

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

COPY

REPORTER'S TRANSCRIPT OF PROCEEDINGS

FINAL DOCKET  
SPECIAL COMMISSION MEETING

BEFORE: MARK E. FESMIRE, PE, JD  
Chairman Oil Conservation Commission  
JAMI BAILEY, Designee for Land Commissioner  
Patrick H. Lyons,  
BILL OLSON, Member

RECEIVED OOD  
2011 JAN 20 P 2:03

December 20, 2010  
Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MARK E. FESMIRE, PE, JD, Chairman, on Monday, December 20, 2010, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South St. Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: SUSAN G. PTACEK  
NEW MEXICO CCR #178  
Paul Baca Professional Court Reporters  
500 4th Street, Suite 105  
Albuquerque, New Mexico 87102

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

COUNSEL FOR NEW MEXICO ENERGY, MINERALS AND NATURAL  
RESOURCES DEPARTMENT:

MARK A. SMITH, ESQ.  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
(505) 476-3212

ALSO PRESENT:

FLORENE DAVIDSON,  
CHERYL BADA

1 CHAIRMAN FESMIRE: The record should reflect  
2 that this is the Monday, December 20th, 2010, meeting of  
3 the New Mexico Oil Conservation Commission. This  
4 meeting is called as a continuance of cases No. 14418  
5 and 14480, and case number ~~14575~~

6 The record should reflect that the Commission  
7 has deliberated on these cases and has presented orders  
8 to counsel -- I mean, has been presented orders by  
9 counsel.

10 We will take Case No. 14418 and the reopened  
11 case 14480, the application of Cimarex Energy Company  
12 for a non-standard oil spacing unit and compulsory  
13 pooling in Eddy County, New Mexico.

14 Have the commissioners had a chance to review  
15 the order as presented by counsel?

16 MS. BAILEY: Yes, I have. And I move we adopt  
17 it.

18 MR. OLSON: Yes, I've reviewed them. I guess  
19 did you figure out what to do for the well main on that?

20 MR. SMITH: Yes. Florene and I checked the  
21 application this morning, and, indeed, the 21 needs to  
22 be inserted just where you had it.

23 CHAIRMAN FESMIRE: It has been inserted in the  
24 copies of the order?

25 MR. OLSON: Except in the cases where it was

1 described in testimony.

2 MR. SMITH: Except for those places that I  
3 mentioned in my e-mail to you.

4 CHAIRMAN FESMIRE: There's a motion before the  
5 Commission to adopt and sign the order as presented by  
6 counsel in Cases No. 14418 and 14480.

7 All those in favor signify by saying aye.

8 MR. OLSON: I'll second that.

9 CHAIRMAN FESMIRE: I'm sorry. There's been a  
10 second.

11 All those in favor signify by saying aye.

12 MS. BAILEY: Aye.

13 MR. OLSON: Aye.

14 CHAIRMAN FESMIRE: Aye.

15 Let the record reflect that the order was  
16 unanimously adopted. Signed by the commissioners and  
17 submitted to the secretary for recording.

18 MR. SMITH: This is the version, Florene, is it  
19 not of the pre-order that I e-mailed yesterday?

20 MS. DAVIDSON: Yes.

21 CHAIRMAN FESMIRE: Let the record reflect that  
22 the order has been signed and so transmitted.

23 The next matter before the Commission is Case  
24 No. 14575, the application of Targa Midstream Services  
25 Limited Partnership as operator for Versado Gas

1 Processors, LLC for approval to inject acid gas into  
2 Targa's existing Eunice Gas Plant Salt Water Disposal  
3 Well No. 1, API No. 30-025-21497, Lea County, New  
4 Mexico.

5 Again, an order has been provided by counsel.  
6 The commissioners have deliberated. Instructed counsel  
7 to draft an order, and that order has been drafted and  
8 circulated to the commissioners.

9 Have the commissioners had a chance to review  
10 that order?

11 MS. BAILEY: Yes, I have.

12 MR. OLSON: Yes.

13 MS. BAILEY: And I move that we adopt it.

14 MR. OLSON: I'll second that.

15 CHAIRMAN FESMIRE: All those in favor of  
16 adopting the said order signify by saying aye.

17 MS. BAILEY: Aye.

18 MR. OLSON: Aye.

19 CHAIRMAN FESMIRE: Aye. Let the record reflect  
20 that the order was unanimously adopted by the  
21 commissioners. Signed by the commission members and  
22 transmitted to the secretary for recording.

23 Is there any further business before the  
24 Commission this morning? The chair seeing none will  
25 entertain a motion to adjourn.

1 MS. BAILEY: I so move.

2 MR. OLSON: Second.

3 CHAIRMAN FESMIRE: All those in favor signify  
4 by saying aye.

5 MS. BAILEY: Aye.

6 MR. OLSON: Aye.

7 CHAIRMAN FESMIRE: Aye.

8 Let the record reflect that the meeting was  
9 adjourned at 9:06 a.m. on Monday, the 20th.

10 (Whereupon the hearing was concluded at the  
11 approximate hour of 9:06 a.m.)

12 \* \* \*

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATE OF NEW MEXICO )  
 )  
2 COUNTY OF SANTA FE )

3 REPORTER'S CERTIFICATE

4 I, SUSAN G. PTACEK, a Certified Court Reporter  
5 of the State of New Mexico, do hereby certify that I  
6 reported in shorthand the proceedings had at the public  
7 hearing aforesaid, and that the foregoing is a true,  
8 complete and correct transcript of the proceedings of  
9 said arbitration as appears from my stenographic notes  
10 so taken and transcribed under my personal direction.

11 I FURTHER CERTIFY that I am neither employed by nor  
12 related to nor contracted with any of the parties or  
13 attorneys in this case and that I have no interest  
14 whatsoever in the final disposition of this case in any  
15 court.

16 WITNESS MY HAND this 18th day of January 2011.

17  
18  
19  
20  
21  
22  
23  
24  
25

  
Susan G. Ptacek, CCR 178  
License Expires: 12-31-11