

**MINUTES OF THE MEETING
OF THE OIL CONSERVATION COMMISSION
HELD ON FEBRUARY 13 AND 15, 2013**

The Oil Conservation Commission met at 9 o'clock a.m. on February 13, 2013, at Porter Hall, Wendell Chino Building, 1220 S. St. Francis Drive, Santa Fe, New Mexico.

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

Mark Smith served as the Commission counsel.

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 the 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 further deliberations. Chair Bailey announced that no public comments would be allowed at this time. Counsel Smith explained that the draft rule before the Commission at this time represents the changes that the Commission has already agreed to in the rule. Highlighted are changes that he or Theresa Duran-Saenz have made to the rule that the Commission has not seen, which represent changes to correct grammar or changes that will conform with the formatting requirements of the Records Center. The changes were discussed and accepted by the Commission in the following sections in Title 19, Chapter 15:

17.7, 17.8, 17.9, 17.10, 17.11, 17.12, 17.13, and 17.15.

The Commission then discussed and made certain changes to the following sections in Title 19, Chapter 15:

- 17.7 – Definitions
- 17.10 – Siting Requirements
- 17.11 - Design and Construction Specifications
- 17.12 – Operational Requirements
- 17.15 – Exceptions and Variances
- 17.16 – Permit Approvals, Conditions, Denials, Revocations, Suspensions, Modifications or Transfers

Chair Bailey asked for another clean copy of the rule for review by the Commission before a vote is taken. The Commission agreed to meet at 1:00 p.m. on Friday, February 15, for a final review and vote.

The meeting was continued to February 15, 2013 and adjourned for the day at 2:00 p.m.

The meeting reconvened at 9 o'clock a.m. on February 15, 2013. After a motion by Commissioner Balch and a second to the motion by Commissioner Bloom, the minutes of the January 9-11 Commission meeting and the minutes of the January 17-18 Commission meeting were approved and adopted unanimously by the Commission.

Deliberations were resumed on Cases 14784 and 14785. Chair Bailey announced that the draft that was agreed to on February 13 had been reviewed by the Commissioners, and some grammatical and clarifying changes were proposed to 19.15.17.13 by Commissioner Balch.

Chair Bailey stated that the Small Business Regulatory Relief Act requires that any rulemaking consider the impact that the rule will have on small businesses. All commissioners unanimously agreed that the proposed rule will help to cut costs and be beneficial to small business owners.

Chair Bailey and Commissioner Balch expressed their support of the pit rule being presented at this hearing. Commissioner Bloom stated that he had problems with portions of the proposed rule. A vote was taken to adopt all sections of the proposed rule as follows:

19.15.17.1, 19.15.17.2, 19.15.17.3, 19.15.17.4, 19.15.17.5, and 19.15.17.6 – Unanimous
19.15.17.7.A through I, K through T - Unanimous
19.15.17.7.J – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority
19.15.17.8 and 19.15.17.9 – Unanimous
19.15.17.10.A.(1)(a) through (i) – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority
19.15.17.10.A.(2) – Unanimous
19.15.17.10.A.(3)(a through e) – Unanimous
19.15.17.10.A.(3)(f) – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority
19.15.17.10.A.(3)(g through i) – Unanimous
19.15.17.10.A.(4 through 8) – Unanimous
19.15.17.10.B – Unanimous
19.15.17.10.C.(1)(a, b, d, and f) – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority
19.15.17.10.C.(1)(c, e, g, h, and i) – Unanimous
19.15.17.10.C(2) – Unanimous
19.15.17.11 – Unanimous
19.15.17.12 – Unanimous
19.15.17.13.A through G – Unanimous
19.15.17.13.H.(1, 4 and 5) – Unanimous
19.15.17.13.H.(2 and 3) – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority

Table I – 50 feet or less:

Levels for chlorides and benzene – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority

Levels for TPH and BTEX - Unanimous

Table I – 51 to 100 feet:

Levels for BTEX – Unanimous

Levels for chlorides, TPH, GRO-DRO, and benzene – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority

Table I – Greater than 100 feet:

Levels for TPH, GRO-DRO and BTEX – Unanimous

Levels for chlorides and benzene – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority

Table II – 25 to 50 feet:

Levels for TPH and BTEX – Unanimous

Levels for chlorides and benzene – Chair Bailey and Commissioner Balch – aye;
Commissioner Bloom – nay; Majority

Table II – 51 to 100 feet:

Levels for TPH and BTEX – Unanimous

Levels for chlorides, GRO-DRO, and benzene – Chair Bailey and Commissioner Balch – aye; Commissioner Bloom – nay; Majority

Table II – Greater than 100 feet:

Levels for TPH, GRO-DRO, and BTEX – Unanimous

Levels for chlorides and benzene – Chair Bailey and Commissioner Balch – aye;
Commissioner Bloom – nay; Majority

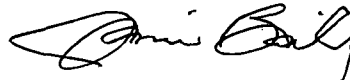
19.15.17.14 – Unanimous

19.15.17.15 – Unanimous

19.15.17.16 – Unanimous

Chair Bailey stated that the Commission is still in deliberations on these cases until an order is drafted, signed, and published in the New Mexico Register. Counsel Smith agreed to have an order ready by April 16, the next regularly scheduled Commission meeting date. After a motion by Commissioner Balch and a second to the motion by Commissioner Bloom, the meeting was adjourned at 1:55 p.m.

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**



JAMI BAILEY, Chair