

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

**Meeting Minutes
Regular Meeting
February 11, 2016
Porter Hall
Wendell Chino Building
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505**

MEMBERS PRESENT:

David R. Catanach	Chair, Oil Conservation Division
Robert Balch	Designee, Energy, Minerals and Natural Resources Department
Patrick Padilla	Designee, New Mexico State Land Commissioner

OTHERS PRESENT:

Bill Brancard, Counsel for the Commission

The meeting was called to order by Chair Catanach at 9:00 a.m.

Item 1. Roll Call.

Roll was taken; a quorum was present.

Item 2. Approval of Agenda.

Action: Commissioner Padilla moved adoption of the agenda. Commissioner Balch seconded the motion. The motion passed unanimously.

Item 3. Approval of Minutes of December 10, 2015 meeting.

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

Item 4. Adopt Annual Resolution setting forth reasonable notice standards for Commission Public Meetings.

Action: Counsel Brancard explained that the Open Meetings Annual Resolution is the same as last year's with the exception of the dates and year of the meetings. Commissioner Balch moved to adopt the 2016 Open Meetings Annual Resolution. Commissioner Padilla seconded the motion. The motion passed unanimously.

Item 5. De Novo Case 15105 (re-opened), application of COG Operating LLC to amend Order R-13823 to limit pooled formation and to compulsory pool additional mineral interest in the approved spacing unit, Lea County, New Mexico.

Action: De Novo Case 15105 (re-opened) was dismissed at the request of the applicant prior to the meeting.

Item 6: De Novo Case 15281, application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

Action: De Novo Case 15281 was dismissed at the request of the applicant prior to the meeting.

Item 7: De Novo Case 15282, application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

Action: De Novo Case 15282 was dismissed at the request of the applicant prior to the meeting.

Item 8: De Novo Case 15283, application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

Action: De Novo Case 15283 was dismissed at the request of the applicant prior to the meeting.

All four of the above cases were scheduled to be heard De Novo upon the application of COG Operating LLC.

Item 9. De Novo Case 15366, application of Matador Production Company for a non-standard spacing and proration unit, compulsory pooling, and a non-standard location, Lea County, New Mexico, to be heard De Novo upon the application of Amtex Energy, Inc., was called for the limited purpose of hearing arguments on Matador Production Company's Motion to Dismiss Appeal.

Action: Appearances were made by Earl DeBrine for Matador Production Company (Matador) and Eugene Gallegos for Amtex Energy, Inc. (Amtex). Mr. DeBrine explained that this case was heard before an examiner on September 3, 2015, and Amtex made a late entry of appearance in the case 22 days after the hearing. He said that Order No. R-14097 granting the application was entered on December 14, 2015.

Mr. DeBrine and Mr. Gallegos argued their clients' positions in the case, citing the Oil and Gas Act, the Division rules and various court cases. Commissioner Balch, Commissioner Padilla and Chair Catanach questioned both attorneys.

After a motion by Commissioner Balch and a second to the motion by Commissioner Padilla, the Commission voted unanimously to close the meeting pursuant to NMSA 1978, Section 10-15-1-H to deliberate on the motion. After a motion by Commissioner Padilla and a second to the motion by Commissioner Balch, the Commission voted unanimously to go back into open session. Chair Catanach announced that Matador's Motion to Dismiss Appeal of Case 15366 was the only matter discussed during the closed session. Counsel Brancard announced that the Commission unanimously agreed to grant the Motion to Dismiss on the grounds that Amtex's entry of appearance was not filed timely and, therefore, Amtex was not a party of record in the case. He said that an entry of appearance

can be filed at any time while the record is open but, in this case, the record was closed when Amtex filed its entry of appearance. Based on the Commission's decision, De Novo Case 15366 was dismissed.

Item 10. Case 15357, application 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, and Case 15365, application of Lightning Dock Geothermal HI-01 to place Well No. 63a-7 on injection, Geothermal Resource Area, both in Hidalgo County, New Mexico, were reopened for the limited purpose of addressing a request from the district court. Counsel Brancard explained that the court needs clarification from the Commission that one exhibit in the record presented to the district court was confidential. Counsel Brancard said he will determine what the court needs and, if something is required from the Commission before their next meeting, the Commissioners unanimously agreed that the Chair can sign an order on behalf of the Commission.

Item 11. Next meeting: March 10, 2016

Item 12. Adjournment

The chair adjourned the meeting at 10:45 a.m.

A handwritten signature in black ink, appearing to read "David R. Catanach", with a stylized flourish at the end.

DAVID R. CATANACH, Chair