

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

**Meeting Minutes
Special Meeting
January 8, 2019
Porter Hall
Wendell Chino Building
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505**

MEMBERS PRESENT:

Gabriel Wade Chair, Oil Conservation Division
Allison Marks Designee, New Mexico State Land Commissioner

OTHERS PRESENT:

Bill Brancard, Counsel for the Commission

The meeting was called to order by Commissioner Wade at 9:00 a.m.

Item 1. Roll Call.

Roll was taken; a quorum was present.

Item 2. Selection of Chair

Commissioner Marks announced that a Chair of the Commission should be selected and made a motion to name Commissioner Wade as Chair. Commissioner Wade seconded the motion, it passed unanimously, and Commissioner Wade was appointed as Chair.

Item 3. Approval of Agenda.

Action: Commissioner Marks moved adoption of the agenda. Chair Wade seconded the motion. The motion passed unanimously.

Item 4. Case 16403, Application of Hilcorp Energy Company to Amend the Well Density and Location Requirements and Administrative Exceptions of the Special Rules for the Blanco-Mesverde Gas Pool, Rio Arriba and San Juan Counties, New Mexico

Action: Case 16403 was called for the Commission to consider the applications for re-hearing which had been filed by the State Land Office (SLO) and the San Juan Citizens Alliance (SJCA). Chair Wade stated that the rehearing

applications raised significant issues concerning waste, correlative rights and transparency and made a motion that a rehearing be granted based on the Commission's own authority. NMSA 1978, §70-2-11. Commissioner Marks seconded the motion and it passed unanimously. The Commissioners agreed to rehear the case on May 9, 2019.

Commissioner Marks stated that the Commission should encourage public participation in the hearing and moved to require that, in addition to the notice required by the rules, notice of the rehearing be provided by Hilcorp to the Bureau of Land Management (BLM), the Jicarilla Tribe, the State Land Office, the U.S. Forest Service and the Bureau of Indian Affairs (BIA) by certified mail. Chair Wade seconded the motion and the motion passed unanimously. Eric Schlenker-Goodrich, representing the SJCA, requested that the notice of the rehearing be given to the Navajo Nation and individual chapters of the Navajo Nation within the area of the pool. Mr. Schlenker-Goodrich agreed to provide a list of the individual chapters of the Navajo Nation within two weeks. Commissioner Marks moved to provide notice to the Navajo Nation and to individual chapters of the Navajo Nation. Chair Wade seconded the motion and it passed unanimously. Commissioner Marks made a motion that all notice be provided 30 days prior to the hearing date. Chair Wade seconded the motion, and it passed unanimously.

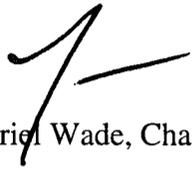
Michael Feldewert, representing Hilcorp, stated that the SJCA application for rehearing was not timely filed with the Commission and counsel for SJCA conceded that the application was not timely filed. Mr. Feldewert challenged the qualifications of Chair Wade to serve as acting director of the Oil Conservation Division pursuant to NMSA 1978, §70-2-5 and moved to remove Chair Wade from the Commission. Commissioner Marks outlined the qualifications of Chair Wade and the motion was denied.

Commissioner Marks moved that the Commission also grant the rehearing application of the State Land Office. Chair Wade seconded the motion and the motion passed unanimously. Commissioner Marks made a motion to suspend the current order in this case until the rehearing is completed. Chair Wade seconded the motion and it passed unanimously. Commissioner Marks moved to authorize Chair Wade to sign an order setting forth the Commission's actions on rehearing this case. Chair Wade seconded the motion, and it passed unanimously.

Item 5 . Next meeting: January 17, 2019

Item 6. Adjournment.

Chair Wade adjourned the meeting at 9:35 a.m.


Gabriel Wade, Chair