STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

FINAL AGENDA AND DOCKET NEW MEXICO OIL CONSERVATION COMMISSION MEETING OCTOBER 7 - 8, 2015 1:00 P.M. Wendell Chino Building Porter Hall 1220 S. St. Francis Drive Santa Fe, New Mexico 87501

The following items are for discussion and possible action:

- 1. Roll Call.
- 2. Approve the Agenda.
- 3. Approve minutes of September 10 11, 2015 meeting.
- 4. Approve and adopt order in Case 15193.

 <u>Case 15193</u> (re-opened): Application of Frontier Field Services for Authorization to Inject, Lea County, New Mexico.
- 5. Case 15357: (Continued from the September 10, 2015 Commission Meeting.) Applications of Lightning Dock Geothermal HI-01, LLC for approval to inject into a geothermal aquifer through three proposed geothermal injection wells at the site of the proposed Lightning Dock Geothermal Power Project, Hidalgo County, New Mexico. Lightning Dock Geothermal HI-01, LLC, seeks permits to construct three geothermal injection wells (Nos. 13-7, 15-8 and 76-7) at the Lightning Dock Geothermal Power Facility located in the NW/4, SW/4 of Section 7, Township 25 South, Range 19 West, NMPM, Hidalgo County, New Mexico. The project area is located within the Animas River Valley approximately 10 miles south of I-10 on CR 338. Applicant proposes to inject spent geothermal fluids at an interval of 500' to 1,500' into a formation of quaternary alluvium/tertiary volcanic rock. AmeriCulture, Inc. has filed a protest to the well applications. A hearing on this matter was originally scheduled before the Oil Conservation Commission on August 13, 2015 and was continued to September 10, 2015. The issues to be addressed concern whether the proposed injection will contaminate any underground source of drinking water or otherwise cause waters of the State of New Mexico to exceed applicable water quality standards, and whether such injection will cause waste of geothermal resources or impair correlative rights of geothermal users, as defined in 19.14.1.7.C NMAC.

- 6. <u>Case 15365</u>: (Continued from the September 10, 2015 Commission Meeting.)

 Application of Lightning Dock Geothermal Hi-01, LLC to Place Well No. 63a-7 on Injection,-Geothermal Resources Area, Hidalgo County, New Mexico. Lightning Dock Geothermal Hi-01, LLC, seeks approval to drill a new injection well (LDG No. 63A-7) at the Lightning Dock Geothermal Project located in the NE/4 of Section 7, Township 25 South, Range 19 West, NMPM, Hidalgo County, New Mexico. The project area is located within the Animas River Valley approximately 10 miles south of I-10 on CR 338. Applicant proposes to inject spent geothermal fluids at an interval of 150' to 1,500' into a formation of quaternary alluvium/tertiary volcanic rock. AmeriCulture, Inc. has filed a protest to the well application. The issues to be addressed concern whether the proposed injection will contaminate any underground source of drinking water or otherwise cause waters of the State of New Mexico to exceed applicable water quality standards, and whether such injection will cause waste of geothermal resources or impair correlative rights of geothermal users, as defined in 19.14.1.7.C NMAC.
- 7. Case 15327: De Novo (Continued from the September 10, 2015 Commission Meeting.) (This case will be continued to the November 5, 2015 Commission Meeting.) Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 200-acre, more or less, spacing and proration unit comprised of the S/2 N/2 of Section 9 and the SW/4 NW/4 (Unit E) of Section 10, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico, and (2) pooling all mineral interests in the Yeso formation underlying this unit from a depth of 5000' to the base of the Blinebry. Said non-standard unit is to be dedicated to applicant's proposed Sneed 9 Federal Com No. 23H Well, which will be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 9 to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 10. The completed interval for this well will remain within the 330-foot standard offset required by the rules. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately .5 miles south of Maljamar, NM. Upon application of COG Operating LLC, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC.
- 8. Next meeting: November 5, 2015.
- 9. Adjournment.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, contact Florene Davidson at least ten days prior to the meeting or as soon as possible at 505.476.3458 or florene.davidson@state.nm.us. Public documents can be provided in various accessible formats. Contact Florene Davidson if accessible format is needed.