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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

COMMISSIONER HEARING

Agenda Items 1 through 5 and 7 through 9

December 17, 2021

Santa Fe, New Mexico

BEFORE: ADRIENNE SANDOVAL, CHAIRWOMAN

GREG BLOOM, COMMISSIONER
TERRY WARNELL, COMMISSIONER

CHRIS MOANDER, ESQ.

This matter came on for hearing before the New Mexico Oil Conservation Commission on Friday, December 17, 2021, via Webex Virtual Platform hosted by the New Mexico Energy, Minerals, and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Santa Fe, New Mexico.

Reported by: PAUL BACA

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1 CHAIRWOMAN SANDOVAL: All right. Good morning,

- 2 everybody. It is 9:05 a.m. on December 17, and this is a
- 3 special meeting of the Oil Conservation Commission. I'm
- 4 Adrienne Sandoval. I'm chair of the Oil Conservation
- 5 Commission and Director of the Oil Conservation Division.
- 6 Will the other commissioners please introduce
- 7 themselves for the record.
- 8 COMMISSIONER BLOOM: Madam Chair, yes, good
- 9 morning, everybody. I'm Greg Bloom. I'm the designee of
- 10 the Commissioner of Public Lands. Thank you.
- 11 COMMISSIONER WARNELL: Good morning, everyone.
- 12 Designee Terry Warnell, designee from the Energy Minerals
- 13 and Natural Resources Department.
- 14 CHAIRWOMAN SANDOVAL: Also with us today is Chris
- 15 Moander, counsel for the commission.
- 16 On today's agenda, first need approval of the
- 17 agenda. I don't know of any changes. Is there a motion to
- 18 adopt the agenda for today?
- 19 COMMISSIONER BLOOM: Madam Chair, I move to adopt
- 20 the agenda for today.
- 21 COMMISSIONER WARNELL: I second that motion.
- 22 CHAIRWOMAN SANDOVAL: Mr. Moander, would you do
- 23 you a roll call, please?
- MR. MOANDER: Yes, Commissioner Bloom?
- 25 COMMISSIONER BLOOM: Approved.

Page 3 1 MR. MOANDER: Commissioner Warnell? 2. COMMISSIONER WARNELL: Approved. 3 MR. MOANDER: Madam Chair? CHAIRWOMAN SANDOVAL: Approved. 5 MR. MOANDER: The motion carries. 6 CHAIRWOMAN SANDOVAL: Next on the agenda is 7 approval of the December 9, 2021 minutes. Commissioners, 8 have you reviewed the minutes and is there a motion to 9 approve them? 10 COMMISSIONER BLOOM: Madam Chair, yes, I have reviewed the minutes, and I move to approve the minutes from 11 12 the last meeting. 13 COMMISSIONER WARNELL: I second that motion. 14 CHAIRWOMAN SANDOVAL: Would you do a roll call 15 vote, please, Mr. Moander? 16 MR. MOANDER: Yes, Madam Chair. Commissioner Bloom? 17 18 COMMISSIONER BLOOM: Approved. MR. MOANDER: Commissioner Warnell? 19 20 COMMISSIONER WARNELL: Approved. 2.1 CHAIRWOMAN SANDOVAL: Madam Chair? 22 CHAIRWOMAN SANDOVAL: Approve. MR. MOANDER: The motion carries. 23 24 CHAIRWOMAN SANDOVAL: Next on the agenda is 25 approval of the 2022 Open Meetings Resolution.

- 1 Commissioners, have you reviewed the resolution and is there
- 2 a motion to approve?
- 3 COMMISSIONER BLOOM: Yes, Madam Chair, I reviewed
- 4 the Open Meetings motion and I move to approve that.
- 5 COMMISSIONER WARNELL: I second that motion.
- 6 CHAIRWOMAN SANDOVAL: Mr. Moander, would you do
- 7 another roll call vote, please?
- 8 MR. MOANDER: Yes, Madam Chair. Commissioner
- 9 Bloom?
- 10 COMMISSIONER BLOOM: Approve.
- MR. MOANDER: Commissioner Warnell?
- 12 COMMISSIONER WARNELL: Approve.
- MR. MOANDER: And Madam Chair?
- 14 CHAIRWOMAN SANDOVAL: Approved.
- MR. MOANDER: The motion carries.
- 16 CHAIRWOMAN SANDOVAL: Next item on the agenda is
- 17 discussion and potential vote on February 22 agenda
- 18 continuances. I believe we were looking at rescheduling
- 19 that meeting. Mr. Moander, do you recall if that was the
- 20 agenda?
- 21 MR. MOANDER: Yeah, so given the -- kind of
- 22 provide a little background on this -- given the short
- 23 nature of at least the initial or the general session in
- January, it's my understanding that at least with you Madam
- 25 Chair, there are going to be some scheduling difficulties,

1 and there are some cases that are going to require more

- 2 attention than usual that are pending.
- 3 There may be some value in continuing that docket
- 4 to March because the February 22 meeting is going to fall
- 5 squarely kind of in the heart of the general session. I
- 6 don't -- did not see any particular legal prohibition that
- 7 would prevent that from happening, and in speaking with
- 8 various counsel from various cases, there is an
- 9 understanding of the gravity of the general session and
- 10 especially Madam Chair's obligations.
- 11 CHAIRWOMAN SANDOVAL: Just with the hearing
- 12 dates, I think it's currently scheduled for the 10th, and I
- 13 think we are proposing to move it to the 22nd.
- MR. MOANDER: That's been one of the options,
- 15 rather than moving all of those cases to March or April, we
- 16 could set a meeting for the end of February. And I think,
- 17 yeah, the 22nd was the date that had been tossed around.
- 18 CHAIRWOMAN SANDOVAL: Commissioners, do you have
- 19 any thoughts on moving the regularly scheduled from the
- 20 10th, which is in the middle of the session, to a later
- 21 date, the 22nd, which is the Tuesday following the close of
- 22 the session?
- 23 COMMISSIONER BLOOM: Madam Chair, the 22nd would
- 24 work fine for me, no problem with moving some days around.
- 25 COMMISSIONER WARNELL: I have no problem with

- 1 that either.
- 2 CHAIRWOMAN SANDOVAL: Is there a motion to modify
- 3 the meeting dates in February?
- 4 COMMISSIONER BLOOM: Madam Chair, I propose to --
- 5 I propose to move our meeting from Thursday, February 10 to
- 6 Tuesday, February 22.
- 7 COMMISSIONER WARNELL: I second that motion.
- 8 CHAIRWOMAN SANDOVAL: Would you do a roll call
- 9 vote please, Mr. Moander?
- 10 MR. MOANDER: Yes, Madam Chair. Commissioner
- 11 Bloom?
- 12 COMMISSIONER BLOOM: Approved.
- MR. MOANDER: Commissioner Warnell?
- 14 COMMISSIONER WARNELL: Approved.
- MR. MOANDER: And Madam Chair?
- 16 CHAIRWOMAN SANDOVAL: Approved.
- 17 MR. MOANDER: The motion carries.
- 18 (Agenda Items 1 through 5 concluded.)
- 19 (Agenda Item Number 22225 held in separate
- 20 proceeding and upon recess, Agenda Items 7 through 9 heard
- 21 as follows:)
- 22 CHAIRWOMAN SANDOVAL: On that note, do you have
- 23 any updates for the Commissioners on pending litigation?
- MR. MOANDER: No, Madam Chair. It's the same as
- 25 it was last week. The respondent Mr. Marker has his reply

Page 7 brief due in the currently pending case on the 20th at which 2 point we'll, we'll learn more about where that case may or may not be going, where it's heading. 3 4 CHAIRWOMAN SANDOVAL: All right. Is there any other business before the Commission? 5 6 (No audible response.) 7 CHAIRWOMAN SANDOVAL: Our next meeting after 8 today be on January 13, and I'm just making a note that the 9 February meeting was changed from the 10th to the 22nd. And 10 with that, we will reconvene in the rulemaking for Agenda Item Number 6 at noon. 11 12 (OCC Agenda Items 1 through 5 and 7 through 9 13 concluded.) 14 15 16 17 18 19 20 2.1 22 23 24 25

Page 8 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, PAUL BACA, New Mexico Certified Court, do 6 7 hereby certify that I reported the foregoing virtual 8 proceedings in stenographic shorthand and that the foregoing 9 pages are a true and correct transcript of those proceedings to the best of my ability. 10 I FURTHER CERTIFY that I am neither employed by 11 12 nor related to any of the parties or attorneys in this case 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of extremely poor to reasonable quality. 16 Dated this 17th day of December 2021. 17 18 /s/ Paul Baca 19 PAUL BACA 20 License Expires: 12-31-22 2.1 22 23 2.4 25