called to order by Chair Sandoval at approximately 9:06 a.m.

**Item 1.** Roll Call.

**Action:** Roll was taken; a quorum was present.

**Item 2.** Approval of Agenda.

**Action:** Chair Sandoval announced that Items 6, 7, and 8, De Novo applications in Catena Resources Operating, LLC compulsory pooling cases, had been dismissed at the request of the De Novo applicant. Commissioner Engler made a motion to adopt the agenda. Commissioner Bloom seconded the motion. A roll call vote was taken.

Commissioner Engler - Approve  
Commissioner Bloom – Approve  
Chair Sandoval – Approve

The motion passed.

**Item 3.** Approval of minutes of February 11-12, 2021 and February 25, 2021 meetings.

**Action:** Commissioner Bloom advised that he was not present at the February 11-12 deliberations meeting but had read the transcripts and was prepared to approve those minutes as well as the February 25 minutes. Commissioner Engler made a motion to approve the February 11-12, 2021 and February 25, 2021 minutes. Commissioner Bloom seconded the motion. A roll call vote was taken.

Commissioner Engler - Approve  
Commissioner Bloom – Approve  
Chair Sandoval – Approve

The motion passed.

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

**Action:** All three Commissioners stated they had reviewed the Annual Resolution for 2021 and agreed to adopt it. Commissioner Engler made a motion to adopt the 2021 Annual Resolution. Commissioner Bloom seconded the motion. A roll call vote was taken.

Commissioner Engler – Approve  
Commissioner Bloom – Approve  
Chair Sandoval – Approve

The motion passed.

**Item 5.** **Final action in Case No. 21528:**

Public rulemaking hearing under 19.15.3 NMAC on the 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.

**Action:** Chair Sandoval, Commissioner Engler, and Commissioner Bloom stated that they have reviewed the final rules and proposed final order in this case, Commissioner Bloom advised that he had reviewed the hearing exhibits, the hearing transcripts, and public comments entered in this case. Commissioner Engler made a motion to adopt the final rules and final order as proposed. Commissioner Bloom seconded the motion. A roll call vote was taken,

Commissioner Engler - Approve  
Commissioner Bloom – Approve  
Chair Sandoval – Approve

The motion passed.

Chair Sandoval commended the Commission and all participants involved in the hearing.

#### **Motion Hearing**

**Item 6.** **De Novo Case No. 21744:**

**Case No. 21629:** Application of Cimarex Energy Co. for Hearing De Novo of Case No. 21629, Eddy County, New Mexico. The New Mexico Oil Conservation Division issued Order No. R21575 in Case No. 21629. Magnum Hunter Production, Inc., an affiliate of Cimarex Energy Co. (collectively referred to herein as “Cimarex”) owned a working interest in the unit pooled by Order No. R-21575, issued pursuant to a hearing held before the Division on January 7, 2021. Cimarex, a party of record adversely affected by Order No. R-21575, requests that the matter raised in this case be heard de novo before the Oil Conservation Commission pursuant to NMSA 1978, §70-2- 13.

Appearances were made by Ernest Padilla for Colgate Operating, LLC (Colgate) and Darin Savage for Cimarex Energy Co. (Cimarex). They argued the motion made by Colgate to dismiss the De Novo application filed by Cimarex as a party of record adversely affected by the order entered as a result of the Division examiner hearing held in this case. Arguments addressed whether Cimarex was a party of record without having participated in the Division hearing. A discussion was held by the Commission, and they agreed to schedule this case for the April 15, 2021 Commission meeting for the ruling on the motion. The parties were instructed to submit closing briefs in the matter by the close of business

on April 5, 2021, and to submit legal briefs on the Motion to Stay Order R-21575, filed by Cimarex, focusing on Oil Conservation Division and Commission regulations and the Oil and Gas Act, by April 9, 2021. Commissioner Bloom made a motion to continue this matter to April 15, 2021, to rule on the pending motions. Commissioner Engler seconded the motion. A roll call vote was taken.

Commissioner Engler – Approve  
Commissioner Bloom – Approve  
Chair Sandoval – Approve

The motion passed.

**Item 7. Pending litigation.**

**Action:** Counsel Moander updated the Commission on the Novo Oil case, which is now closed; the Marker appeal; and the Jalapeno appeal, which is now over.

**Item 8. Other business.**

**Action:** There was no other business.

**Item 9. Next meeting – April 15, 2021**

**Item 10. Adjournment**

**Action:** Chair Sandoval adjourned the hearing at 10:32 a.m.

A handwritten signature in black ink, appearing to read 'AS', with a long horizontal flourish extending to the right.

Adrienne Sandoval, Chair