STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Meeting Minutes Regular Meeting October 14, 2021

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

MEMBERS PRESENT:

Adrienne Sandoval Chair, Oil Conservation Division

Greg Bloom Designee, State Land Office Commissioner

Terry Warnell Designee, Energy, Minerals and Natural Resources Department

OTHERS PRESENT:

Christopher Moander, Counsel for the Commission

Florene Davidson, Commission Clerk

The meeting was called to order by Chair Sandoval at approximately 9:05 a.m.

Item 1. Roll Call.

Action: Roll was taken; a quorum was present.

Item 2. Approval of the Agenda

Action:

Chair Sandoval announced that Item No. 6, the Evidentiary Hearing on the Invalidation of the Order in 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, has been continued to November 18, 2021 and Item No. 7, Case No. 21324 (De Novo Case No. 21902): The New Mexico Oil Conservation Division entered Order No. R-21631 in Case No. 21324, denying the Application of Tom M. Ragsdale to Revoke Order Nos. R-20924 and R-20924-A or, in the Alternative, to Declare Unreasonable Certain Costs Imposed by Mewbourne Oil Co., has been continued to January 13, 2022. Commissioner Bloom made a motion to adopt the agenda as modified and Commissioner Warnell seconded the motion. A roll call vote was taken. The motion passed.

Item 3. Approval of the September 28, 2021 Meeting Minutes

Commissioner Bloom made a motion to approve the September 28, 2021 minutes and Commissioner Warnell seconded the motion. A roll call vote was taken, and the motion passed

Case No. 22225: Application of the Energy, Minerals and Natural Resources Department, Oil Conservation Division for Proposed Amendments to the Oil Conservation Commission's Rule on Natural Gas Gathering Systems, 19.15.28 NMAC. The Oil Conservation Commission will review the request to grant a hearing on the rulemaking.

Action: Appearances were made by Cheryl Bada for the Oil Conservation Division (OCD) and

Michael Feldewert for the New Mexico Oil and Gas Association (NMOGA). Ms. Bada explained that the application had been filed for technical corrections to the rule. Mr. Feldewert advised that NMOGA does not oppose the corrections. A discussion was held

by all parties regarding setting a hearing date and all deadlines involved with hearing the matter. Chair Sandoval made a motion to set the hearing for December 17, 2021, beginning at 9:00 a.m; public comment period to be open from November 9, 2021, through noon on December 17, 2021; public comment period to be from 9:00 a.m. to 10:00 a.m. on December 17, 2021; if speakers sign up with Commission Clerk before December 17, they will receive 5 minutes for comment; if sign up on day of hearing, they will receive 3 minutes for comment; non-technical exhibits to be filed with Commission Clerk by 5:00 p.m. on December 15, 2021; motions to be filed with Commission Clerk by 5:00 p.m. on December 3, 2021; and responses to motions to be filed with Commission Clerk by 5:00 p.m. on December 10, 2021. Commissioner Bloom seconded the motion. A roll call vote was taken; the motion passed.

Item 5. Final action will be taken in: Case No. 21872: Application of Titus Oil & Gas Production, LLC for Approval of Production Allocation, Lea County, New Mexico.

Action: Estevan Baca replaced Commissioner Bloom for Case No. 21872. Chair Sandoval announced that a draft order in this case was circulated to the Commission and certain changes were made to the draft. Commissioner Warnell made a motion to adopt the order as modified by the Commission. Commissioner Baca seconded the motion. A roll call vote was taken; the motion passed. Order No. R-21831-A in Case No. 21872 was adopted and signed by the Commission.

Item 6. Evidentiary Hearing on Invalidation of the Order in 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, was continued to November 18, 2021.

Case No. 21324 (De Novo Case No. 21902): The New Mexico Oil Conservation Division entered Order No. R-21631 in Case No. 21324, denying the Application of Tom M. Ragsdale to Revoke Order Nos. R-20924 and R-20924-A or, in the Alternative, to Declare Unreasonable Certain Costs Imposed by Mewbourne Oil Co. in this case. This case was continued to January 13, 2022.

Item 8. Pending Legislation

Action: Counsel Moander announced that the setting of the brief in A1CA39578 in Case No. A-1-CA-39578, the briefing cycle has begun and Appellant has yet to file his Brief-in-Chief, but once he does so, Counsel Moander will draft and file a response.

Item 9. Other Business

Action: There was no other business.

Item 10. Next meeting – November 18, 2021

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Item 11. Adjournment

Action: Chair Sandoval adjourned the hearing at 10:14 a.m.

Adrienne Sandoval, Chair