

changes which include striking the provision of mailing notices to operators on a monthly basis regarding wells on the inactive well list which have shown no production or injection for the past 12 months and replacing it with the provision that this information must be posted on the OCD website. She said that the proposed rule provides that operators be notified by first class mail 60 days prior to any enforcement action. She stated that penalty assessments assessed over the last 12 months will be made available on the OCD website. She discussed some clerical changes to be made to the rule. Commissioner Balch, Chair Catanach, Counsel Brancard, and Mr. Feldewert cross-examined the witness, and she was excused.

Upon the request of Mr. Herrmann, the Commission took judicial notice of the publication of this rule change in the New Mexico Public Register and the Albuquerque Journal, the notice that was given to the Economic Development Department, and the posting of the docket of this hearing on the OCD website.

The record was closed and deliberations on the proposed rule amendments were begun. A discussion was held on the mailing of enforcement actions by first-class mail as opposed to certified mail, and the Commission agreed that first class mailing was sufficient since operators are required by rule to update their mailing addresses. It was agreed by the Commission that the phrase "under the Oil and Gas Act" be added to 19.15.5.9 E. regarding penalty assessments. Commissioner Martin made a motion to adopt the proposed rule with the only change of adding "under the Oil and Gas Act" to 19.15.5.9 E. Commissioner Balch seconded the motion. The proposed rule amendments were adopted unanimously by the Commission. Mr. Herrmann was instructed to draft a proposed order for the Commission's consideration by the next Commission meeting on October 17, 2016.

Counsel Brancard provided an update to the Commission on the geothermal rule appeal. He said he is waiting on the Judge's action on a Motion to Dismiss he filed because the Oil and Gas Act does not provide for a re-hearing of a Commission case. He is waiting on the Judge's action. If the Motion to Dismiss is denied, the parties will start briefing their cases.

Item 5. Next meeting: October 17, 2016 (to begin at 10:00 a.m.)

Item 6. Adjournment

The meeting was adjourned at 9:55 a.m.



DAVID R. CATANACH, Chair