STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PRELIMINARY AGENDA AND DOCKET NEW MEXICO OIL CONSERVATION COMMISSION MEETING March 10, 2016 9:00 A.M. Wendell Chino Building Porter Hall 1220 S. St. Francis Drive Santa Fe, New Mexico 87501

The following items are for discussion and possible action:

- 1. Roll Call.
- 2. Approve the Agenda.
- 3. Approve minutes of February 11, 2016 meeting.
- 4. <u>Case No. 15443</u>: Application of the New Mexico Oil Conservation Division to amend certain provisions of Title 19, Chapter 15, Part 36 of the New Mexico Administrative Code concerning surface waste management facilities, Part 35 of the New Mexico Administrative Code concerning waste disposal, and Part 2 of the New Mexico Administrative Code concerning the definition of oil field waste.

Proposed amendment to 19.15.36 NMAC amending the provisions of the New Mexico Administrative Code (NMAC) concerning persons engaged in applying for and operating a Surface Waste Management Facility.

The proposed amendment to 19.15.36 NMAC creates a more efficient method of making application that clarifies the administrative approval process and notice requirements; defines who is the "operator" of a surface waste management facility; clarifies certain provisions of the financial assurance requirements; and otherwise amend rule 19.15.36 NMAC to protect water, public health and the environment, prevent the waste of oil and gas, and to protect correlative rights.

Proposed amendment to 19.15.35 NMAC amending the provisions of the New Mexico Administrative Code (NMAC) concerning disposal of oil field waste.

The proposed amendment to 19.15.35 NMAC provides clear requirements for waste disposal and defines oil field waste to be consistent with the definition in 19.15.2.7.O. NMAC and the language of the Oil and Gas Act; and otherwise amend rule 19.15.35 NMAC to protect water, public health and the environment, prevent the waste of oil and gas, and to protect correlative rights.

Proposed amendment of 19.15.2.7.O NMAC.

The proposed amendment to 19.15.2.7.O NMAC amends the definition of oil field waste to better reflect the language of the Oil and Gas Act.

Copies of the text of the application and proposed amendment are available from commission clerk Florene Davidson at (505) 476-3458 or from the Division's web site at http://www.emnrd.state.nm.us/ocd under "Announcements." If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Ms. Davidson at (505) 476-3458 or through the New Mexico Relay Network (1-800-659-1779) as soon as possible.

Written comments on the proposed amendment, pre-hearing statements and notices of recommended modifications must be received no later than 5:00 p.m. on Thursday, March 3, 2016. Any person may present non-technical testimony or make an un-sworn statement at the hearing. Any person who intends to present technical testimony or cross-examine witnesses at the hearing shall, no later than 5:00 p.m. on Thursday, March 3, 2016, file six sets of a pre-hearing statement with Ms. Davidson. The pre-hearing statement shall include the person's name and the name of the person's attorney; the names of all witnesses the person will call to testify at the hearing; a concise statement of each witnesses' testimony; all technical witnesses' qualifications including a description of the witnesses' education and experience; and the approximate time needed to present the testimony. The person shall attach to the pre-hearing statement any exhibits he or she plans to offer as evidence at the hearing. Any person recommending modifications to a proposed rule change shall, no later than Monday, February 29, 2016, file a notice of recommended modifications with Ms. Davidson including the text of the recommended modifications, an explanation of the modifications' impact, and the reasons for adopting the Written comments, pre-hearing statements and notices, of recommended modifications may be hand-delivered or mailed to Ms. Davidson at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, or may be faxed to Ms. Davidson at (505) 476-3462.

5. Case No. 15278: De Novo

Application of High Roller Wells LLC for Authorization to Inject, Eddy County, New Mexico. Applicant seeks an order authorizing the injection of water for disposal into the Bell Canyon and Cherry Canyon members of the Delaware Mountain Group formation, Bell Canyon-Cherry Canyon SWD Pool (96802) in Eddy County, New Mexico in the following well:

Gossett SWD No. 1 313' FSL & 921' FEL (Unit P) Section 33 T-23-S, R-28-E, NMPM Eddy County, New Mexico

Applicant proposes to drill the well at the above location and utilize it for injection of produced water at depths of 2,500' to 5,000' subsurface. The well is located approximately 1 1/2 miles south of Loving, New Mexico. Upon application of Mewbourne Oil Company, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC.

- 6. Next meeting: April 7, 2016.
- 7. Adjournment.