

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

**Meeting Minutes
Regular Meeting
January 18, 2018
Porter Hall
Wendell Chino Building
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505**

MEMBERS PRESENT:

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| Heather Riley | Chair, Oil Conservation Division |
| Robert Balch | Designee, Energy, Minerals and Natural Resources Department |
| Ed Martin | Designee, New Mexico State Land Commissioner |

OTHERS PRESENT:

Bill Brancard, Counsel for the Commission

Item 1. Roll Call.

Roll was taken; a quorum was present.

Item 2. Election of a Chair.

Action: Commissioner Balch nominated Heather Riley for Chair. Commissioner Martin seconded the motion. A vote was taken and Heather Riley was unanimously elected as Chair of the Oil Conservation Commission.

Item 3. Approval of Agenda.

Action: Commissioner Martin moved to adopt the agenda. Commissioner Balch seconded the motion. The motion passed unanimously.

Item 4. Approval of minutes of December 7, 2017 meeting.

Action: Commissioner Balch moved to approve the minutes. Commissioner Martin seconded the motion. The motion passed unanimously.

Item 5. Adopt Annual Resolution setting forth reasonable notice standards for Commission Public Meetings.

Action: Counsel Brancard explained that no changes were made to last year's Resolution except for the meeting dates. Commissioner Martin moved to adopt the 2018 Open Meetings Annual Resolution. Commissioner Balch seconded the motion. The motion passed unanimously. The resolution is attached to these minutes.

Item 6. The Commission will determine whether and when to hear the following two rulemaking cases:

Case No. 15957: Application of the New Mexico Oil Conservation Division to Amend Rules of the Commission Concerning the Drilling, Spacing, and Operation of Horizontal Wells and Related Matters by Amending Various Sections of Rules 19.15.1, 19.15.4, 19.15.14, 19.15.15, and 19.15.16 NMAC.

Action: After a discussion by the Commission, Commissioner Martin moved to set the hearing of this case for April 17-20, 2018. Commissioner Balch seconded the motion. The motion passed unanimously. The hearing of Case No. 15957 was scheduled for April 17 through 20, 2018.

Case No. 15959: Application of the New Mexico Oil Conservation Division to Repeal and Replace Rule 19.15.29 NMAC.

Action: After a discussion by the Commission, Commissioner Balch moved to set the hearing of this case for June 5-8, 2018. Commissioner Martin seconded the motion. The motion passed unanimously. The hearing of Case No. 15959 was scheduled for June 5 through 8, 2018.

Item 7. **Case No. 15856: Stakeholder Gas Services LLC, whose address is 777 E. Sonterra Blvd., Suite 100, San Antonio, Texas 78258, proposes to drill two acid gas injection (AGI) wells to dispose of acid gases from its proposed natural gas plant operations to be located approximately 9 miles southwest of Lovington in Lea County, New Mexico.**

Action: At the request of the applicant, Case No. 15856 was dismissed.

Item 8: **Case No. 15655 (De Novo): Application of Black Mountain Operating LLC for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Well Location, Lea County, New Mexico.**

Action: At the request of the De Novo applicants, this case was continued to the February 15, 2018 Commission Meeting.

Item 9. **Case No. 15659 (De Novo): Application of GMT Exploration Company LLC for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.**

Action: At the request of the De Novo applicants, this case was continued to the February 15, 2018 Commission Meeting.

Item 10. **Case No. 15656 (De Novo): Application of Black Mountain Operating LLC for a Non-Standard Oil Spacing and Proration Unit, Compulsory Pooling, and an Unorthodox Well Location, Lea County, New Mexico.**

Action: At the request of the De Novo applicants, this case was continued to the February 15, 2018 Commission Meeting.

Item 11. **Case No. 15660 (De Novo): Application of GMT Exploration Company LLC for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.**

Action: At the request of the De Novo applicants, this case was continued to the February 15, 2018 Commission Meeting,

Item 12. Discussion of pending litigation.

Action: Counsel Brancard provided an update to the Commissioners on three appeals in District Court and bills to be submitted during the legislative session.

Item 13. Next meeting: February 15, 2018

Item 14. Adjournment.

The chair adjourned the meeting at 9:20 a.m.


Heather Riley, Chair