

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

**Meeting Minutes
Regular Meeting
July 18, 2019
Porter Hall
Wendell Chino Building
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505**

MEMBERS PRESENT:

Adrienne Sandoval Chair, Oil Conservation Division
Thomas Engler Designee, Energy, Minerals and Natural Resources Department
Jordan Kessler Designee, New Mexico State Land Commissioner

OTHERS PRESENT:

Miguel Lozano, Counsel for the Commission
Florene Davidson, Commission Clerk

The meeting was called to order by Chair Sandoval at 9:07 a.m.

Item 1. Roll Call.

Roll was taken; a quorum was present.

Item 2. Approval of Agenda.

Action: Commissioner Kessler moved adoption of the agenda. Commissioner Engler seconded the motion. The motion passed unanimously.

Item 3. Approval of minutes of June 6, 2019 meeting.

Action: Commissioner Kessler moved to approve the minutes. Commissioner Engler seconded the motion. The motion passed unanimously.

Item 4. Final action may be taken in:

Case No. 20409: Application of 3Bear Field Services, LLC for authority to inject, Lea County, New Mexico

Action: The Commissioners agreed that they had the opportunity to review the proposed order drafted by the Commission counsel and had no questions regarding the order. Candace Callahan, representing 3Bear Field Services, LLC (3Bear), requested time to address concerns 3Bear had with certain provisions in the proposed order and asked that she be allowed to call her expert witness, Alberto Gutierrez, to address those concerns. Counsel Lozano explained that the case was closed. The Commission decided not to reopen the case, but instead asked Ms. Callahan to explain the changes 3Bear wanted in the proposed order. Ms. Callahan discussed changes to certain provisions in the proposed order regarding the negative influence of

the AGI wells on the adjacent salt water disposal wells and the requirement to drill a redundant well.

After a motion by Commissioner Kessler and a second to the motion by Commissioner Engler to close the meeting pursuant to NMAC 1978, Section 10-15-1H to deliberate on this matter, a roll call vote was held.

Chair Sandoval – Yes
Commissioner Engler – Yes
Commissioner Kessler – Yes

The meeting was closed by a unanimous vote.

After a motion by Commissioner Kessler and a second to the motion by Commissioner Engler, the Commission voted unanimously to go back into open session. Chair Sandoval announced that the proposed orders and modifications sought by 3Bear were the only matters discussed during the closed session. She listed the changes to the proposed order agreed upon by the commissioners. Commissioner Kessler made a motion to adopt the order as modified at this hearing, Commissioner Engler seconded the motion, it passed unanimously, and Order No. R-20694 was signed by all commissioners.

Item 5. Pending litigation

Action: Counsel Lozano updated the Commission on pending litigation involving the Larry Marker financial assurance cases, the Americulture case, and the Delaware Energy appeal of the final order in Case 15855.

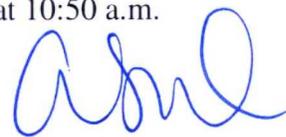
Item 6. Other business

Action: There was no other business.

Item 7. Next meeting: August 15, 2019

Item 8. Adjournment.

Chair Sandoval adjourned the meeting at 10:50 a.m.



Adrienne Sandoval, Chair