PRELIMINARY DOCKET: COMMISSION MEETING - THURSDAY - MAY 12, 2005

9:00 A.M. – Porter Hall 1220 South St. Francis Drive Santa Fe, New Mexico

Land Commissioner, Patrick H. Lyons, may designate Jami Bailey as his representative for this hearing, or may participate himself.

Notice: The minutes of the April 14, 2005, Commission meeting will be adopted.

<u>Notice</u>: During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

CASE 13061: De Novo

Application of the New Mexico Oil conservation Division, through the Environmental Bureau Chief, for an Order Determining the Responsible Party or Parties and Ordering the Responsible Party or Parties to Complete and Perform an Abatement Plan Pursuant to OCD Rule 19; Lea County, New Mexico. The Applicant seeks an order directing Smith & Marrs, Inc. to comply with a Stage 1 Abatement Plan and a prior Settlement Agreement with respect to subsurface water pollution existing at the South Langlie Jal Unit, in Sections 7, 8, 17 and 18, Township 25 South, Range 37 East, and ordering the responsible parties to submit a Stage 1 Investigation Report to the Division for approval. Upon application of Smith & Marrs, Inc, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 13402:> Continued from April 14, 2005, Commission Meeting.

Consolidated Application of Loco Hills GSF for an Exemption to the Liner and Leak Detection Requirements of 19.15.2.50.C NMAC and Approval of Stage 1 and 2 Abatement Plans, with Provisional Alternate Abatement Standards, Eddy County, New Mexico. Applicant seeks an order granting an exemption to the liner and leak detection requirements of 19.15.2.50.C NMAC to allow a clay-lined storage pond for saturated brine, with monitoring devices to detect designed leakage, at the Loco Hills LPG storage facility located in Section 22, Township 17 South, Range 29 East. Applicant also seeks approval of its proposed Stage 1 and 2 abatement plans to restore groundwater quality at the site to background concentrations or to an alternate abatement standard of 5000/mg/l TDS through a pump and use strategy. The site is located on the south side of New Mexico State Highway 82 between Loco Hills and Artesia, just west of where Bear Grass Draw crosses the highway.