#### STATE OF NEW MEXICO

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

#### OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION FOR REPEAL OF EXISTING RULE 50 CONCERNING PITS AND BELOW GRADE TANKS AND ADOPTION OF A NEW RULE GOVERNING PITS, BELOW GRADE TANKS, CLOSED LOOP SYSTEMS AND OTHER ALTERNATIVE METHODS TO THE FOREGOING, AND AMENDING OTHER RULES TO MAKE CONFORMING CHANGES

CASE NO. 14,015

# ORIGINAL

#### REPORTER'S TRANSCRIPT OF PROCEEDINGS

## FINAL ACTION BY THE COMMISSION

BEFORE: MARK E. FESMIRE, CHAIRMAN

JAMI BAILEY, COMMISSIONER

WILLIAM OLSON, COMMISSIONER

Volume XXIV - May 9th, 2008

Santa Fe, New Mexico

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This matter came on for final action by the Oil Conservation Commission, MARK E. FESMIRE, Chairman, on Friday, May 9th, 2008, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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REPORTER'S CERTIFICATE

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## APPEARANCES

## FOR THE COMMISSION:

CHERYL BADA
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

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WHEREUPON, the following proceedings were had at 1 2 9:01 a.m.: CHAIRMAN FESMIRE: The next case before the 3 Commission is Case Number 14,015, the Application of the 4 New Mexico Oil Conservation Division for repeal of existing 5 6 Rule 50 concerning pits and below-grade tanks and adoption 7 of a new rule governing pits, below-grade tanks, closed-8 loop systems and other alternative methods to the foregoing 9 and amending other rules to make conforming changes. Counsel has drafted an Order and finalized the 10 Rule. 11 Have the Commissioners had the opportunity to 12 review the presented Order and Rule as presented by 13 counsel? 14 COMMISSIONER BAILEY: Yes, I have. After many 15 iterations, I do believe it is an order to be signed now. 16 CHAIRMAN FESMIRE: Commissioner Olson? 17 18 COMMISSIONER OLSON: Yes, I likewise have 19 reviewed it many times, and I believe in the -- the changes 20 I had -- edits I put in recently were accepted by counsel, so that's, I think -- I believe it accurately reflects our 21 22 deliberations and the reasons for our actions. CHAIRMAN FESMIRE: Counsel, is there anything you 23 need to say before we proceed? 24 MS. BADA: No, I'd just like to say that it will 25

either be -- most likely will not be published until June 1 2 16th, unless things move really quickly, then there's a 3 possibility it could be published in the Register for May 4 30th. 5 CHAIRMAN FESMIRE: I too have reviewed the order and the rule as presented by counsel. I think it fairly 6 7 and accurately represents the decisions of the Commissions -- the decision of the Commission. 8 At this time the Chair would accept a motion to 9 adopt the order as presented by counsel. 10 COMMISSIONER BAILEY: 11 I so move. 12 CHAIRMAN FESMIRE: Is there a second? 13 COMMISSIONER OLSON: Second. 14 CHAIRMAN FESMIRE: All those in favor, signify by 15 saying aye. COMMISSIONER BAILEY: 16 Aye. COMMISSIONER OLSON: 17 Aye. 18 CHAIRMAN FESMIRE: Aye. Let the record reflect that the order in this 19 20 case was adopted unanimously by the Commissioners. 21 be signed and presented to the secretary for recording. 22 While Commissioner Olson signs it, I want to go on record as thanking counsel Bada for her heroic efforts 23 in this case. I think that's a very, very good job of a 24 heck of a lot of work, and I want to thank her on the 25

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     record.
                COMMISSIONER BAILEY: I'll second that.
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                (Thereupon, these proceedings were concluded at
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     9:03 a.m.)
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#### CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )
) ss.
COUNTY OF SANTA FE )

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Commission was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL May 11th, 2008.

STEVEN T. BRENNER CCR No. 7

My commission expires: October 16th, 2010