STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Regular Meeting January 16-17, 2025 Meeting Minutes

The Oil Conservation Commission meeting was a hybrid meeting with both in person and virtual participation options. The meeting was held in the Pecos Hall Hearing Room at the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico.

MEMBERS PRESENT:

Gerasimos Razatos

Acting Chair, Oil Conservation Division

Daniel Rubin

Greg Bloom

Commission Counsel

William Ampomah

Designee, Energy, Minerals and Natural Resources Department
Designee, New Mexico State Land Office Commissioner [appearing

remote via Microsoft Teams meeting]

OTHERS PRESENT:

Sheila Apodaca, Law Clerk

The meeting was called to order by Acting Chair Razatos at 9:00 a.m.

Item 1. Roll Call.

Action: Roll was taken; a quorum was present.

Item 2. Approval of the Agenda.

Action: Commissioner Bloom moved to approve the Agenda. Commissioner Ampomah seconded

the motion. Roll call was taken and the motion was unanimously approved.

Item 3. Approval of the December 12, 2024 Meeting Minutes.

Action: Commissioner Bloom motioned for approval of the Minutes, Commissioner Ampomah

seconded the motion. Roll call was taken and the motion was approved unanimously.

Item 4. Pending cases:

Case Nos. 24123, 23614-17 (Applications of Goodnight Permian Midstream for Approval of Saltwater Disposal well, Lea County, NM); 23775 (Application of Goodnight Permian Midstream to Amend Order NO. R-22026/SWD-2403 to Increase the Approved Injection Rate in its Andre Dawson SWD #1, Lea County, New Mexico); and 24018-20 and 24025 (Applications of Empire New Mexico to Revoke the Injections Authority Granted Under No. R-22026, Lea County, New Mexico).

Pre-Hearing Issues.

Action: Adam Rankin appeared on behalf of Goodnight Midstream; Chris Moander appeared on

behalf of Oil Conservation Division; Ernest Padilla, Dana Hardy and Sharon Shaheen

appeared on behalf of Empire New Mexico.

Minutes of the Meeting Held on January 16-17, 2025 Page 2

The Commission heard the parties' positions regarding the role of the Hearing Examiner appointed by the OCC Chair, and whether the Commission can delegate to the Hearing Examiner its duties in a hearing on the merits.

Commission counsel advised the Commission to sit and hear the hearing on the merits. Counsel further advised the Commission his opinion that the Hearing Officer should be allowed to run the hearing with at least a quorum of the Commission present to at least tacitly approve any rulings during the course of the hearing, and that the Commission should deliberate at the conclusion of the evidentiary portion of the hearing.

Commission and parties further discussed the schedule for the parties' submissions of evidence for the Commission's review before the hearing. Commission Counsel advised that in an abundance of caution, the Commission should not review any pre-filed testimony prior to the resolution of any objections.

The parties all stipulated to any rulings made by Hearing Officer Rip Harwood thus far.

Acting Chair Razatos proposed a motion for the stipulation of the parties as to the prehearing matters discussed today as well as to the pre-hearing and post-hearing procedures agreed to. Dr. Ampomah seconded the motion, roll call was taken and the motion was unanimously approved.

Case No. 24912: Application of Apache Corporation for an Adjudicatory Hearing to Contest the Division's Conditions of Approval on Apache Corporation's Scope of Work for Additional Investigation. Lea County, New Mexico. Evidentiary Hearing.

Action:

Dalva Moellenberg and Samantha Catalano appeared on behalf of Apache Corporation; Jesse Tremaine appeared on behalf of the Oil Conservation Division.

10:00 a.m. Apache Corporation delivered their Opening Statement.

10:05 a.m. Oil Conservation Division delivered their Opening Statement.

1:46 p.m. Jesse Tremaine delivered Oil Conservation Division's opening statement.

10:15 a.m.: Apache Corporation's witness Barrett Bole offered testimony through direct and rebuttal testimony, cross-examination by OCD, and examination by the Commission. Witness was excused at 10:50 a.m.

1:03 p.m. Apache Exhibits B1, B2, B3, B4 and B were admitted into evidence.

1:05 p.m. Commission heard arguments on Apache's objections to OCD's rebuttal exhibit 9. Counsel will discuss options for resolution after Apache presents all of its witnesses.

1:40 p.m. Apache Corporation's witness Larry Baker offered testimony through direct testimony, cross-examination by OCD, and examination by the Commission. Witness was excused at 2:25 p.m.

Apache Exhibits A1, A2, A3, A5, A6 admitted into evidence.

Minutes of the Meeting Held on January 16-17, 2025 Page 3

2:35 p.m. Apache Corporation's witness John Grams offered testimony through direct testimony, cross-examination by OCD, redirect and examination by the Commission. Witness was excused at 5:02 p.m.

Apache Exhibits C, C1, C2, C3, C4.1, C5 admitted into evidence.

Day 2 - January 17, 2025

9:05 a.m.: Oil Conservation Division's witness Rosa Romero offered testimony through direct testimony, cross-examination by Apache, redirect examination, and examination by the Commission. Witness was excused at 10:15 a.m.

OCD Exhibits 1, 2, 5, 6 and 7 were admitted into evidence.

10:30 a.m. Oil Conservation Division's witness Brandon Powell offered testimony through direct testimony, cross-examination by OCD, and examination by the Commission. OCD Exhibits 3 and 4 were admitted into evidence.

1:12 p.m.: Parties informed the Commission that the rebuttal exhibits were discussed and OCD Exhibit 8 is withdrawn. With regard to OCD Exhibit 9, the original conditions are to remain and OCD withdraws the new conditions.

Examination of Brandon Powell continued. Witness was excused at 2:15 p.m.

2:16 p.m. Evidentiary portion of the record is closed. Meeting will be continued to another date for deliberations.

Closing statements will be due January 31st, with a 10-page limit. Commission will try to schedule deliberations for February 3, 2025.

Item 5. Pending Litigation

There are no updates to report.

Item 5. Other business

Action: There was no other business to discuss.

Item 7. Next meeting

The next OCC meeting will be held on February 20, 2025.

Item 8. Adjournment

The meeting was adjourned on January 17, 2025 at 2:40 p.m.

Gerasimos Razatos Acting Chair