

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

FINAL AGENDA AND DOCKET
REGULAR MEETING

October 11, 2018

9:00 a.m.

Wendell Chino Building

Porter Hall

1220 S. St. Francis Drive

Santa Fe, New Mexico 87505

The Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with the Commission counsel under the client-attorney privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

The following items are for discussion and possible action:

1. Roll Call.
2. Approve the Agenda.
3. Approve minutes of September 13, 2018 Commission Meeting.
4. Final action may be taken in the following case which was heard at the September 13, 2018 Commission Meeting:
Case No. 15073 Re-opened: Application of DCP Operating Company, LP to Re-Open Case No. 15073 to Amend Order R-13809 to Remove the Request to Remediate the Wells Identified in Paragraph 33, Lea County, New Mexico.
5. A prehearing conference regarding De Novo Case No. 15855 will be held on October 11, 2018. The rehearing of this case will be continued to the December 13, 2018 Commission meeting.
Rehearing: Case No. 15855 (De Novo): Application of Delaware Energy LLC to Revoke the Injection Authority Granted Under SWD-1680 for the Alpha SWD No. 1 Well Operated by Alpha SWD Operating LLC, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order revoking the injection authority granted by Administrative Order SWD-1680 for the Alpha SWD No. 1 well (API No. 30-015-44237), a salt water disposal well located 1,457 feet from the south line and 2,093 feet from the east line of Section 10, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. Alpha SWD Operating LLC is the operator of the well. The well is located approximately 4 miles southeast of Loving, New Mexico. Upon the application of Alpha SWD Operating, LLC, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC.
6. An Application for Rehearing has been filed for these consolidated cases. Hearing was held before the Commission on August 20, 2018.

Case No. 16040 (De Novo):

Application of the New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order Against Cano Petro of New Mexico, Inc. for Wells Operated in Chaves and Roosevelt Counties, New Mexico.

Case No. 16359:

Application of the New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order Against Cano Petro of New Mexico, Inc. for Wells Operated in Chaves and Roosevelt Counties, New Mexico.

The following cases are scheduled for hearing and possible action by the Commission. The hearing may continue to following days if not completed:

7. ***Case 16376: Application of the New Mexico Oil Conservation Division to Amend Rules of the Commission Concerning the Drilling, Spacing and Operation of Horizontal Wells and Related Matters by Amending Section 15 of Rule 19.15.16 NMAC; Statewide.***
8. ***Case 16377: Application of the New Mexico Oil Conservation Division to Amend Rules of the Commission for Permitting of Wells for Underground Injection by Amending Certain Sections of Rule 19.15.26 NMAC; Statewide.***
9. ***Case No. 16446: Application of Salt Creek Midstream, LLC for Authorization to Inject Acid Gas into the Proposed Leavenworth AGI No. 1 well in Section 23, Township 26 South, Range 36 East, Lea County, New Mexico.*** Applicant Salt Creek Midstream, LLC seeks an order from the New Mexico Oil Conservation Division authorizing it to inject treated acid gas for disposal purposes at an approximate depth of 16,459 feet to 18,600 feet below the surface in the Devonian and Fusselman formations, potentially including the top of the Montoya formation, at a surface location approximately 973 feet from the South line and 1,836 feet from the East line (Unit O) of Section 23 in Township 26 South, Range 36 East, NMPM, Lea County. The proposed well will inject treated acid gas at a maximum rate of 60 MMSCFD and a maximum surface injection pressure of 2,830 psig. Said area is located approximately 6.5 miles southwest of Jal in Lea County, New Mexico.

The following cases may be continued to future Commission Meetings.

10. ***Case No. 15758 (De Novo): (Continued from the September 13, 2018 Commission Meeting.) Application of OneEnergy Partners Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order (1) creating a 322.42-acre spacing and proration unit in the Bone Spring Formation comprised of the W/2 W/2 of Section 1 and the W/2 W/2 of Section 12, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interest owners within the non-standard spacing and proration unit.
11. ***Case No. 15759 (De Novo): (Continued from the September 13, 2018 Commission Meeting.) Application of OneEnergy Partners Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order (1) creating a 322.49-acre spacing and proration unit in the Bone Spring Formation comprised of the E/2 W/2 of Section 1 and the E/2 W/2 of Section 12, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interest owners within the non-standard spacing and proration unit.

12. ***Case No. 15844 (De Novo): (Continued from the September 13, 2018 Commission Meeting.) (This case will be continued to the November 15, 2018 Commission Meeting.) Amended Application of XTO Energy Inc. for Approval of the Expansion of the James Ranch Unit, Eddy County, New Mexico.*** Applicant seeks approval to expand the geographic area of the James Ranch Unit by 13,223.68 acres of land. Said Unit currently consists of approximately 15,094.41 acres of Federal, Fee, and State Acreage in Eddy County, New Mexico. The total unit acreage will include 28,318.09 acres.
13. Other business.
14. Next meeting: November 15, 2018
15. Adjournment

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Florene Davidson at least ten days prior to the meeting or as soon as possible at (505) 476-3458 or florene.davidson@state.nm.us. Public documents can be provided in various accessible formats.