

**STATE OF NEW MEXICO**  
**OIL CONSERVATION COMMISSION**  
**Meeting Minutes**  
**Regular Meeting**  
**September 8, 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
William Ampomah	Designee, 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 9:02 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 Ampomah seconded the motion. A roll call vote was taken. The motion carried.

**Item 3.** Approval of the August 11, 2022 Meeting Minutes

**Action:** Commissioner Bloom made a motion to approve the August 11, 2022 minutes and Commissioner Ampomah seconded the motion. A roll call vote was taken. The motion carried.

**Item 4.** Update on Case No. 21872: Application of Titus Oil & Gas Production, LLC for Approval of Production Allocation, Lea County, New Mexico

**Action:** Dylan Fuge, General Counsel for the Energy, Minerals and Natural Resources Department, presented an update on the MOA between New Mexico and Texas in Case 21872. He stated that negotiations were finalized on Friday, September 2, 2022, between Texas and New Mexico governing the allocation of production and application of various state requirements pertaining to the production of resources in both states from a single wellbore. Mr. Fuge was requested to send a copy of the document (MOA) to the Commission and Commission counsel. The update

regarding the MOA will be placed on the October 13, 2022 Commission meeting agenda.

**Item 5.** Case 22977: Application of Piñon Midstream, LLC to Amend Commission Order No. R-21455-A to increase the maximum daily injection rates for the Independence AGI #1 and #2 Wells, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Commission Order No. R21455-A to increase the maximum daily injection rate of treated acid gas for disposal through the Independence AGI #1 and #2 wells from 12 MMSCFD to 20 MMSCFD. The Independence AGI #1 well (API No. 30-025-48081) is an existing vertical well with a surface and bottom hole location approximately 829 feet from the north line and 1,443 feet from the west line (Unit C) of Section 20, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. It was approved to inject within the Devonian and Silurian formations from a depth of approximately 16,230 to 17,900 feet deep under Commission Order No. R-21455-A. Independence AGI #2 well (API No. 30-025-49974), will be a deviated well with a surface location approximately 1,180 feet from the north line and 1,578 feet from the west line (Unit C) and a bottom hole location approximately 1,033 feet from the south line and 2,132 feet from the west line (Unit L) in Section 20, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. It was approved to inject within the Devonian and Silurian formations from approximately 16,080 to 17,683 feet deep under administrative order SWD-2464. Said area is located approximately 6 miles west of Jal, New Mexico.

**Action:** Appearances were made by Adam Rankin for Pinon Midstream, LLC (Pinon) and Jesse Tremaine for the Oil Conservation Division ((OCD). Mr. Rankin and Mr. Tremaine made brief opening statements.

Mr. Rankin's first witness was Steven Green, Chief Executive Officer with Pinon. He explained why Pinon is requesting permission to increase the maximum injection rates in both wells. Chair Sandoval questioned the witness, and he was excused.

The next witness was David White, Geologist with Geolex, Inc. He described Pinon's AGI system design, the geology of the subject area, and the reservoir characteristics. Mr. Tremaine, Commissioner Ampomah, and Chair Sandoval questioned the witness, and he was excused.

Commissioner Ampomah recused himself from the remainder of the meeting leaving a quorum of Chair Sandoval and Commissioner Bloom to hear the remainder of the case.

Mr. Tremaine's witness was Dylan Rose-Coss, Petroleum Specialist Advanced with the UIC Team of the Oil Conservation Division. He discussed current AGI wells in the state and listed unique risks that OCD experiences with AGI wells. Chair Sandoval questioned the witness, and he was excused.

Mr. Rankin and Mr. Tremaine made closing statements.

The record of the hearing was closed at 1:33 p.m.

After a motion by Chair Sandoval to close the meeting pursuant to NMAC 1978, Section 10-15-1(H) to deliberate on Case No. 22977, and a second to the motion by Commissioner Bloom, a roll call vote was taken. The motion carried. The meeting was closed for deliberations. After a motion by Chair Sandoval to go back into open session pursuant to NMAC 1978, Section 10-15-1(H), and a second to the motion by Commissioner Bloom, a roll call vote was taken. The motion carried. The meeting came back into open session and Chair Sandoval announced that Case No. 22977 was the only matter discussed during the closed session. She advised that Commissioner Ampomah did not participate in the deliberations. She made a motion to:

- (1) increase the 12 MMSCFD limits found in Paragraph 5 of the Findings of Fact and Paragraph 1 of the Order to 20 MMSCFD;
- (2) add a new Paragraph 30 to the findings of fact, requiring Petitioner Pinion to file a status report with the Division every 2 years;
- (3) amend Paragraph 1 of the Order section stating that the Commission shall retain jurisdiction over this matter and related matters.

Commissioner Bloom seconded the motion. A roll call vote was taken with only Chair Sandoval and Commissioner Bloom voting. The motion carried. A final order in Case 22977 will be set for the October 13, 2022 Commission meeting for review and adoption.

**Item 7.** Pending legislation

**Action:** Counsel Moander advised that no action has been taken in Case A-1-CA-3957 since February.  
A hearing should be set soon in the Ragsdale appeal.

**Item 8.** Other business

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

**Item 9.** Next meeting

**Action:** The next meeting will be held on October 13, 2022.

**Item 10:** Adjournment

**Action:** Chair Sandoval adjourned the meeting at 2:07 p.m.



Adrienne Sandoval  
Chair