

**MINUTES OF THE MEETING
OF THE OIL CONSERVATION COMMISSION
HELD ON JANUARY 17-18, 2013**

The Oil Conservation Commission met at 9 o'clock a.m. on January 17, 2013, in Porter Hall, Wendell Chino Building, 1220 S. St. Francis Drive, Santa Fe, New Mexico.

PRESENT: **ROBERT BALCH, Member**
 GREG BLOOM, Member
 JAMI BAILEY, Chair

The meeting was called to order by Chair Bailey.

Case 14784, the application of the New Mexico Oil and Gas Association, and Case 14785, the application of the Independent Petroleum Association of New Mexico, both for amendment of certain provisions of Title 19, Chapter 15 of the New Mexico Administrative Code concerning pits, closed loop systems, below grade tanks, sumps and other alternative methods related to the foregoing and amending other rules to conforming changes, were called for the continuation of deliberations. Deliberations were held on the following:

Definition of low chloride fluids – Chair Bailey and Commissioner Balch agreed to support the 15,000 mg/liter measurement as part of the definition; Commissioner Bloom did not support the creation of this category of fluids or the limit of 15,000 mg/kg.

Definitions of multi-well fluid management pit and temporary pit.

Siting Requirements - the setbacks for a temporary pit containing fluids that are not low chloride – the Commission voted on the language “within 300 feet of any continuously flowing watercourse or any other significant watercourse” as follows: Chair Bailey and Commissioner Balch – Aye; Commissioner Bloom – Nay; majority approved.

Tables I and II - The Commission unanimously agreed to change the method of testing for all constituents from EPA 300.1 to 300.0.

Closure and Site Reclamation Requirements – All Commissioners agreed on provisions for testing the soils beneath a pit, drying pad or below grade tank.

The meeting was recessed at 4:35 p.m.

The meeting reconvened at 12:00 p.m. on January 18, 2013. Before starting the deliberations on Tables I and II, corrections were made to the following sections which were previously deliberated:

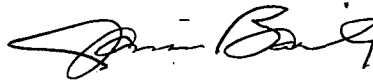
Definitions for multi-well management pit, temporary pit, and sump
Permit or Registration Required
Permit Application and Registration
Operational Requirements
Closure and Site Reclamation Requirements

Deliberations were held on Tables I and II.

The Commission agreed to meet on February 13, 2013, to compare the new rule with the black-lined rule, to review the changes they have made, and possibly to vote on the new rule.

After a motion by Commissioner Balch and a second by Commissioner Bloom, the meeting was continued to February 13, 2013, and adjourned for the day at 2:00 p.m.

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

A handwritten signature in black ink, appearing to read "Jami Bailey", is positioned above the printed name.

JAMI BAILEY, Chair