

CITY OF AZTEC  
COMMISSION MEETING MINUTES  
June 11, 2019

**I. CALL TO ORDER**

Mayor Victor Snover called the Meeting to order at 6:00 pm at the Aztec City Commission Room, City Hall, 201 W. Chaco, Aztec, NM.

**II. INVOCATION AND PLEDGE OF ALLEGIANCE**

- A. Invocation (led by Commissioner Randall)
- B. United States Pledge of Allegiance (led by Commissioner Sipe)
- C. New Mexico pledge of Allegiance (led by Commissioner Sipe)

**III. ROLL CALL**

Members Present: Mayor Victor Snover; Mayor Pro-Tem Fry;  
Commissioner Sipe; Commissioner Mark  
Lewis; Commissioner Austin Randall

Members Absent: NONE

Others Present: City Manager Steve Mueller; City Attorney Nicci Unsicker;  
Project Manager Ed Kotyk; City Clerk Karla Saylor (see  
attendance sheet)

**IV. APPROVAL OF AGENDA ITEMS**

MOVED by Commissioner Sipe to Pull Item (G) NMDOT Cooperative Agreement  
C5193388 from Consent Agenda SECONDED by Commissioner Randall

All voted Aye: Motion passed five to zero

**V. CONSENT AGENDA**

- A. Commission Meeting Special Workshop Minutes May 20, 2019
- B. Commission Meeting Workshop Minutes May 28, 2019
- C. Commission Meeting Minutes May 28, 2019
- D. RFP 2019-686 Electric Pole Testing Contract Award
- E. American Kennel Club Pet Disaster Relief Unit Agreement
- F. NMDOT Cooperative Agreement C5150949 Extension
- G. NMDOT Cooperative Agreement C5193388 (PULLED)

MOVED by Mayor Pro-Tem Fry to Approve the Consent Agenda as given with  
the removal of item (G) SECONDED by Commissioner Randall

All voted Aye: Motion passed five to zero

**VI. ITEMS REMOVED FROM CONSENT AGENDA**

NONE

**VII. PROCLAMATION**

NONE

**VIII. PRESENTATIONS**

NONE

**IX. CITIZENS INPUT (3 Minutes Maximum)**

Joe Hubbard mentioned that the City is breaking the law by working 10 hours per day according to the New Mexico Constitution Article 20, Section 19, the work day is only 8 hours long.

**X. BUSINESS ITEMS**

A. Final Adoption of Ordinance 2019-491, An Ordinance Providing for the Annexation to the City of Aztec of Contiguous Territory Located East of Aztec

Steve Mueller mentioned that this is the land by Tiger Park and that there have been no comments and this is the final adoption.

MOVED by Commissioner Lewis to Approve the Final Adoption of Ordinance 2019-491, An Ordinance Providing for the Annexation to the City of Aztec of Contiguous Territory Located East of Aztec **SECONDED** by Commissioner Sipe

A Roll Call was Taken: All voted Aye: Motion passed five to zero

**XI. QUASI JUDICIAL HEARINGS (LAND USE)**

A. Oil and Gas Application 19-01 Recompletion "Hydraulic Fracturing" Hartman #4 Gas Well

Mayor Snover read the land use hearing script provided by Community Development to move the Land Use Hearing in to Order.

Community Development Director Steven Saavedra explained that this action was requested by Keri Hutchins for Hilcorp. This request seeks approval to recomplete

(frack) an existing gas well installed in Aztec, NM, The site is situated within Aztec's municipal limits on private property. The proposed site is in the City's southeastern area of Aztec. The technical location is S/2SW/4 233011 N/2NW/4 SE/4NW/4 W/2NE/4 NE/4SW/4 AND NW/4SE/4 LESS NE/4NW/4SE/4 263011 derived from the form submitted by the applicant and San Juan County's Assessor. According to San Juan County Assessors, the Gwynhaven Resources LLC owns the parcel of property.

The well site information is as follows:

Well Name:	Hartman #4
Lease No.	30-045-33533
Existing Pad Area:	0.66 Acres
New Pad Area:	N/A
Total Parcel Area:	349.91 acres
Building Info:	N/A
Floodplain:	Zone X
Arroyo:	654 from well pad
Access:	NM State Highway 550
Contractor	Baywater Drilling
Formation	Dakota

Keri Hutchins submitted the application on behalf of Hilcorp Energy Company, located at 382 Road 3100 in Aztec, NM. The application includes, but not limited to: the State of New Mexico OCD permit application, a copy of the oil and gas lease agreement, certificate of insurance, dust mitigation plan, noise mitigation plan, property owners within four hundred feet of the wellhead, and weed mitigation plan. The applicant did not include a wildlife mitigation plan (threatened or endangered (T&E), as this is an existing well site. The applicant needs to provide the performance standards check list, as this document was absent in the submittal.

The submittal indicates the well location is approximately 2,866 feet from the nearest residential dwelling unit. Access to the location utilizes existing access easement or dedicated right-of-ways. The submittal indicated primary access from NM State Highway 550. This access point is outside Aztec's municipal limits. During drilling and subsequent operations, all equipment and vehicles need to be confined to the well site and cannot obstruct any access easement.

Aztec and surrounding areas are subject to heavy rains and flooding, especially during monsoon season. Though the review process is the same for all wells, it seems imperative that this report includes a discussion of the staff review for the location of any waterways, arroyos, and other natural geographic features. The nearest arroyo identified on Aztecs GIS is approximately 654 linear feet from the well pad. However,

the well site and parcel of property are not located in a designated FEMA Flood Zone. The submittal included an Oil & Gas application from the State of New Mexico's Oil Conservation Division in 2006 for Heartman #4. This application indicated information on freshwater well distance, distance to nearest surface water, and depth to groundwater. The approved State of New Mexico Oil & Gas application from 08/29/2018 did not provide such information pertaining to water depth.

The recommendation for approval is contingent on the applicant adhering to all of the processes and performance measures described in all mitigation plans, and all other regulations whether they be federal, state, or local in origin. The approval is also conditioned upon the applicant maintaining compliance with the industry's own Standard Best Management Practices and City of Aztec's Oil and Gas regulations. The Community Development Department requires prior notification before construction on site commences. In addition, a site visit during the construction of recompletion from the Hilcorp Energy Company is required to ensure all mitigation plans and conditions of approval are met during and after construction is required. The Community Development Department does not object to this application, OG 19-01 a request to modify an existing gas well at the prescribed location and recommends approval, with the following conditions:

1. The development must adhere to all of the processes and performance measures described in submitted documents, including the Surface Use Plan of Operations and Surface Reclamation Plan, as well as all other applicable regulations promulgated by federal, state or local jurisdictions;
2. The applicant needs to notify the Community Development Department before construction on site commences;
3. Provide the Community Development Department with performance standards check list document pursuant to COA 15-12(12) within five days of the June 11, public hearing; Provide a current business license for the contractor.
4. The applicant needs to reinstall the fence surrounding the well pad, with the screening slats once recompletion of the well is concluded;
5. The applicant needs to adhere to the submitted Noise Mitigation Plan. However, onsite completion operations hours need to be from 7:00 AM to 7:00 PM.

Mayor Pro-Tem Fry asked about zoning. Steven explained that there are water lines but he does not see this area being built up anytime soon.

Tom Dugan and Virgil Chavez with Hilcorp mentioned that the business license was completed yesterday. This well has been in operation for 13 years. The goal is to come up from 7000 ft. to 5000 ft. and drill at this level. There will be no additional impacts. Sound impacts will be minimal and is now viewable from the road. There will be no additional surface impacts.

Mayor Snover questioned what recomplete means. Mr. Chavez explained that recomplete means that they use existing holes and make new perforations on the new shell formation level. They are hoping to get 30 years out of location.

Mayor Snover questioned about the 31 decibels it was explained that this is an approximation of what the nearest residence would hear. A honking horn is 110 decibels. There was mention that the well sights will be on a schedule for maintenance and to check for leaks.

Mayor Snover closed the hearing to testimony.

MOVED by Commissioner Sipe to Approve OG 19-01 an Oil and Gas Well application submitted by Keri Hutchins, on behalf Hilcorp Energy Company for permission to recomplete "frack" an existing well at the location indicated per the staff report, with staff's recommended conditions 1 to 5 but deleting #3 and the contractor of Bay Water Drilling needs to get an active business license  
SECONDED by Commissioner Randall

A Roll Call was Taken: All voted Aye: Motion passed five to zero

## **XII. COMMISSIONER, CITY MANAGER, DEPARTMENT REPORTS**

City Manager Steve Mueller mentioned he is trying to get caught up after a long weekend in Texas.

Commissioner Lewis attended San Juan Water Commission and they have come up with a plan to ask Lake Nighthorse for water. Snow pack way above normal but this does not remove the draught status. He attend the County Commission meeting.

Commissioner Sipe has NWNM seniors tomorrow still in the process of looking for a temporary director.

Mayor Pro-Tem Fry lives close to Cap Walls and it looks great and would like to thank the parks department for all they do.

Mayor Snover recognized Andrew DeCamillo for his effort to get dilapidated buildings cleaned up. He mentioned that the Embarcadaro apartments look good. He will be going to Chaco Canyon next week to take part in the summer solstice program. The Gold Star families' dinner he would like to get a table and help support that event on June 27<sup>th</sup>. This Saturday Farmington is having a pride parade and the American Legion is having an event in Minium Park in Aztec.

**XIII. ADJOURNMENT**

Mayor Snover moved to adjourn the meeting at 7:05 pm SECONDED by  
Commissioner Sipe



  
\_\_\_\_\_  
Mayor, Victor Snover

ATTEST:

  
\_\_\_\_\_  
Karla Sayler, City Clerk

MINUTES PREPARED BY:

  
\_\_\_\_\_  
Sherlynn Morgan, Administrative Assistant



# COMMISSION

Meeting

## ATTENDANCE SHEET

DATE: 6-11-19

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NAME	Address or Affiliation
Angela Watkins	COA
Steve Morse	COA
TOM DUGA	ATTORNEY Hilcorp
Virgil Chavez	Hilcorp
Keri Hutchins	Hilcorp
Tina Roper	COA
Mike HEAL	COA
Angie Farnsworth	Artec
WALLACE BEAVER	COA-IT
David Garza	Hilcorp
Daniel Donahue	Hilcorp