

1                               STATE OF NEW MEXICO  
2                               ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
3                               OIL CONSERVATION DIVISION

4   IN THE MATTER OF THE HEARING CALLED  
5   BY THE OIL CONSERVATION COMMISSION FOR  
6   THE PURPOSE OF CONSIDERING:

7   APPLICATION OF C.K. DISPOSAL, LLC                               CASE NO. 15617  
8   FOR PERMIT TO CONSTRUCT AND OPERATE  
9   A COMMERCIAL SURFACE WASTE MANAGEMENT  
10   FACILITY, PERMIT NO. NM1-16, LEA  
11   COUNTY, NEW MEXICO.

12                               REPORTER'S TRANSCRIPT OF PROCEEDINGS  
13                               COMMISSION HEARING  
14   RETURN TO OPEN SESSION AND DECISION OF THE COMMISSION  
15                               February 27, 2017  
16                               and  
17                               March 8, 2017  
18                               Santa Fe, New Mexico

19   BEFORE:   DAVID R. CATANACH, CHAIRPERSON  
20               PATRICK PADILLA, COMMISSIONER  
21               DR. ROBERT S. BALCH, COMMISSIONER  
22               CHERYL BADA, ESQ.

23                               This matter came on for hearing before the  
24   New Mexico Oil Conservation Commission on Monday,  
25   February 27, 2017 and Wednesday, March 8, 2017, at the  
26   New Mexico Energy, Minerals and Natural Resources  
27   Department, Wendell Chino Building, 1220 South St.  
28   Francis Drive, Porter Hall, Room 102, Santa Fe, New  
29   Mexico.

30   REPORTED BY:   Mary C. Hankins, CCR, RPR  
31                               New Mexico CCR #20  
32                               Paul Baca Professional Court Reporters  
33                               500 4th Street, Northwest, Suite 105  
34                               Albuquerque, New Mexico 87102

1 (Monday, February 27, 2017, 3:33 p.m.):

2 CHAIRMAN CATANACH: Commissioners, do I  
3 have a motion to come out of executive session at this  
4 time?

5 COMMISSIONER BALCH: So moved.

6 COMMISSIONER PADILLA: And seconded.

7 CHAIRMAN CATANACH: All in favor?

8 (Ayes are unanimous.)

9 CHAIRMAN CATANACH: For the record, I would  
10 just state that during executive session, the only thing  
11 that we considered and discussed was the evidence and  
12 testimony presented in Case Number 15617, and with that,  
13 we're going to go ahead and adjourn the meeting for  
14 today.

15 (Adjournment, Case Number 15617, 3:34 p.m.)

16 \* \* \* \* \*

17 (Wednesday, March 8, 2017, 9:03 a.m.):

18 CHAIRMAN CATANACH: So at this time, I will  
19 call this special meeting of the Oil Conservation  
20 Commission. Today's date is March 8th, 2017. The time  
21 is approximately 9:03 a.m. We are in the Wendell Chino  
22 State Building, Porter Hall.

23 Let me ask the Commissioners --

24 My name is David Catanach, Chairman of the  
25 Commission.

1 I will ask the Commissioners to identify  
2 themselves for the record, please.

3 COMMISSIONER PADILLA: Patrick Padilla,  
4 designee of the New Mexico Commissioner of Public Lands.

5 COMMISSIONER BALCH: Dr. Robert Balch,  
6 designee of the Secretary of Minerals and Natural  
7 Resources.

8 CHAIRMAN CATANACH: Thank you, gentlemen.

9 Also present today is Ms. Florene Davidson.

10 This special meeting notice today was for  
11 the purpose of announcing a decision in Case Number  
12 15617, which was the application of C.K. Disposal, LLC  
13 for a permit to operate a commercial surface waste  
14 management facility in Lea County, New Mexico.

15 A little bit of background: This case was  
16 initially heard on January 9th, 2017 in Eunice, New  
17 Mexico to hear public comments on the proposed facility.  
18 The case was then continued to the OCC hearing held on  
19 February 8th through the 10th, 2017 to hear the  
20 technical portion of the case. OCC deliberations were  
21 conducted in executive session on February 27th.

22 Upon review of the evidence and testimony  
23 presented in Case Number 15617, the Oil Conservation has  
24 determined that the Applicant -- the application has met  
25 all the requirements for approval contained within

1 Division [sic] 19.15.36 NMAC. Consequently, the  
2 application of C.K. Disposal, LLC, in Case Number 15617,  
3 with the conditions contained in the OCD's October 13th,  
4 2016 draft permit will be approved.

5               However, the Oil Conservation Commission  
6 recognizes that public concerns regarding hydrogen  
7 sulfite gas emissions, truck traffic and the tracking of  
8 liquid and solid waste from the facility onto public  
9 roadways are valid concerns. Consequently, the  
10 Commission will, as part of the permit for this  
11 facility, require the following additional conditions of  
12 approval:

13               Number 1: A more comprehensive H2S  
14 monitoring plan that includes monitoring of the site  
15 boundaries will be required. A plan detailing this  
16 monitoring plan shall be submitted to the OCD prior to  
17 commencement of operations. Also, C.K. Disposal, LLC  
18 will be required to submit the monitoring results to the  
19 OCD monthly for the first two years of operation and  
20 quarterly thereafter;

21               Number 2: C.K. Disposal, LLC shall manage  
22 the facility in such a manner that all truck traffic  
23 disposing waste at the facility is accommodated on site,  
24 and off-site truck traffic entering the facility shall  
25 comply with DOT requirements;

1                   Number 3: C.K. Disposal, LLC shall manage  
2 the facility in such a manner that all solid and liquid  
3 waste is confined to the site and not allowed to  
4 contaminate any public roadway by vehicles leaving the  
5 site;

6                   Number 4: The facility shall not operate  
7 until all additional local, state and/or federal permits  
8 that may be required are obtained from DOT, NMED, EPA  
9 and any other applicable regulatory agency;

10                  Number 5: Prior to commencement of  
11 operations, C.K. Disposal, LLC shall summarize to the  
12 OCD its efforts to obtain additional local, state and/or  
13 federal permits that may be required. This shall  
14 include copies of permits obtained, correspondence with  
15 these agencies and any other information that will  
16 demonstrate that C.K. Disposal, LLC has obtained  
17 necessary permits from outside agencies.

18                  Cheryl, do we need to have a vote on this,  
19 or is that --

20                  MS. BADA: You can or you can wait until  
21 you adopt the order.

22                  CHAIRMAN CATANACH: Until we adopt the  
23 order?

24                  MS. BADA: (Indicating.)

25                  CHAIRMAN CATANACH: That would be -- that's

1 the conclusion of the decision in this case.

2 What we plan on doing is having a draft  
3 order for the April 4th Commission hearing. Hopefully  
4 we'll get the order finished at that time and adopt the  
5 order and the changes. I think the way the order's  
6 going to be structured is it's going to just incorporate  
7 the tentative decision that we already issued for the  
8 facility and then just add the additional requirements  
9 imposed by the Commission at that time.

10 So, gentlemen, is there anything else we  
11 need to do this morning?

12 COMMISSIONER PADILLA: Not that I'm aware  
13 of, Mr. Chairman.

14 CHAIRMAN CATANACH: Mr. Balch, anything  
15 further?

16 COMMISSIONER BALCH: Nothing from me.

17 CHAIRMAN CATANACH: Okay. All right. Then  
18 that being said, this special meeting of the Oil  
19 Conservation Commission is adjourned.

20 Thank you.

21 (The proceedings conclude, 9:09 a.m.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
7 and Registered Professional Reporter, do hereby certify  
8 that I reported the foregoing proceedings in  
9 stenographic shorthand and that the foregoing pages are  
10 a true and correct transcript of those proceedings that  
11 were reduced to printed form by me to the best of my  
12 ability.

13 I FURTHER CERTIFY that the Reporter's  
14 Record of the proceedings truly and accurately reflects  
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither  
17 employed by nor related to any of the parties or  
18 attorneys in this case and that I have no interest in  
19 the final disposition of this case.

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22 MARY C. HANKINS, CCR, RPR  
23 Certified Court Reporter  
24 New Mexico CCR No. 20  
25 Date of CCR Expiration: 12/31/2017  
Paul Baca Professional Court Reporters