

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

COMMISSIONER AGENDA HEARING

Agenda Items 1 through 4 and 6 through 16

October 15, 2020

Santa Fe, New Mexico

BEFORE: ADRIENNE SANDOVAL, CHAIRWOMAN
JENNIFER KESSLER, COMMISSIONER
DR. THOMAS ENGLER, COMMISSIONER
SALLY MALAVE, COMMISSION COUNSEL

This matter came on for hearing before the New Mexico Oil Conservation Commission on Thursday, October 15, 2020, via Cisco Webex virtual platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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1 CHAIRWOMAN SANDOVAL: Good morning, everybody.
2 It is 9:07 on October 15, and this is a meeting of the Oil
3 Conservation Commission. I'm Adrienne Sandoval, I'm head of
4 the Oil Conservation Division and the Oil Conservation
5 Commission.

6 Also with me today are our Commissioners, as well
7 as Commission counsel, Ms. Malave, and maybe momentarily
8 Commission clerk, Florene Davidson.

9 Commissioners, would you please introduce
10 yourselves for the record.

11 COMMISSIONER KESSLER: Good morning, Jordan
12 Kessler, State Land Office, Commissioner of Mineral
13 Resources.

14 COMMISSIONER ENGLER: Good morning. This is Tom
15 Engler, I'm designate from the Secretary of Energy Minerals
16 and Natural Resources.

17 CHAIRWOMAN SANDOVAL: Thank you, Commissioners.
18 First off, Agenda Item Number 2 is approval of the agenda.
19 Commissioners, have you reviewed and do you have any
20 comments or changes to the agenda?

21 COMMISSIONER KESSLER: I read the agenda, and I
22 have no changes to make.

23 COMMISSIONER ENGLER: Yes, Director, this is Tom
24 Engler, and I have no changes or comments.

25 CHAIRWOMAN SANDOVAL: Okay. Is there a motion to

1 adopt the agenda?

2 COMMISSIONER ENGLER: So moved.

3 CHAIRWOMAN SANDOVAL: Is there a second?

4 COMMISSIONER KESSLER: Second.

5 CHAIRWOMAN SANDOVAL: Ms. Malave, would you do a
6 roll call vote, please?

7 MS. MALAVE: Commissioner Engler?

8 COMMISSIONER ENGLER: Approved.

9 MS. MALAVE: Commissioner Kessler?

10 COMMISSIONER KESSLER: Approved.

11 MS. MALAVE: Commissioner Sandoval?

12 CHAIRWOMAN SANDOVAL: Approved. The motion
13 passes unanimously, and the agenda for today has been
14 approved.

15 (Unanimous approval of agenda.)

16 CHAIRWOMAN SANDOVAL: Item Number 3 on the agenda
17 is approval of the October 8, 2020 minutes. Commissioners,
18 have you reviewed the minutes and do you have any
19 corrections?

20 COMMISSIONER ENGLER: Again, this is Tom Engler.
21 I have no corrections, and I have read them.

22 COMMISSIONER KESSLER: I have also read them and
23 I have no changes.

24 CHAIRWOMAN SANDOVAL: Is there a motion to
25 approve the October 8 minutes?

1 COMMISSIONER KESSLER: So moved.

2 CHAIRWOMAN SANDOVAL: Is there a second?

3 COMMISSIONER ENGLER: Yeah, I second.

4 CHAIRWOMAN SANDOVAL: Ms. Malave, would you
5 please do a roll call vote?

6 MS. MALAVE: Yes. Commissioner Kessler?

7 COMMISSIONER KESSLER: Approve.

8 MS. MALAVE: Commissioner Engler?

9 COMMISSIONER ENGLER: Approve.

10 CHAIRWOMAN SANDOVAL: Commissioner Sandoval?

11 CHAIRWOMAN SANDOVAL: Approve. The October 8
12 minutes are unanimously approved.

13 (Unanimous approval of October 8 minutes.)

14 CHAIRWOMAN SANDOVAL: Moving on to Item Number 4,
15 final action in Case Number 20779, application of Lucid
16 Energy Delaware LLC for authority to inject in Lea County,
17 New Mexico. Commissioners, have you reviewed the order that
18 was provided by Lucid counsel, and do you have any edits or
19 corrections?

20 COMMISSIONER ENGLER: No, I don't. This is Tom
21 Engler. I have read them, and I have no changes or
22 corrections.

23 COMMISSIONER KESSLER: I have also reviewed the
24 order, and I have no changes or corrections.

25 CHAIRWOMAN SANDOVAL: Is there a motion to

1 approve the order in Case Number 20779?

2 COMMISSIONER KESSLER: So moved.

3 CHAIRWOMAN SANDOVAL: Is there a second?

4 COMMISSIONER ENGLER: Yes, I second.

5 CHAIRWOMAN SANDOVAL: Ms. Malave, would you do a
6 roll call vote, please?

7 MS. MALAVE: Commissioner Engler?

8 COMMISSIONER ENGLER: Approve.

9 MS. MALAVE: Commissioner Kessler?

10 COMMISSIONER KESSLER: Approve.

11 MS. MALAVE: Commissioner Sandoval.

12 CHAIRWOMAN SANDOVAL: Approve. The motion passes
13 unanimously and the order in Case Number 20779 is approved.

14 (Unanimous approval of Order in Case 20779.)

15 (Agenda Item 5, Case Number 21469 heard.)

16 CHAIRWOMAN SANDOVAL: All right. Let's move on
17 to the next items of the agenda, Items Number 6, 7 and 8
18 have been continued to April 15, 2021.

19 Let's see, upon the unopposed motion for
20 continuance filed by COG Operating LLC, following four de
21 novo cases in 9 and 11 are continued to November 4, 2020,
22 those are case numbers 20923, 20924, 20925 and 20926.

23 Ms. Malave, is there anything that's pending
24 litigation?

25 MS. MALAVE: There was one that I actually forgot

1 to mention the last time and that is that the appeal that
2 Jalapeno filed against the Commission's rulemaking back in
3 July -- July 2018, the Commission's rule decision on that
4 rule was upheld by the Court of Appeals.

5 CHAIRWOMAN SANDOVAL: Okay. Agenda Item Number
6 14, other business, Commissioners, I would like to move the
7 December hearing, if possible, back a week into the week of
8 the 14th.

9 I am very flexible with dates. I know you have
10 time constraints, Dr. Engler. Would that work for either of
11 you and Commission counsel?

12 COMMISSIONER KESSLER: It is. I'm open at this
13 point.

14 CHAIRWOMAN SANDOVAL: Dr. Engler?

15 COMMISSIONER ENGLER: I'm not there. I'm not
16 around that week.

17 CHAIRWOMAN SANDOVAL: Okay. Well, then, never
18 mind. We will keep it the same date then.

19 COMMISSIONER ENGLER: Right now it's scheduled
20 for the 10th; correct?

21 CHAIRWOMAN SANDOVAL: Correct.

22 COMMISSIONER ENGLER: Yeah. I'm sorry. Right
23 after that I'm going away, so --

24 CHAIRWOMAN SANDOVAL: Good for you. All right,
25 no problem. The next meeting is going to be on November 4.

1 With that, we will adjourn the meeting at 10:01.

2 Thank you, everybody.

3 (Recessed.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court
7 Reporter, CCR 253, do hereby certify that I reported the
8 foregoing proceedings in stenographic shorthand and that the
9 foregoing pages are a true and correct transcript of those
10 proceedings that were reduced to printed form by me to the
11 best of my ability.

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

16 I FURTHER CERTIFY that the Virtual Proceeding was
17 of fair quality.

18 Dated this 15th day of October 2020.

19

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-20

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