

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

CASE 12,897
CLERICAL CORRECTIONS TO TEXT OF RULE 118

CASE NO. 12,734
FINAL COMMISSION ACTION
NO EVIDENCE OR TESTIMONY TAKEN

TRANSCRIPT OF PROCEEDINGS

BEFORE: LORI WROTENBERY, CHAIRMAN
JAMI BAILEY, COMMISSIONER
ROBERT LEE, COMMISSIONER

December 19th, 2002
Santa Fe, New Mexico

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OIL CONSERVATION COMMISSION

This matter came on for hearing before the New Mexico Oil Conservation Commission, LORI WROTENBERY, Chairman, on Thursday, December 19th, 2002, 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.

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I N D E X

December 13th, 2002
Commission Hearing

CASE 12,897 (Clerical corrections to text of Rule 118)

CASE NOS. 12,734, 12,897 (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:

STEPHEN C. ROSS
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

* * *

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

3 MR. ROSS: Okay, I guess we'll get this meeting
4 under way.

5 My name is Stephen Ross, I'm the Commission
6 counsel. On the telephone is Robert Lee, a Commissioner,
7 and Jami Bailey, another Commissioner.

8 Unfortunately, Commissioners, the Chairman has
9 been unable to get back from Little Rock, due to the storms
10 between Little Rock and Dallas last evening, and she's
11 headed here now, but won't get here till approximately
12 noon.

13 Earlier I talked with you, Dr. Lee, and
14 discovered that you weren't available after this time
15 period until around 2:00, so I'd suggest, Commissioners,
16 that we recess this meeting until 2:00, if that's okay with
17 you, to enable the Chairman to get back here and
18 participate.

19 Is there a motion to that effect?

20 COMMISSIONER BAILEY: I move that we recess until
21 two o'clock this afternoon.

22 COMMISSIONER LEE: Second.

23 MR. ROSS: All right, is there a vote?

24 COMMISSIONER BAILEY: All in favor, aye.

25 COMMISSIONER LEE: Aye.

1 COMMISSIONER BAILEY: Aye.

2 MR. ROSS: Okay. Well, we'll be in recess, then,
3 until 2:00.

4 COMMISSIONER BAILEY: All right, see you later,
5 then.

6 MR. ROSS: Thank you, Commissioners.

7 COMMISSIONER LEE: Thank you.

8 COMMISSIONER BAILEY: 'Bye, 'bye.

9 COMMISSIONER LEE: 'Bye.

10 (Off the record at 9:02 a.m.)

11 (The following proceedings had at 2:00 p.m.):

12 CHAIRMAN WROTENBERY: Okay, I think we're all
13 here now, and we'll go back on the record.

14 COMMISSIONER BAILEY: Hello, Robert.

15 COMMISSIONER LEE: Hello.

16 CHAIRMAN WROTENBERY: I'll just note for the
17 record that Lori Wrotenbery is now here, made it back from
18 Little Rock, finally, despite the tornadoes.

19 And I apologize I wasn't here at 9:00 here this
20 morning. But we do have several items on our agenda for
21 today.

22 Did you announce for the record that Dr. Lee was
23 participating by phone? I guess I did that, in case it's
24 not in the record already.

25 MR. ROSS: I announced it this morning.

1 CHAIRMAN WROTENBERY: Okay, so it will be clear
2 from the record.

3 MR. ROSS: Well, though, I also announced that --

4 CHAIRMAN WROTENBERY: Oh, that's right, yes --

5 MR. ROSS: -- Commissioner Bailey was present on
6 the conference telephone, and she's now present.

7 CHAIRMAN WROTENBERY: And she's now present in
8 person, okay. So everybody's accounted for.

9 We do have the minutes of the December 13th,
10 2002, Commission Hearing in draft form here.
11 Commissioners, have you had a chance to look at these
12 minutes?

13 COMMISSIONER BAILEY: Yes, I have, and I move
14 that we adopt them.

15 COMMISSIONER LEE: Second.

16 CHAIRMAN WROTENBERY: All in favor say aye.

17 COMMISSIONER BAILEY: Aye.

18 COMMISSIONER LEE: Aye.

19 CHAIRMAN WROTENBERY: Aye. And I'll sign those
20 on behalf of the Commission. Here they are, here they are.

21 * * *

22
23 CHAIRMAN WROTENBERY: And then we have one item
24 where we just need to do some clerical corrections to the
25 text of the Rule we adopted back on -- I believe it was

1 November 22nd when we adopted that Rule. This is in Case
2 12,897, the Application of the New Mexico Oil Conservation
3 Division through the Environmental Bureau Chief for the
4 adoption of amendments to Division Rule 118 concerning
5 hydrogen sulfide gas.

6 And we've got some clerical considerations to
7 consider. Mr. Ross, would you like to walk us through this
8 order?

9 MR. ROSS: Yes. Unfortunately, when the text of
10 the Rule was prepared that was attached to Order R-11,847,
11 which adopted the hydrogen sulfide Rule, there were a
12 couple lingering errors in that document, which I've
13 identified here in this proposed Order R-11,847.

14 The first error was a mistaken reference to an
15 ANSI standard, it had the wrong -- it had an outdated
16 reference, I'm told. And we proposed to correct that
17 reference to ANSI Z 535.1-2002.

18 CHAIRMAN WROTENBERY: Dr. Lee, can you hear us?

19 COMMISSIONER LEE: Yes.

20 CHAIRMAN WROTENBERY: Okay.

21 MR. ROSS: The second error was actually my
22 fault. There's a heading in paragraph G.4 of the proposed
23 Rule, and for some reason I didn't carry over a correction
24 of that heading from an earlier version to the version that
25 was attached to the Order. And the heading in the proposed

1 Rule refers to well control equipment, but that paragraph
2 discusses a broader range of topics than just well control
3 equipment.

4 So the heading is confusing and should refer only
5 to control equipment.

6 And those two are the only typographical or minor
7 errors that are contained in the proposed Rule.

8 I drafted an order, proposed order, R-11,847, to
9 incorporate those changes and make them *nunc pro tunc*, in
10 other words, relate them back to the date of adoption,
11 since they are clerical errors as opposed to substantive
12 errors.

13 CHAIRMAN WROTENBERY: Okay, any questions about
14 the proposed corrections?

15 COMMISSIONER BAILEY: No, I move that we adopt
16 the corrected -- this order.

17 COMMISSIONER LEE: Second.

18 CHAIRMAN WROTENBERY: All in favor say aye.

19 COMMISSIONER BAILEY: Aye.

20 COMMISSIONER LEE: Aye.

21 CHAIRMAN WROTENBERY: Aye.

22 * * *

23
24 CHAIRMAN WROTENBERY: And then the last matter on
25 the agenda today is Case 12,734, the Application of

1 Richardson Operating Company to establish a special "infill
2 well" area within the Basin-Fruitland Coal Gas Pool as an
3 exception from Rule 4 of the special rules for this pool in
4 San Juan County, New Mexico.

5 And at this point I'll entertain a motion that
6 the Commission move into a closed executive session, during
7 which it will deliberate in connection with this
8 proceeding.

9 COMMISSIONER BAILEY: I so move.

10 COMMISSIONER LEE: Second.

11 CHAIRMAN WROTENBERY: All in favor say aye.

12 COMMISSIONER BAILEY: Aye.

13 COMMISSIONER LEE: Aye.

14 CHAIRMAN WROTENBERY: Aye. Okay, thank you.

15 (Off the record at 2:08 p.m.)

16 (The following proceedings had at 2:21 p.m.)

17 CHAIRMAN WROTENBERY: Okay, we'll go back on the
18 record, and I'll entertain a motion that we go back into
19 open meeting.

20 COMMISSIONER BAILEY: I so move.

21 COMMISSIONER LEE: Second.

22 CHAIRMAN WROTENBERY: All in favor say aye.

23 COMMISSIONER BAILEY: Aye.

24 COMMISSIONER LEE: Aye.

25 CHAIRMAN WROTENBERY: Aye. And I'll note for the

1 record that the only matter that the Commission discussed
2 while we were in closed executive session was the pending
3 case, Number 12,734.

4 And we do have a draft order in this case.
5 Commissioners, have you had a chance to review this order?

6 COMMISSIONER BAILEY: Yes, I have, and I move we
7 adopt it.

8 COMMISSIONER LEE: Second.

9 CHAIRMAN WROTENBERY: All in favor say aye.

10 COMMISSIONER BAILEY: Aye.

11 COMMISSIONER LEE: Aye.

12 CHAIRMAN WROTENBERY: Aye.

13 And I'll just note for the record that there is
14 an ordering paragraph here that states that inasmuch as
15 Commissioner Lee is participating in the meeting during
16 which this Order is issued by conference telephone and will
17 be unable to execute the order, the Chair is hereby
18 delegated to execute the order on behalf of the Commission.
19 So I will sign it now on behalf of the Commission.

20 Okay, and I believe that was the last item on the
21 agenda.

22 I hope everybody has a happy holiday. I look
23 forward to seeing you next year.

24 I'll entertain a motion to adjourn.

25 COMMISSIONER BAILEY: I so move.

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COMMISSIONER LEE: Second.

CHAIRMAN WROTENBERY: Oh, good. I think we're
adjourned. Thank you very much.

(Thereupon, these proceedings were concluded at
2:23 p.m.)

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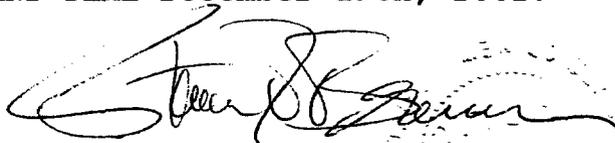
CERTIFICATE OF REPORTER

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 December 19th, 2002.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2006