

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
Regular Meeting
June 20, 2024
Meeting Minutes**

The Oil Conservation Commission meeting was a hybrid meeting with both in person and virtual participation options. The meeting was held in the Pecos Hall Hearing Room at the Wendell Chino Building, First Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico.

MEMBERS PRESENT:

Dylan Fuge	Chair, Oil Conservation Division
Greg Bloom	Designee, New Mexico State Land Office Commissioner
William Ampomah	Designee, Energy, Minerals and Natural Resources Department

OTHERS PRESENT:

Daniel Rubin, Commission Counsel
Sheila Apodaca, Law Clerk
Ripley Harwood, Appointed Hearing Officer in Empire and Goodnight Cases

The meeting was called to order by Chair Fuge at 9:08 a.m.

Item 1. Roll Call.

Action: Roll was taken; a quorum was present.

Item 2. Approval of the Agenda.

Action: Commissioner Bloom moved to approve the Agenda. Commissioner Ampomah seconded the motion. The motion was unanimously approved.

Item 3. Approval of the May 9, 2024 Meeting Minutes.

Action: Commissioner Bloom motioned for approval of the May 9, 2024 Meeting Minutes and Commissioner Ampomah seconded the motion. A roll call vote was taken. The motion was approved unanimously.

Item 4. Pending cases

Case Nos. 24277, 24278, 23775, 24123: Goodnight Midstream Permian, LLC Applications to Amend Orders R-7767, R-7765, R-23048, and R-22869-A; along with **Case Nos. 23614, 23615, 23616 and 23617:** Goodnight Midstream Permian, LLC's Applications for Approval of a Saltwater Disposal Well, Lea County; and **Case Nos. 24018-24027:** Empire New Mexico's Applications to revoke Goodnight's existing permits to inject produced water into the San Andres Formation.

Action: Adam Rankin appeared on behalf of Goodnight Midstream Permian, LLC; Nathan Jurgenson appeared on behalf of Goodnight Midstream Permian. Dana Hardy appeared on behalf of Empire New Mexico; Sharon Shaheen appeared on behalf of Empire New Mexico; Ernest Padilla appeared on behalf of Empire New Mexico; Jesse Tremaine appeared on

behalf of the Oil Conservation Division, and Miguel Suazo appeared on behalf of Pilot Water.

Commission Counsel Rubin delivered his observations on the motions presently pending before the Commission.

Chair Fuge and Commission Counsel Rubin clarified for Hearing Examiner Rip Harwood his role in the hearing of these matters.

Counsel delivered their respective overall positions on these matters.

Counsel delivered their respective arguments on the motions to dismiss.

Chair Fuge and Commission Counsel Rubin had an off-record discussion regarding OCD Cases 24432, 24434 and 24436. Any action on those division cases would be improper because they were not formally noticed on the agenda.

Chair Fuge proposed a motion to deny Empire's motion to dismiss the applications to amend Order Nos. R-7765 and R-7767, filed by Goodnight in Case Nos. 24277 and 24278. Those applications will be stayed pending the conclusion of the currently scheduled hearing for September. Commissioner Bloom motioned; Commissioner Ampomah seconded the motion; the motion was approved unanimously.

Chair Fuge proposed a motion to deny Goodnight's motion to dismiss Division Cases 24021-24 and 24026-27, which are all part of OCC Case No. 24123, and to stay those cases until some future date following the hearing in September. Commissioner Bloom motioned; Commissioner Ampomah seconded the motion; the motion was approved unanimously.

Chair Fuge proposed a motion that the hearing in September has the following scope: that it is to address the potential for a residual oil zone in the San Andreas within the EMSU and that it covers any applications to inject or applications to revoke the authority to inject for SWDs located within the EMSU boundary. Commissioner Bloom motioned; Commissioner Ampomah seconded the motion; the motion was approved unanimously. Chair Fuge clarified that this motion covers the Goodnight wells that are currently at issue before the Commission. Commissioner Bloom motioned for approval; Commissioner Ampomah seconded the motion; the motion was approved unanimously.

Counsel delivered oral arguments on Goodnight's motion to reconsider the Commission's Order partially quashing Goodnight Midstream's Subpoena. Chair Fuge was previously authorized by the Commission to act on the Subpoena with advice from Commission Counsel. Chair Fuge proposed amendment of the Commission's Order to Quash Subpoena to restore request No. 8 as part of the Subpoena issued by Goodnight Midstream to Empire New Mexico. Commissioner Bloom motioned; Commissioner Ampomah seconded the motion; the motion was approved unanimously. An Order to amend will issue accordingly.

Item 5. Other business

Action: There was no other business.

Item 6. Pending Litigation

Regarding the *Atencio* litigation, approximately a week and a half ago the district court issued an order denying the defendants' motions to dismiss, except for the Legislature's motion to dismiss which asserted immunity. Counsel is in process of working with all other executive defendants to prepare an interlocutory appeal.


The Department's Answer is almost complete, and Commission Counsel must meet with the Commission prior to the July 18, 2024 OCC meeting to discuss and finalize the Answer. A special meeting will be scheduled, where the Commission will go into closed session to discuss and review the draft Answer.

Item 7. Next meeting

The next meeting will be held on July 18, 2024.

Item 8. Adjournment

Chair Fuge adjourned the meeting at 12:09 p.m.

A handwritten signature in black ink, appearing to read "Gerasimos Razatos". The signature is written in a cursive style with a horizontal line crossing through the middle of the letters.

Gerasimos Razatos
Acting Chair