

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
Meeting Minutes
Regular Meeting
August 17, 2023

The Oil Conservation Commission meeting was a hybrid meeting with both in person and virtual participation options. The meeting was held in Room 317 at the New Mexico State Capitol, 490 Old Santa Fe Trail, Santa Fe, New Mexico.

MEMBERS PRESENT:

Dylan Fuge	Chair, Oil Conservation Division
Greg Bloom	Designee, New Mexico State Land Office Commissioner
William Ampomah	Designee, Energy, Minerals and Natural Resources Department

OTHERS PRESENT:

Florene Davidson, Commission Clerk

The hearing was called to order by Chair Fuge at 9:05 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 amended August 17, 2023 agenda and Commissioner Ampomah seconded the motion. A roll call vote was taken. The motion carried unanimously.

Item 3. Approval of the July 13, 2023 Meeting Minutes

Action: Commissioner Bloom made a motion to approve the July 13, 2023 minutes and Commissioner Ampomah seconded the motion. A roll call vote was taken. The motion carried unanimously.

Item 4. Pending Cases:

Case No. 23580: Application of the Wildearth Guardians in the matter of Proposed Amendment to the Commission's Rules to Address Perfluoroalkyl and Polyfluoroalkyl Substances and Their Use in Oil and Gas Extraction, 19.15.2, 19.15.16, 19.15.31, and 19.15.32 NMAC.

Action: Appearances were made by Jeremy Nichols for Wildearth Guardians (Wildearth), Michael Feldewert for the New Mexico Oil and Gas Association (NMOGA),

Deana Bennett for EOG Resources (EOG), and Jesse Tremaine for the Oil Conservation Division (OCD). Mr. Tremaine presented and reviewed a draft procedural order for the Commission. A discussion was held and an agreement reached by all parties and the Commission on the procedural order. The case was continued to the September 7, 2023 Commission meeting.

Case No. 23649: Targa Northern Delaware LLC (“Targa”) seeks authorization to drill and operate a class II acid gas injection (AGI) well, the Red Hills AGI #3 well, at Targa’s gas processing facility (“Facility”) in Lea County, New Mexico.

Action: Appearances were made by Dana Hardy and Jaclyn McLean for Targa Northern Delaware LLC (Targa) and Michael Feldewert for EOG Resources (EOG). Ms. Hardy presented a draft order for the Commissioners to review. The Commission deliberated and proposed a minor change to the order. Commissioner Bloom made a motion to approve the draft order with the proposed change, Commissioner Ampomah seconded the motion, and the motion passed unanimously. The case was closed.

Item 5. New Cases

The following three cases were dismissed:

Case No. 22871: Application of Chevron Production Company for compulsory pooling all uncommitted interests in the Bone Spring formation, underlying a standard 320-acre horizontal spacing unit comprised of the E/2 W/2 of Sections 17 and 20, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

Case No. 22872: Application of Chevron Production Company for compulsory pooling, Eddy County, New Mexico.

De Novo Case No. 23049: Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico.

Status Conference:

Case No. 23655: Application of the Joint Industry Technical Committee to Amend Order No. R-111-P, Lea and Eddy Counties, New Mexico. Applicant in the above-styled cause seeks to amend Commission Order R-111-P, adopted in 1988 under Case 9316, to add anti-collision measures, to modify the well casing and cementing requirements, to provide additional notification requirements to potash operators, to provide for subsidence monitoring, and to adopt other proposed changes for oil and gas development in the Known Potash Leasing Area located in Eddy and Lea Counties, New Mexico. This area presently consists of all or parts of: Township 18 South, Range 30 East, Township 19 South, Ranges 29 through 34 East, Township 20 South, Ranges 29 through 34 East, Township 21 South, Ranges 29 through 34 East, Township 22 South, Ranges 28 through 34 East, Township 23 South, Ranges 28 through 31 East, Township 24 South, Ranges 29 through 31 East, Township 25 South, Range 31 East. Said area extends approximately 50 miles east of Carlsbad, New Mexico and approximately 50 miles south of Maljamar, New Mexico. The affected area is more particularly described in Exhibit A to Commission Order R-111-P, which can be found on the Oil Conservation Commission website at:

<https://ocdimage.emnrd.nm.gov/imaging/>

Minutes of the Meeting
Held on August 17, 2023

Action: An appearance was made by Michael Feldewert representing the New Mexico Oil and Gas Association (NMOGA). Mr. Feldewert explained the background of the issuance of Order No. R-111-P, which governs the procedures for the drilling of oil and gas wells and the mining of potash in the Known Potash Leasing Area, and the reasons for the proposed amendment. Comments from interested parties were taken and the case was set for hearing at the Commission meeting scheduled for November 9, 2023.

Item 6. Pending litigation

Action: No update

Item 7. Other business

Action: None

Item 8. Next meeting

Action: The next meeting will be held on September 7, 2023.

Reminder upcoming meeting date change: September 14, 2023 meeting was changed to September 7, 2023 at 9:00 a.m. MST

Item 9. Adjournment

Chair Fuge adjourned the meeting at 10:15 a.m.


Dylan Fuge
Chair