

**STATE OF NEW MEXICO**  
**OIL CONSERVATION COMMISSION**  
**Meeting Minutes**  
**Regular Meeting**  
**January 13-14, 2022**

The Oil Conservation Commission meeting was held via Webex Meeting Platform.

**MEMBERS PRESENT:**

Adrienne Sandoval	Chair, Oil Conservation Division
Greg Bloom	Designee, New Mexico State Land Office Commissioner
Terry Warnell and William Ampomah	Designees, Energy, Minerals and Natural Resources Department

**OTHERS PRESENT:**

Christopher Moander, Commission Counsel  
Florene Davidson, Commission Clerk

The hearing was called to order by Chair Sandoval at approximately 9:06 a.m.

**Item 1.** Roll Call

**Action:** Roll was taken; a quorum was present.

**Item 2.** Approval of the Agenda.

**Action:** Commissioner Bloom made a motion to adopt the agenda and Commissioner Warnell seconded the motion. A roll call vote was taken. The motion carried.

**Item 3.** Approval of the December 17, 2021 Meeting Minutes

**Action:** Commissioner Bloom made a motion to approve the December 17, 2021 minutes and Commissioner Warnell seconded the motion. A roll call vote was taken, and the motion carried.

**Item 4.** Entry of Adoption Order in Case 22225: Application of the Energy, Minerals and Natural Resources Department (EMNRD), Oil Conservation Division, for Proposed Amendments to the Oil Conservation Commission's Rule on Natural Gas Gathering Systems, 19.15.28. NMAC.

**Action:** Chair Sandoval advised that all Commissioners have reviewed the proposed order. Commissioner Bloom made a motion to adopt the order and Commissioner Warnell seconded the motion. A roll call vote was taken, and the motion carried. Order No. R-21889-B was entered in Case No. 22225.

Chair Sandoval announced that this was Commissioner Warnell's final action for the Oil Conservation Commission. He was thanked for the time he served on the Commission and wished well in his future endeavors.

Dr. William Ampomah, Assistant Professor, Petroleum Engineering Department, New Mexico Tech, was welcomed as the EMNRD designee to the Commission.

**Item 5.**        Update on Case 21872: Application of Titus Oil & Gas Production, LLC for Approval of Production Allocation, Lea County, New Mexico

**Action:**        An appearance was made by Dylan Fuge, General Counsel for the EMNRD in Santa Fe, New Mexico. He provided an update on the subject case including preliminary discussions held with the Texas Railroad Commission (RRC). He advised he is waiting to hear from the RRC before progress can be made on a Memorandum of Agreement (MOA) in the case. Another update on the case was scheduled for the April 14, 2022 Commission meeting.

**Item 6.**        Case No. 21324 (De Novo Case No. 21902: Application of Tom M. Ragsdale to Revoke Order Nos. R-20924 and R-20924-A or, in the Alternative, to Declare Unreasonable Certain Costs Imposed by Mewbourne Oil Co. Appearances were made by Sharon Shaheen for Tom M. Ragsdale and James Bruce for Mewbourne Oil Co. (Mewbourne). Ms. Shaheen made an opening statement regarding a revised submittal of material facts not in dispute. Mr. Bruce made an opening statement explaining the well costs of the subject well. Ms. Shaheen's witness was Tom M. Ragsdale, Petroleum Engineer and Operator. He explained the issue in this case is whether Mewbourne can allocate the costs for failed attempts to drill wells on an AFE that is submitted for a proposed well. Mr. Bruce, Commissioner Ampomah, Commissioner Bloom, and Chair Sandoval cross-examined the witness.

Mr. Bruce's first witness was Travis Cude, Reservoir Engineer with Mewbourne. He described problems encountered in the drilling of the first wells and their abandonment. Ms. Shaheen, Commissioner Ampomah, Commissioner Bloom, and Chair Sandoval cross-examined the witness.

The next witness was Mitch Robb, landman with Mewbourne. He described conversations and e-mails he exchanged with a member of Mr. Ragsdale's staff regarding the junked wells and identified interest owners in the well who are voluntarily sharing in the drilling of the well and the costs of the junked wells. Ms. Shaheen, Commissioner Ampomah, and Chair Sandoval cross-examined the witness.

A discussion was held by the Commission on scheduling the hearing for the next day to finish the hearing. The Commission agreed to continue the hearing to 8:30 a.m. on January 14. The hearing was adjourned at 4:51 p.m.

The hearing was reconvened at 8:30 a.m. on January 14, 2022, for the continuance of the hearing of Case No. 21324, Commission Case No. 21902.

Mr. Ragsdale was recalled for additional questions from Mr. Bruce, Commissioner Bloom, Commissioner Ampomah, and Chair Sandoval.

Mr. Cude and Mr. Robb were recalled for additional questions from Commissioner Ampomah, Commissioner Bloom, Chair Sandoval, and Ms. Shaheen. The evidentiary record in Case 21324, De Novo Case 21902, was closed.

A discussion was held on the submittal of closing statements. It was decided that closing statements consisting of no more than 10 pages with a limit on attachments or exhibits will be submitted seven days after the submittal of the transcript of this hearing to the Commission. Commissioner Bloom made a motion to require written closing statements due to the Commission no less than seven days after receiving the transcript and be no longer than 10 pages of written closing argument with an addition of 15 pages of exhibit attachment. Commissioner Ampomah seconded the motion. A roll call vote was taken. The motion carried. The case was continued to the next regularly scheduled meeting, February 22, 2022.

**Item 7.** Pending legislation

**Action:** Counsel Moander advised that the applicant in Case No. A-1-CA-39578 missed the December 20, 2021 deadline for filing in the matter, and it is now before the Court.

**Item 8.** Other business

**Action:** There was no other business.

**Item 9.** Next meeting

**Action:** The next meeting will be February 22, 2022.

**Item 10:** Adjournment

**Action:** Chair Sandoval adjourned the meeting at 10:45 a.m.



Adrienne Sandoval  
Chair