

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

CASE NO. 13,564

AWAITING FINAL COMMISSION ACTION
NO EVIDENCE OR TESTIMONY TAKEN

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: MARK E. FESMIRE, CHAIRMAN
JAMI BAILEY, COMMISSIONER
WILLIAM C. OLSON, COMMISSIONER

2005 NOV 17 PM 4 07

November 11th, 2005

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Commission, MARK E. FESMIRE, Chairman, on Thursday, November 11th, 2005, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

I N D E X

December 9th, 2005
 Commission Hearing
 CASE NO. 13,564 (Awaiting final Commission action -
 No evidence or testimony taken)

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A P P E A R A N C E S

FOR THE COMMISSION:

CHERYL BADA
 Assistant General Counsel
 Energy, Minerals and Natural Resources Department
 1220 South St. Francis Drive
 Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 9:00 a.m.:

3 CHAIRMAN FESMIRE: The November 10th meeting of
4 the New Mexico Oil Conservation Commission us hereby called
5 to order.

6 For the record, let's note the time is 9:00
7 o'clock a.m. on Thursday, November 10th, 2005. The
8 location of the meeting is Porter Hall in the Oil
9 Conservation Division office, 1220 South Saint Francis in
10 Santa Fe, New Mexico.

11 My name is Mark Fesmire, I'm the Chairman of the
12 Commission.

13 To my right is Commissioner designee Jami Bailey,
14 she's the designee of the State Land Commissioner, Patrick
15 Lyons, to the Commission.

16 To my left is Commissioner Bill Olson. Mr. Olson
17 is the designee -- actually the appointee of New Mexico
18 Energy, Minerals and Natural Resources Department
19 Secretary, Joanna Prukop. He's the Groundwater Bureau
20 Chief in the Environment Department.

21 To his left is Cheryl Bada, who will act as
22 Commission counsel today.

23 To Commissioner Bailey's right is Florene
24 Davidson. She's the Commission secretary.

25 And on the far end on the left is Mr. Steve

1 Brenner, the court reporter, as he has been for as long as
2 I can remember.

3 Let the record reflect that a quorum of the
4 Commissioners or their designees are present.

5 * * *

6
7 CHAIRMAN FESMIRE: The first order of business
8 today is the adoption of the minutes of the meeting held on
9 Thursday October 13th, Friday October 14th and continued
10 until Monday October 17th. The minutes were in two
11 different versions, one for the 13th and 14th and one for
12 the 17th.

13 Have the Commissioners had a chance to review the
14 minutes?

15 COMMISSIONER BAILEY: Yes, I have, and I move we
16 adopt them.

17 CHAIRMAN FESMIRE: Is there a second?

18 COMMISSIONER OLSON: Second.

19 CHAIRMAN FESMIRE: All those in favor?

20 COMMISSIONER BAILEY: Aye.

21 COMMISSIONER OLSON: Aye.

22 CHAIRMAN FESMIRE: Opposed? Let the record
23 reflect that the minutes were unanimously adopted and will
24 be signed in open session.

25 The minutes have been signed and conveyed to

1 Secretary Davidson.

2 * * *

3
4 CHAIRMAN FESMIRE: The first case on the docket
5 this morning is Cause Number 13,564, in the matter of the
6 proposal of the Oil Conservation Division on its own motion
7 to amend Rule 7 of 19.15.1 NMAC; Rules 101 and 102 of
8 19.15.3 NMAC; Rules 201 and 203 of 19.15.4 NMAC; Rule 701
9 of 19.15.9 NMAC; Rules 1101, 1103, 1104 and 1115 of 19.15.3
10 [sic] NMAC; and the adoption of Rules 37 and 38 of 19.15.1
11 NMAC; Rule 100 of 19.15.3 NMAC; and Rule 1227 of 19.15.14
12 NMAC.

13 Have the Commissioners had a chance to review the
14 order as drafted by counsel?

15 COMMISSIONER BAILEY: Yes, I have.

16 CHAIRMAN FESMIRE: Commissioner Olson?

17 COMMISSIONER OLSON: Yeah, I was just checking a
18 last couple of things. I had some edits yesterday, if I
19 could maybe just have a couple minutes.

20 CHAIRMAN FESMIRE: Okay, while Commissioner Olson
21 is looking at that, Counsel Bada, would you mind bringing
22 us up to speed procedurally on where we stand with the
23 rule?

24 MS. BADA: The Commission made its findings and
25 chose to adopt the rules with some changes, and I've

1 drafted an order, and the exhibit of the rule has been
2 prepared for the Commission's consideration.

3 CHAIRMAN FESMIRE: Okay. At this time, when
4 Commissioner Olson gets done checking the final edits, have
5 you drafted the order to represent the decision of the
6 Council [sic] as voted --

7 MS. BADA: Yes.

8 CHAIRMAN FESMIRE: -- at the last meeting?
9 And does the order accurately reflect that?

10 MS. BADA: I sure hope so.

11 CHAIRMAN FESMIRE: We'll let Commissioner Olson
12 finish his review.

13 COMMISSIONER OLSON: Yeah, I think that's it
14 there.

15 CHAIRMAN FESMIRE: Okay. At this time the Chair
16 would entertain a motion to adopt the rules as drafted and
17 presented to the Commission.

18 COMMISSIONER OLSON: So moved.

19 CHAIRMAN FESMIRE: Is there a second?

20 COMMISSIONER BAILEY: Second, with the correction
21 of a small typo on the first page. Ah, it's been
22 corrected. Yes, I second adoption of the order.

23 CHAIRMAN FESMIRE: All those in favor signify by
24 saying aye.

25 COMMISSIONER BAILEY: Aye.

1 COMMISSIONER OLSON: Aye.

2 CHAIRMAN FESMIRE: Opposed? Let the record
3 reflect that the amended rules and the order amending those
4 rules has passed and will be signed in open session.

5 Thank you.

6 (Thereupon, these proceedings were concluded at
7 9:08 a.m.)

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CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) SS.
 COUNTY OF SANTA FE)

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Commission was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL November 10th, 2005.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2006