

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
FRIDAY, DECEMBER 17, 2010**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the EDC of Lea County, 200 E. Broadway Suite A201, Hobbs, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 1:10 pm.

Attending: Johnny Cope, President
John Heaton, Vice President
Jack Volpato, Secretary/Treasurer
Jim Maddox,

Absent: None

Also present: Roxanne Cara
Dale Janaway
Allen Sartin
Gary Don Reagan
Gary Schubert
Monty Newman
Sam Spencer
Gregg Fulfer
Kathi Bearden
Carroll Leavell
Ernest Sterling

Approval of Minutes

Minutes historically have been recorded by Larry Hanna, Attorney at Law. His office was contacted and a copy of the last recorded meeting minutes, Monday, February 16, 2009 were acquired.

Financials

A discussion followed of property tax, insurance, and accounting fees. Currently there are sufficient funds in reserve in the amount of \$5,000 to cover current year demands. Each of the four entities will contribute towards the working capital.

Election of Officers

Following a motion by Jim Maddox and seconded by John Heaton, Johnny Cope was elected Chairman, John Heaton was elected Vice-President and Jack Valpato was elected secretary-treasurer.

At the conclusion of elections, Johnny Cope continued to preside over the meeting.

Meeting Dates

The By-Laws indicate no regular meetings are required, they will be requested by the President as needed.

GNEP Property and Blue Ribbon Commission Visit

John Heaton indicated that the GNEP site is ideal for an interim storage facility. Members of the Blue Ribbon Commission are scheduled to tour the WIPP facility January 26 & 27. A scientific presentation will be provided to the community, which at that time will be open for public comment.

John Heaton indicated three items he would like to see discussed with the Blue Ribbon Commission; 1) Interim Storage, 2) Expansion of WIPP to include high level waste, and 3) Experimental room for heat studies which would include a withdraw area. John Heaton along with Dr. Steve McCleery would organize a team for public comment.

Other Business

The Committee was presented a proposal by the Dawson Geophysical Company for a seismic study to be done. Discussion on this proposal was tabled.

DRAFT

Adjournment

There being no further discussion or comments, Jim Maddox moved to adjourn the meeting. John Heaton seconded the motion. The motion was approved unanimously. The meeting adjourned at 3:30 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

DRAFT

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
THURSDAY, MARCH 31, 2011**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Pecos River Village, 302 S Canal Street, Carlsbad, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 2:05 pm.

Members Attending: Johnny Cope, President
John Heaton, Vice President
Jack Volpato, Secretary/Treasurer
Monty Newman, alternate for Jim Maddox

Members Absent: Jim Maddox

Alternates Attending: Dale Janaway
Monty Newman

Alternates Absent: Roxanne Lara
Gary Schubert

Guests: Steve Kraft
Robert Defer
Marshall Cohen
John Waters
Gary Don Reagan
Janell Whitlock
Vernon Daub
Carroll Leavell
Bob Forrest
Gwen Guest, Lea County Attorney
Lisa Hardison

Approval of Minutes

Minutes from the December 17, 2010 meeting were presented for review. Monty Newman made a motion to accept the minutes as presented and Jack Volpato seconded the motion. The vote was unanimous and the motion carried.

Review of Financial Information

Johnny cope informed the group that he would direct the financial services provider for the organization, Accounting & Consulting of Carlsbad, to file a tax return for the ELEA. No other items were discussed or action was taken.

Resolution for the Open Meeting Act

Johnny Cope requested that Gwen Gist review the requirements for the Open Meetings Act. Gist provided an overview of the requirements and a discussion was held on the logistics of providing public notice and the posting of the agenda. To provide public notice, the News-Sun of Hobbs and the Current Argus of Carlsbad will be provided with notice of the meeting 7 days prior to a regular meeting. The meeting agenda will be posted on the Lea County website and sent to the Carlsbad Department of Development, John Waters for posting on the Eddy County website. Questions concerning the meeting should be directed to John Waters, Carlsbad Department of Development (DOD), or Lisa Hardison, Economic Development Corporation of Lea County (EDCLC). The contact information for the DOD should be listed on the Eddy County site and EDCLC on the Lea County site.

John Heaton asked about the requirements were for a closed session. Gist indicated that confidential information regarding land or propriety company information could be presented in closed session, but must provide public notice of a closed session with general concept of discussion, the discussion can only be about the items disclosed in the public notice, and the final decision/action must be part of a public meeting.

Jack Volpato suggested that the ELEA develop a webpage that would include information about the cities and counties that are part of the organization and economic development groups. It was suggested that the website list the DOD and EDCLC as contacts for more information about the ELEA.

Jack Volpato made a motion to approve Open Meetings Resolution (Resolution 11-MAR-001) as presented. Monty Newman seconded the motion. The vote was unanimous and the motion carried.

Resolution for Use of GNEP Property

Johnny Cope presented Resolution 11-MAR-002 pertaining to the use of the property the ELEA had originally purchased for the GNEP project. A discussion was held as to the need for this type resolution. Marshall Cohen of the Nuclear Energy Institute noted that it would help those outside of the region understand the ELEA's interest in interim storage and would help in generating future contacts. John Heaton added that it demonstrates a unified effort between the counties. Heaton continued that at some point the ELEA needs to begin talking to companies and conducting interviews with any and all interested companies. He added that is important to determine the specifics of an interim storage

endeavor, such as cost, etc. Jack Volpato indicated that auxiliary services and facilities should be considered near the site.

Marshall Cohen suggested that in the last paragraph that the word “tax” be deleted and the resolution state that “all revenues...”. Gwen Gist added that Article 4 spells out that the revenue is to be split evenly among the ELEA entities. Gary Reagan recommended that in the same paragraph the words “government projects” be added. Volpato made the motion to approve Resolution 11-MAR-002 as amended to read, “The Alliance shall pursue ancillary industries and/or government projects associated with the proposed Interim Storage Facility and all revenues realized by such organizations shall be distributed as spelled out in Article 4 of the Operating/Joint Powers Agreement for the Alliance.” Newman seconded the motion. The vote was unanimous and the motion carried.

Chairman Cope requested to discuss agenda item 6 before hearing the guest presentation from Nuclear Energy Institute (NEI).

Dawson Drilling Proposal

Cope reported that Dawson Drilling had submitted a proposal to the ELEA to conduct a seismic survey on the GNEP property. He further reported that Jim Maddox confirmed that Dawson has the right to drill on the GNEP without prior approval/permission and BOPCO LP owns mineral rights. Cope said in his conversations with Dawson he told them that he did not have authority to grant permission, but would bring the proposal to the ELEA. Cope said that if Dawson can drill without the permission of the ELEA, it would be better to accept the proposal and be compensated for the seismic survey. John Heaton if any information had been received confirming that BOPCP LP was mineral holder. Carroll Leavell asked how large of an area was included in the proposal. Heaton asked what would happen if they found promising results. Cope indicated that the surface area was about 30 sq. miles and that a surface agreement would have to be obtained before they could drill. Bob Forrest suggested contacting the mineral holder via letter to see if they would be willing to forego drilling or find a way to work with the ELEA. Jack Volpato suggested that the ELEA pursue the agreement with Dawson, allow the Chairman Cope to negotiate the best price and sign an agreement with Dawson, and ask mineral owners to send a letter of request. Monty Newman made the motion that the ELEA pursue the agreement with Dawson, allow the Chairman Cope to negotiate the best price and sign an agreement with Dawson, and ask mineral owners to send a letter of request. Volpato seconded. The vote was unanimous and the motion carried.

Guest Presentation, NEI

Steven Kraft of the Nuclear Energy Institute presented a Power Point presentation explaining the Japanese nuclear power plant accident and the United States response. Most significant problem with power plant is dealing with spent fuel rods that are stored at the facility. Spent fuel rods are also an issue with nuclear power plants in the United States. Nuclear Regulatory Commission (NRC) has failed to deal with this issue. Kraft

believes that the radiation release crisis in Japan due to spent fuel storage problems will create a policy imperative for NRC regarding this problem and federal Nuclear Waste Fund money will be available to study off-site storage solutions. Nuclear industry has brought 60 lawsuits against federal government for money from the Fund to pay for spent fuel storage. NEI was working with the Department of Justice for a settlement that failed at the last moment.

The property owned by Eddy-Lea Alliance would be ideal location for testing storage solutions. Keith Nelson at the WIPP site and Ken Sorenson with Sandia Laboratory have both expressed interest in this type of project.

Kraft has draft specifications for legislation that would extend WIPP and provided for storage testing. Steve Pierce has expressed a willingness to sponsor this type of legislation. Currently NRC doesn't require Nuclear plants to store spent fuel off-site; this could change with a policy imperative resulting from reaction to Japan crisis.

Kraft will keep Board informed of what needs to be done as this moves forward and what needs to be done in the short term to help generate the policy imperative. Kraft will assist in identifying companies that would be willing participate in this process and who can be included on a list for a request for information.

Other Business

New Mexico Center for Energy Policy at New Mexico Junior College will hold a Symposium on Uranium Fuel Cycle which is set up by New Mexico Tech and New Mexico Junior College on April 27 and 28.

Adjournment

Meeting adjourned at 4:25 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
THURSDAY, MAY 19, 2011**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A 201, Hobbs, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 10:05 am

Members Attending: Johnny Cope, President
 John Heaton, Vice President
 Roxanne Lara, alternate for Jack Volpato
 Monty Newman, alternate for Jim Maddox

Members Absent: Jim Maddox
 Jack Volpato

Alternates Attending: Roxanne Lara
 Bob Forrest
 Monty Newman
 Gary Schubert

Alternates Absent: Dale Janaway

Guests: Kathi Bearden
 Kent Cole
 Gary Lanthrum
 Bob Helfrich
 Gary Don Reagan
 Bob Bowman
 Gwen Guest, Lea County Attorney
 John Waters
 Lisa Hardison

Guest Presentation- NAC International

Kent Cole, President & CEO of NAC International (NAC) along with Bob Helfrich, Vice President, and Gary Lanthrum, Consultant presented information about interim storage. The first portion of the presentation covered the current used nuclear fuel status, an

overview of dry storage requirements, industry terminology and technology, and potential policy developments. NAC indicated that 30% of the used nuclear fuel is in dry storage and that 33 states have at least one independent spent fuel storage site. They continued by saying that NAC International's Megastore is one the highest capacity dry storage fuel containers. These casks rely on the natural circulation of ambient air to cool the used fuel, so no power or support machinery is required. Heat management is an important part of the NRC licensure process. The casks can be transported via rail or truck.

NAC reviewed the seven recommendations of the Blue Ribbon Commission (BRC) from the May 13, 2011 draft report. The BRC is a commission formed to address the problems of managing and storing radioactive waste in the United States. NAC indicated that a copy of the draft report could be found at BRC website (<http://brc.gov/>).

NAC asked for local perspectives from Eddy and Lea County representatives. Gary Don Regan indicated that a partnership is a needed approach and the GNEP property seems to be a good fit for an interim storage project. Johnny Cope added that the ELEA owns the GNEP site and that it has been characterized and found viable for a variety of nuclear related projects. He further explained that more information is needed, but that the ELEA would like to develop an interim storage project. John Heaton said that the GNEP characterization did report that the site is close to the rail and had the needed water and power to support an interim storage project as well as being in a distant location from the population bases. He then expressed concerns over financing for such a project. Roxanne Lara indicated that the ELEA needed to move quickly on an interim storage project. John Waters added that jobs are important to the communities and consideration should be given to tying interim storage and reprocessing together in one location.

NAC reviewed approximate space and the infrastructure needs for an interim storage facility. They noted that approximately a 100 ft x 200 ft area could hold about 44 tons of spent fuel and an ideal site would have available rail. They also reviewed business models that could be considered for such a project. NAC's presentation concluded with potential legislative changes involving the Nuclear Waste Fund that could assist in bringing an interim storage project to reality.

Approval of Minutes

Minutes from the March 31, 2011 meeting were presented for review. Heaton made a motion to accept the minutes as presented and Monty Newman seconded the motion. The vote was unanimous and the motion carried.

Dawson Drilling Proposal

Cope reported that there was no change in the status of the Dawson Drilling proposal.

Other Business

Heaton suggested that the Alliance gather information regarding potential partners in moving forward with an interim storage project. Cope agreed that an opportunity needed to be provided for partners to express their interest in the project, but not to issue an RFP (Request for Proposal). Heaton indicated that a notice should be sent out to the industry over the next 30 days and then provide an opportunity for them to present their information in person. Cope asked that Lisa Hardison obtain a list of companies who would have an interest in an interim storage project from NEI (Nuclear Energy Institute), prepare the request to gather information, and send the request to the identified companies.

Adjournment

Meeting adjourned at 1:25 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, AUGUST 17, 2011**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Carlsbad Department of Development, 400-2 Cascades Ave., Suite 201, Carlsbad, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 10:05 am

Members Attending: Johnny Cope, President
 John Heaton, Vice President
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent:

Alternates Attending: Monty Newman
 Bob Forrest

Alternates Absent: Roxanne Lara
 Gary Schubert

Guests: Sam Spencer
 John Maganaro
 John Waters
 Lisa Hardison

Approval of May Minutes

The 5/19/11 minutes were reviewed and John Heaton made a motion to accept the minutes as presented and Jim Maddox seconded. Motion passed unanimously.

Update on Dawson Drilling Proposal

Johnny Cope indicated that he had reviewed the seismic information and Dawson wants to explore 436 acres. A check was sent to the ELEA by Dawson in the amount of \$3600.00. Cope has taken no action to date, but doesn't believe that there is anything the

ELEA can do to prevent the exploration. Jim Maddox indicated that the check is to pay for surface damages.

Review of RFI Proposals

Lisa Hardison informed the group that Westinghouse had submitted a response after the posted deadline. A discussion was held about extending the deadline to submit a response. Jack Volpato made a motion to extend the deadline for response until the first interviews begin. The second was made by Jim Maddox. Motion passed unanimously.

Executive Session

Johnny Cope advised that the committee convene in executive session to discuss the proprietary and confidential details of the responses to the Request for Information on Development of Interim Storage Strategic Partnership. Jim Maddox made the motion and it was seconded by John Heaton. A vote was taken to go into executive session: Cope-Yes, Heaton-Yes, Volpato-Yes, Maddox-Yes.

Jim Maddox made the motion to return to the regular meeting and it was seconded by John Heaton. A vote was taken to go into the regular meeting: Cope-Yes, Heaton-Yes, Volpato-Yes, Maddox-Yes.

After the executive session was held President Cope indicated that the only business discussed in the executive session was the proprietary and confidential details of the responses to the Request for Information on Development of Interim Storage Strategic Partnership and no action was taken.

Discussion of Next Steps for Development of Interim Storage Strategic Partnership

Jim Maddox made a motion that the following 8 companies be provided an opportunity to meet with the ELEA to further discuss their RFI response : Flour, INIS/Boron Products, Parsons, Areva, Urenco Energy Solutions, NAC International, Shaw Group, and Westinghouse. Jack Volpato seconded. Motion passed unanimously. A discussion was held about the possible meeting dates and logistics. It was decided to hold 4, 2-hour interviews on Wednesday, September 21 in Carlsbad and 4 interviews on Wednesday, September 28 in Hobbs. The available times were to be distributed to the companies.

Other Business

No other business was discussed.

Adjournment

Meeting adjourned at 12:27 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, SEPTEMBER 21, 2011**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Carlsbad Department of Development, 400-2 Cascades Ave., Suite 201, Carlsbad, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 7:55 am

Members Attending: Johnny Cope, President
 John Heaton, Vice President
 Jack Volpato, Secretary/Treasurer
 Monty Newman, alternate for Jim Maddox

Members Absent: Jim Maddox

Alternates Attending: Roxanne Lara
 Bob Forrest
 Monty Newman

Alternates Absent: Gary Schubert

Guests: Sam Spencer
 Gregg Fulfer
 John Waters
 Lisa Hardison

Executive Session

Johnny Cope advised that the committee convene in executive session to discuss the proprietary and confidential details of the responses to the Request for Information on Development of Interim Storage Strategic Partnership. John Heaton made the motion and it was seconded by Jack Volpato. A vote was taken to go into executive session: Cope-Yes, Heaton-Yes, Volpato-Yes, Newman-Yes.

John Heaton made the motion to return to the regular meeting and it was seconded by Monty Newman. A vote was taken to go into the regular meeting: Cope-Yes, Heaton-Yes, Volpato-Yes, Newman-Yes.

After the executive session was held President Cope indicated that the only business discussed in the executive session was the proprietary and confidential details of the responses to the Request for Information on Development of Interim Storage Strategic Partnership and no action was taken.

Other Business

No other business was discussed.

Adjournment

Meeting adjourned at 3:25 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, SEPTEMBER 28, 2011**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 8:00 am

Members Attending: Johnny Cope, President
Bob Forrest, alternate for John Heaton
Jack Volpato, Secretary/Treasurer
Jim Maddox, Director

Members Absent: John Heaton

Alternates Attending: Monty Newman
Gary Schubert
Bob Forrest

Alternates Absent: Roxanne Lara

Guests: Carroll Leavell
Kathi Bearden
John Waters
Lisa Hardison

Executive Session

Johnny Cope advised that the committee convene in executive session to discuss the proprietary and confidential details of the responses to the Request for Information on Development of Interim Storage Strategic Partnership. Bob Forrest made the motion and it was seconded by Jim Maddox. A vote was taken to go into executive session: Cope-Yes, Forrest-Yes, Volpato-Yes, Maddox-Yes.

Bob Forrest made the motion to return to the regular meeting and it was seconded by Jim Maddox. A vote was taken to go into the regular meeting: Cope-Yes, Forrest-Yes, Volpato-Yes, Maddox-Yes.

After the executive session was held President Cope indicated that the only business discussed in the executive session was the proprietary and confidential details of the responses to the Request for Information on Development of Interim Storage Strategic Partnership and no action was taken.

Other Business

No other business was discussed.

Adjournment

Meeting adjourned at 5:35 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, NOVEMBER 2, 2011**

A regular meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Carlsbad Department of Development, 400-2 Cascades Ave., Suite 201, Carlsbad, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 2:03 pm

Members Attending: Johnny Cope, President
 John Heaton, Vice President
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent:

Alternates Attending: Bob Forrest

Alternates Absent: Roxanne Lara
 Gary Schubert
 Monty Newman

Guests: Sam Spencer
 John Waters
 Lisa Hardison

Approval of May Minutes

The approval of the 8/17/11, 9/21/11, and 9/28/11 minutes were tabled to allow additional time to review.

Financial Overview

Johnny Cope asked Lisa Hardison to review the deposits and expenditures. Hardison indicated that a check was deposited in the amount of \$3600.00 from Dawson Drilling into the ELEA account. Paid expenses included: Union Insurance Company in the amount of \$2109.00 for general liability insurance for the ELEA property and Lea

County in the amounts of \$52.61 and 473.55 for annual property tax. A current account balance was unable to be obtained prior to the meeting.

Discussion of Next Steps for Development of Interim Storage Strategic Partnership

John Heaton presented ideas about potential business plan options to begin the discussion. The ideas discussed were for the ELEA to lease the land, become a stockholder with the “partner” in a private corporation, to own the contracts and employ private company to operate business, or sell the land. Jim Maddox indicated that the ELEA could sell the land, but the lease seemed the most attractive option. Johnny Cope indicated that would depend on how the project moves forward. Maddox said that the ELEA would have to operate within the framework provided by the DOE, BRC, etc. Heaton added that the strategic partner would have ideas as well and would want to make sure that there are adequate monies provided to the region and state.

The discussion transitioned to the length of interim storage. Heaton said that he would like to see the NRC licensing period associated with the lifespan of the container – based on hard science. Cope said that the length of time for interim storage will be a public issue and the shorter the timeframe the more acceptable the project. Jack Volpato indicated that the current NRC recommendation is 60 years, but could be extended as the science allows. Maddox asked what type of interim storage could be allowed under the existing legislative format. Heaton answered that only a private facility could be licensed as the policy currently stands.

A discussion pursued on the utilities interest in interim storage. Heaton said that the utilities want to get rid of the liability of the waste. Maddox added that URENCO Energy Services have strong relationships with the utilities and could provide valuable insight.

The discussion turned to the agreements that would be needed from the State of New Mexico. Volpato suggested a preliminary discussion with the Governor’s office to let them know where we are in the process and determine what they would like to see in the way of incentives. Directors were in agreement of visiting with the Governor.

The conversation moved to the type of waste that could be handled at the proposed interim storage facility. Heaton indicated that the site should be able to handled commercial and vitrified waste.

The directors then discussed the possibility of utilizing a consultant to assist with the selection process of a strategic partner through an RFP. Maddox indicated that the ELEA does not have the internal expertise to prepare an RFP. Questions pursued about the compliance with the local procurement codes. Maddox was to explore the possibility of utilizing a consultant to assist with the RFP process.

Other Business

No other business was discussed.

Adjournment

Meeting adjourned at 3:50 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
TUESDAY, NOVEMBER 8, 2011**

A special meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 10:02 am

Members Attending: Johnny Cope, President
 John Heaton, Vice President
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent:

Alternates Attending: Roxanne Lara

Alternates Absent: Bob Forrest
 Gary Schubert
 Monty Newman

Guests: Brian Robinson
 Gary Sanford
 Gregory Smith (via phone)
 Carroll Leavell
 Kathi Bearden
 John Waters
 Lisa Hardison

Project Update

Johnny Cope called the meeting to order and indicated that a special meeting of the ELEA had been called to review consulting services that could be provided by URENCO Energy Services to provide assistance with the RFP process. John Heaton asked about the expectations of services from the consultant. Maddox indicated that they would provide assistance with writing the RFP. Cope added that the expertise of a consultant could help

the ELEA in choosing a strategic partner. Gary Sanford indicated that URENCO Energy Services had prepared over 400 RFP's over the past 4 years. Brian Robinson added that they had experience with both state and federal procurement policies. Robinson added that URENCO's interest in this project is to help the ELEA, region, and the State move forward and be successful – Southeastern New Mexico is their area of expertise. Maddox asked when a rough outline of an RFP could be expected and Robinson indicated approximately in two weeks.

Executive Session

Johnny Cope advised that the committee convene in executive session to discuss the confidential details of a consulting agreement to assist with writing a Request for Proposal Request on Development of Interim Storage Strategic Partnership. John Heaton made the motion and it was seconded by Jim Maddox. A vote was taken to go into executive session: Cope-Yes, Heaton-Yes, Volpato-Yes, Maddox-Yes.

John Heaton made the motion to return to the regular meeting and it was seconded by Jim Maddox. A vote was taken to go into the regular meeting: Cope-Yes, Heaton-Yes, Volpato-Yes, Maddox-Yes.

After the executive session was held President Cope indicated that the only business discussed in the executive session was the confidential details of a consulting agreement to assist with writing a Request for Proposal Request on Development of Interim Storage Strategic Partnership and no action was taken.

Discussion of Next Steps for Development of Interim Storage Strategic Partnership

Jim Maddox made a motion to retain URENCO Energy Services to create and evaluate an RFP with an expense cap of \$8,000. John Heaton and Jack Volpato preferred to not include the evaluation at this point. Maddox amended the motion to retain URENCO Energy Services to create an RFP with an expense cap of \$8,000. John Heaton seconded. The vote was unanimous and the motion carried. The directors discussed having URENCO host a workshop with the ELEA to gather information about the business model options.

Other Business

No other business was discussed.

Adjournment

Meeting adjourned at 11:20 am.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
SATURDAY, DECEMBER 3, 2011**

A special meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Saturday, December 3, 2011 at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 9:05 am.

Members Attending: Johnny Cope, President
 John Heaton, Vice President (phone)
 Jack Volpato, Secretary/Treasurer (phone)
 Jim Maddox, Director

Members Absent:

Alternates Attending: Gary Schubert

Alternates Absent: Bob Forrest
 Roxanne Lara
 Monty Newman

Guests: Gary Sanford
 Carroll Leavell (phone)
 Gregg Fulfer (phone)
 John Waters
 Lisa Hardison

Approval of Minutes

The minutes from the 8/17/11, 9/21/11, 9/28/11, 11/2/11, 11/8/11 meetings were reviewed. A correction to the 8/17/11 minutes was requested to include “from any interested party” concerning the RFI proposals. Jim Maddox made a motion to approve the minutes presented with the correction on the 8/17/11 meeting minutes. Jack Volpato seconded. The vote was unanimous and the motion carried.

Consultant Update on RFP Development for Project

Johnny Cope asked Gary Sanford of URENCO to provide an update on the progress toward an RFP process. Sanford provided an overview of the proposed process. He indicated that a good place to begin was by looking at other proposals that exist, such as Columbia Generating Station, Washington State, Tennessee Valley Authority, etc. John Heaton interjected that our site would be different than a generating station. Sanford said that EPRI handbook would also be a good resource. Heaton was concerned that this was still too focused on permitting related specifically to generating sites. Sanford explained that there were some specific excerpts from Section 8 of the EPRI handbook that discusses storage away from the reactor. He further explained that although the activity is different that it uses the same regulations and it would save time to benchmark against a public RFP process. Jack Volpato asked that the PFS situation and NRC license be considered during the process as well.

Sanford indicated that URENCO had generated 600-700 RFP for the work at the LES site and has a positive relationship with the necessary state and federal partners to help with the RFP process, but would need to work with someone to ensure compliance with local procurement codes.

A discussion ensued about the potential business model for an interim storage project. Heaton said that the business model may depend on how our partner would like to see it set up and suggested gathering more information from the RFI respondents. The discussion continued about the need for gathering additional information. Jim Maddox and Jack Volpato indicated that ELEA needs to follow correct procurement procedures, if additional information is sought from the RFI respondents. Heaton follow up by saying that the revenue stream should be the main concern for the ELEA when considering business model options.

Sanford continued his presentation and discussed utilizing local expertise in the RFP process, establishing requirements for a trouble-free selection process, having both technical and commercial experts to assist with evaluation, and evaluation of the project risks.

Jim Maddox inquired about billing for the project. Sanford responded that an invoice would not be sent for 90 days and URENCO would be transparent with expenses and provide estimates prior to engaging in the work.

Jack Volpato wanted to ensure that the RFP would allow for storage opportunities for defense and commercial waste. Sanford agreed. Volpato added that transportation is an important component as well. Sanford said that it may take some time to look at all of the different aspects of the RFP.

Discussion of Next Steps for Development of Interim Storage Strategic Partnership

The project discussion was concluded by Johnny Cope asking John Heaton to work with Gary Sanford on the next steps in developing the RFP. Heaton agreed to assist with the RFP development and provide progress reports to the ELEA.

Executive Session

Johnny Cope advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership. John Heaton made the motion and it was seconded by Jack Volpato. A vote was taken to go into executive session: Cope-Yes, Heaton-Yes, Volpato-Yes, Maddox-Yes.

John Heaton made the motion to return to the regular meeting and it was seconded by Jim Maddox. A vote was taken to go into the regular meeting: Cope-Yes, Heaton-Yes, Volpato-Yes, Maddox-Yes.

After the executive session was held President Cope indicated that the only business discussed in the executive session were the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership and no action was taken.

Other Business

No other business was discussed.

Adjournment

Meeting adjourned at 10:55 am.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
Johnny Cope, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, JANUARY 4, 2011**

A regular meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, January 4, 2012 at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

President Johnny Cope called the meeting to order at 7:45am.

Members Attending: Johnny Cope, President
 John Heaton, Vice President
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent:

Alternates Attending: Gary Schubert
 Bob Forrest
 Roxanne Lara
 Monty Newman

Alternates Absent:

Guests: Gary Sanford
 Carroll Leavell
 Steve Kraft
 Marshall Cohen
 Sam Spencer
 ED Sterling
 John Waters
 Lisa Hardison

Election of Officers

Johnny Cope asked for nominations of officers. Jack Volpato made a motion to nominate John Heaton for President, Johnny Cope for Vice President, and Jack Volpato for Secretary/Treasurer. Monty Newman seconded the motion. The vote was unanimous and the motion carried.

John Heaton conducted the remainder of the meeting as President.

Approval of Minutes

The minutes from the 12/3/11 meeting were reviewed. Jack Volpato made a motion to approve the minutes as presented. Monty Newman seconded. The vote was unanimous and the motion carried.

Nuclear Energy Institute (NEI) Update

John Heaton asked NEI to provide an update to the ELEA. Steve Kraft introduced himself and his role within NEI. He indicated that NEI had been reviewing the accident in Japan and will be implementing the needed changes based on the lessons learned. Also, over the past few months, the BRC has been moving forward with the process to make recommendations regarding interim storage. NEI has provided a response to the draft recommendations that advises that the interim storage should only be considered in community that wants it and that the project be accompanied by a research facility. NEI stated that interim storage is a simple process, but the idea of research accompanying the project could be powerful.

The final BRC report should be provided on January 29, 2012, which will provide specific targets. Marshall Cohen interjected that we must all continue to work together once the report is released to move the interim storage project forward. He also added that an interim storage project should not be seen a solution to Yucca Mountain. Steve Kraft felt that when the report is complete that the role of the BRC will not be extended.

It is important that State officials stay informed of the progress toward an interim storage project and NEI plans to provide a briefing on the BRC report. Marshall Cohen indicated that all we have now is a concept of an interim storage project and there is no need for an agreement with the State at this point. Steve Kraft said that it is most important that the State leaders understand the safety and security of the project. Marshall Cohen said that at this point it is important to “socialize” the project, but the timing is not right to share specific details.

Marshall Cohen stated that is it important that everyone agrees with the logic of moving the fuel from the shutdown plants. It is possible that multiple interim storage sites may be needed. Steve Kraft said that they would like to organize a visit from the utility leaders in 1st Quarter of 2012.

Progress Report on the Development for an Interim Storage Strategic Partnership and Legal Counsel for Specific Procurement Procedures

John Heaton indicated that additional questions were being developed as part of the RFI process and will be sent to two of the respondents. Jim Maddox said that the amended RFI would need to be reviewed by the ELEA's legal counsel to ensure that it meets procurement requirements.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership. Johnny Cope made the motion and it was seconded by Jim Maddox. A vote was taken to go into executive session: Heaton-Yes, Cope-Yes, Volpato-Yes, Maddox-Yes.

Jim Maddox made the motion to return to the regular meeting and it was seconded by Johnny Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Cope-Yes, Volpato-Yes, Maddox-Yes.

After the executive session was held President Heaton indicated that the only business discussed in the executive session were the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership and no action was taken.

Other Business

Jim Maddox discussed the need for legal counsel to review the amended RFI. Maddox made the motion that the RFI be reviewed by legal counsel and any needed changes be incorporated into the document before sending it to the two respondents. Jack Volpato seconded. The vote was unanimous and the motion carried.

Adjournment

Meeting adjourned at 10:33 am.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
TUESDAY, MARCH 13, 2012**

A regular meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Tuesday, March 13, 2012 at the Carlsbad Development of Development, 400-2 Cascades Avenue, Suite 201, Carlsbad, New Mexico.

Call to order and roll call

Chairman John Heaton called the meeting to order, and then asked that everyone in the room introduce themselves. Heaton reminded the group that ELEA is an organization made up of four public entities – Carlsbad, Hobbs, Lea County, and Eddy County. ELEA is an LLC and was formed originally for the purpose of purchasing two sections of land, two square miles. Heaton introduced Gary Sanford who serves as consultant for ELEA.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent:

Alternates Attending: Roxanne Lara

Alternates Absent: Gary Schubert
 Bob Forrest
 Monty Newman

Guests:

Gary Sanford	Chuck Bernhard, Babcock & Wilcox
Mayor Sam Cobb	Chris Hall, Fluor
John Waters	Julie Doering, Fluor
Lisa Hardison	John Soares, Fluor
Kathi Bearden	Ron Schroder, Fluor
Dorothy Davidson, AREVA	Lanny Dusek, Fluor
Bob Edmonds, AREVA	Mike Navetta (via phone), Holtec
Eric Knox, URS	Dwight Cates (via phone), Fluor
Norbert Rempe	Tom Kelly (via phone), Fluor
Joe Harvill	

Approval of Agenda

Johnny Cope moved for approval of the agenda, asking that item 5 be moved up and taken care of before the Executive Session. Jack Volpato seconded the motion. Motion carried.

Approval of Minutes

The minutes of the meeting of 4 January 2012 were reviewed. Jim Maddox made a motion to approve the minutes as presented. Cope seconded the motion. Motion carried.

Other Business

Heaton directed attention to an invoice from Accounting & Consulting Group in the amount of \$806.48 and an invoice from the Lovington Leader in the amount of \$21.55 and asked for permission to pay these invoices. Motion was made and seconded to approve payment of these two invoices. Volpato pointed out that the invoice from Accounting & Consulting Group is for managing the ELEA account for the past six months. Comment was made that ACG has been very helpful. Motion carried.

Executive Session

Heaton reported that today's meeting has gone through the process of public notice as is required. Heaton then advised that the governing board convene in executive session in order to hear the presentations. There will be no action taken during Executive Session. Volpato reminded everyone to sign the Confidentiality Agreement before Executive Session begins. Confidentiality Agreements were signed and collected. Heaton reiterated that confidentiality is very important and should be respected by all. Volpato made a motion to move into Executive Session pursuant to Section 10-15-1 (H)(6) NMSA 1978. It was seconded by Cope. Motion carried.

Return to Regular Session

Cope made the motion to return to the regular meeting and it was seconded by Roxanne Lara. Motion carried.

After the executive session was held Heaton indicated that the only business discussed in the executive session was the confidential details related to the Supplemental Request for Information for the Development of Interim Storage Strategic Partnership and no action was taken.

Adjournment

Motion was made to adjourn by Cope and seconded by Lara. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE TELEPHONIC MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
THURSDAY, APRIL 5, 2012**

A telephonic meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Thursday, April 5, 2012

Call to order and roll call

Chairman John Heaton called the meeting to order and then recognized Cope and Maddox as being present via phone. (Jack Volpato arrived after the meeting commenced.)

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent: None

Alternates Attending: Gary Schubert

Alternates Absent: Bob Forrest
 Monty Newman
 Roxanne Lara

Guest:
Jon Tully
John Waters

Executive Session

Heaton stated that the purpose of the special meeting is to give an update on the interim storage strategic partnership. According to Section 10-15-1 (H)(6) NMSA 1978, Executive Session is allowed for the purpose of contracting. Motion was made by Johnny Cope to go into Executive Session, and seconded by Jim Maddox. Motion carried.

Return to Regular Session

After the executive session was held Heaton stated that the group made no decisions and no vote was taken. There was simply discussion on the contractual arrangements. Nothing formal was decided.

Adjournment

Motion was made to adjourn by Cope and seconded by Heaton. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE TELEPHONIC MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
THURSDAY, APRIL 12, 2012**

A telephonic meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Thursday, April 12, 2012

Call to order and roll call

Chairman John Heaton called the meeting to order and then recognized Johnny Cope, Jim Maddox and Jack Volpato as being present via phone, and Bob Forrest and John Waters in attendance.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent: None

Alternates Attending: Bob Forrest

Alternates Absent: Gary Schubert
 Monty Newman
 Roxanne Lara

Guest: John Waters

Approval of Agenda

Maddox moved for approval of the agenda. Heaton seconded the motion. Motion carried.

Approval of Minutes

There was discussion regarding corrections to the minutes of the 3-13-12 meeting. Maddox moved for approval of the minutes of the 3-13-12 meeting with the suggested changes. Heaton seconded the motion. Motion carried.

There was discussion regarding corrections to the minutes of the 4-5-12 meeting. Cope moved for approval of the minutes of the 4-5-12 meeting with the suggested changes. Maddox seconded the motion. Motion carried.

Other Business

Heaton directed attention to three outstanding invoices: The Lovington Leader, Carlsbad Current-Argus, and Hobbs Daily News-Sun. Cope moved that the three invoices be paid. Volpato seconded the motion. Motion carried.

Executive Session

Heaton stated that according to Section 10-15-1 (H)(6) NMSA 1978, Executive Session is allowed for the purpose of discussing contracting. Motion was made by Cope to go into Executive Session, and seconded by Volpato. Motion carried.

Return to Regular Session

After the executive session was held, Heaton stated that the group took no formal action on any items. There was simply a discussion on issues of contracting.

Heaton asked if next Thursday, 19 April 2012 would be agreeable for the next meeting. After some discussion, it was decided that meetings would be as needed.

Adjournment

Motion was made to adjourn by Maddox and seconded by Cope. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE REGULAR MEETING VIA TELEPHONE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
THURSDAY, MAY 10, 2012**

A telephonic meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Thursday, May 10, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and then recognized Johnny Cope, Jim Maddox, Greg Fulfer, Gary Sanford, Sam Cobb, and John Manganaro as being present via phone and Jack Volpato in attendance with Heaton.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent: None

Alternates Attending: None

Alternates Absent: Gary Schubert
 Monty Newman
 Bob Forrest
 Roxanne Lara

Guest: John Manganaro
 Greg Fulfer
 Gary Sanford
 Sam Cobb

Staff: Karen Simpson

Approval of Agenda

Cope moved for approval of the agenda. Volpato seconded the motion. Motion carried.

Approval of Minutes

Maddox moved for approval of the minutes of the 4-12-12 meeting. Volpato seconded the motion. Motion carried.

Other Business

Heaton directed attention to four outstanding invoices:

- The Lovington Leader - \$16.16
- Hobbs Daily News-Sun - \$26.20
- Rodey, Dickason, Sloan, Akin & Robb, P.A. - \$2,892.17
- LES - \$14,100.00

Sanford reported that an update was sent to Lisa Hardison and John Waters, showing 70.5 hours to date. Heaton added that he understood that the counties were going to put something in their budgets. Volpato stated that the Eddy County Commission, for next fiscal year which starts 7-1-12, has already tentatively approved a \$25,000 contribution, which is what all the entities agreed to do. Final budget approval will probably be next week and Volpato expects it to be fully funded. Fulfer reported that he believes \$25,000 has been set aside by Lea County also. Heaton stated that he is not sure if the cities of Carlsbad and Hobbs have done the same, but the board will follow-up with their respective mayors.

Discussion followed regarding whether the funds could flow through the two economic development corporations. Maddox and Manganaro will follow-up on this matter.

Heaton reported that while in Santa Fe last week he visited the office of the New Mexico Finance Authority. There are planning grants available, in the amount of \$50,000, for cities and counties. The way the law is written, however, the grants are for counties and cities that are not doing well financially. The Finance Authority is in the process of trying to change that. Heaton urged anyone who knows Finance Authority board members to encourage them. Any city that is growing and developing the economy helps the state overall and ought to be able to take advantage of the grants.

Maddox moved that the first three invoices be paid. Volpato seconded the motion. Motion carried. The fourth invoice will be held at this time.

Executive Session

Heaton stated that according to Section 10-15-1 (H)(6) and 10-15-1 (H)(8) NMSA 1978, Executive Session is allowed for the purpose of discussing the application for Project Participation Agreement under the LEDA Act. Motion was made by Cope to go into Executive Session, and seconded by Volpato. Motion carried.

Return to Regular Session

After the executive session was held, Heaton stated that the only discussion that took place was that related to the Project Participation Agreement, and nothing else. There was no formal action taken.

Heaton announced that a meeting is scheduled with Secretary Martin and the ELEA Board for Tuesday, 29 May 2012 at 1:30 p.m. at the CDOD office. It was suggested that when the group meets with Secretary Martin, it is very important that he understands that both Eddy and Lea are really on the same page and moving forward. It needs to be conveyed that ELEA is a solid group that is working together. This will give the state reassurance.

The next meeting of the ELEA Board will be Friday, 18 May 2012 at 1:00 p.m. via phone. Heaton stated that there should be no need to go into Executive Session and that the board should be able to vote on the issue.

Adjournment

Motion was made to adjourn by Volpato and seconded by Cope. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE SPECIAL TELEPHONIC MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
FRIDAY, MAY 18, 2012**

A telephonic meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Friday, May 18, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order at 1:07 p.m. and then recognized Jim Maddox and Jack Volpato as being present via phone. Guests present via phone were Lisa Hardison, Norbert Rempe, Gary Sanford, Greg Fulfer, and John Waters.

Members Attending: John Heaton, Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent: Johnny Cope, Vice Chairman

Alternates Attending: None

Alternates Absent: Gary Schubert
 Monty Newman
 Bob Forrest
 Roxanne Lara

Guest: Greg Fulfer
 Gary Sanford
 Norbert Rempe
 Lisa Hardison
 John Waters

Staff: Karen Simpson

Approval of Agenda

Volpato moved for approval of the agenda. Maddox seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for any additions or corrections to the minutes of the 5-10-12 meeting. Maddox referred to the long paragraph on Page 2 regarding the tax exempt status of

ELEA and suggested that the paragraph be shortened considerably, as the information is speculative and not helpful. Maddox moved for approval of the amendment as stated. Volpato seconded the motion. Motion carried.

With no further changes, Maddox moved to accept the minutes of the 5-10-12 meeting as amended. Volpato seconded the motion. Motion carried.

Other Business

Heaton directed attention to five outstanding invoices:

- The Lovington Leader - \$20.20 (Legal Notice of 5-10-12)
- The Lovington Leader - \$20.20 (Legal Notice of 5-18-12)
- Carlsbad Current-Argus - \$43.18
- Hobbs Daily News-Sun - \$25.53
- Accounting & Consulting Group - \$278.00

Maddox moved that the above five invoices be paid. Volpato seconded the motion. Motion carried.

Heaton moved to the next agenda item – consideration of application of Project Participation Agreement under the LEDA Act. Volpato moved that the application be approved for discussion. Maddox seconded the motion. Heaton stated that it is now open for discussion. Heaton then asked Sanford to go through the application as it now stands.

Sanford stated that the original draft of the Invitation to Submit an Application for an Economic Development Project to the Eddy-Lea Energy Alliance, LLC was a Request for Proposal. The Request for Proposal was altered by Alan Hall of the Rodey Firm to become an Invitation to Submit. The document has been modified following review by the ELEA Board and is presented today for another review. Maddox stated that he wished to clarify that his review and involvement in this process is as a board member representing the City of Hobbs on the ELEA board, and not from a legal standpoint. Maddox stated he has deferred to the Rodey Firm as far as all legal aspects of the document. Heaton thanked Maddox for the disclosure.

Sanford stated that there are several changes to the document that are editorial or formatting issues, and that unless someone asked him to, he will not go over those changes. Sanford then went through the document Section by Section, explaining the requirements and noting the redline changes. Sanford then asked for any questions or comments. Maddox asked if the revised draft had been reviewed by Alan Hall. Sanford stated that Hall had been included on the distribution on Wednesday. Maddox suggested that to the extent that the board moves forward with approval, that the final document not be sent to the candidates until Hall signs off on it. Heaton suggested one amendment to Section 5. A (m.). Change “a” to “the” DOE complex. The group concurred.

Maddox moved for: (1) Adoption of the document with the contingency that it goes to the Rodey Firm for final review, and then is distributed upon concurrence by Rodey, advancing, if necessary, the date by the same number of days needed for legal review, in order to allow the applicant a sufficient number of days to reply; (2) In Paragraph 5. A(m.), “a” would be changed to “the”. (3) The word “Draft” would be removed from the document cover, call it “Final”, but not actually say “Final” on the cover, and send to Alan Hall for final review prior to sending out. Heaton seconded the motion. Motion carried.

Heaton then asked for a motion to approve the final application as amended, to include the process of distribution. Maddox so moved. Volpato seconded the motion. Motion carried.

Maddox commented that the document will provide appropriately for a central source of contact through Waters at the CDOD. However, Maddox would like the understanding that all information received by Waters should be shared with Hardison who will keep the Hobbs/Lea County group informed. Waters will keep the Carlsbad/Eddy County group informed. Secondly, Maddox suggested that any substantive response, any questions or inquires that come in from third parties, be reviewed and coordinated through the Board. Heaton stated that what has been agreed upon is that all questions about the application would come through Waters and then distributed. A committee comprised of Sanford, Heaton, and Cope would formulate the answers to the questions. The questions and the responses would go to Hardison and Waters to be distributed to the members. Therefore, everyone would be clearly in the loop. No one should be left out of the loop.

Volpato reported that the Eddy County budget has been finalized with \$25,000 approved for ELEA. Fulfer reported that Lea County will finalize their budget in a few days. Fulfer believes there is also \$25,000 in the budget for ELEA.

Adjournment

Motion was made to adjourn by Volpato and seconded by Maddox. Motion carried. Meeting adjourned at 1:52 p.m.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
TUESDAY, MAY 29, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Tuesday, May 29, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice-Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director (via phone)

Members Absent: None

Alternates Attending: Roxanne Lara
 Monty Newman

Alternates Absent: Gary Schubert
 Bob Forrest

Guest: Secretary Dave Martin
 Norbert Rempe

Staff: Karen Simpson
 John Waters

Approval of Agenda

Cope moved for approval of the agenda. Volpato seconded the motion. Motion carried.

Maddox stated that in the event that he must leave the meeting before it is completed, Newman, as an alternate, will take over for Maddox on any and all business coming before the board.

Other Business

Heaton reported that the LEDA application went out last week to two companies. One company has responded back that they will not participate. Heaton suggested that it is best to have a competitive environment in order to compare one group with another. Therefore, the board should consider sending an application to NAC. Maddox suggested that the board and the alternates be given a chance to go back and review the materials that were made available during the review process; then call a special ELEA meeting next week in order to discuss how to respond to the situation. Heaton agreed with Maddox. Heaton added that there is the option of extending the response time period, perhaps to the middle of July. The extension would apply to

everyone responding. Heaton set the next ELEA meeting for Monday, 4 June 2012 @ 3:00 p.m. in Hobbs.

Approval of Minutes

Cope moved for approval of the minutes of the meeting held on 18 May 2012. Volpato seconded the motion. Motion carried.

Payment of Invoices

Cope moved for approval to pay The Lovington Leader invoice in the amount of \$24.24. Volpato seconded the motion. Motion carried.

Open Meetings Act Resolution

Heaton stated that the ELEA board needs to readopt the Open Meetings Act Resolution. Some issues to consider:

- Usage of e-mail for notifications (especially meetings)
- Usage of ELEA website
- Number of people on the ELEA board

The board will review the suggested changes and discuss at the next meeting.

Presentation for Secretary Martin

Heaton thanked Secretary Martin for attending the meeting. Heaton gave a presentation showing what ELEA is doing and what ELEA hopes to accomplish. ELEA is looking for a company with which to partner for an interim storage project. An interview process has taken place and an application to contract has been issued to two applicants. Upon completion of the presentation, discussion followed with Secretary Martin regarding progress being made in Washington, D.C.

Adjournment

Prior to adjourning, Heaton reminded the board that NRC Commissioner George Apostolakis will be in Carlsbad on Tuesday, 5 June 2012 and will meet with ELEA at 1:30 p.m. Motion was made to adjourn by Volpato and seconded by Cope. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE REGULAR MEETING VIA TELEPHONE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
THURSDAY, MAY 10, 2012**

A telephonic meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Thursday, May 10, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and then recognized Johnny Cope, Jim Maddox, Greg Fulfer, Gary Sanford, Sam Cobb, and John Manganaro as being present via phone and Jack Volpato in attendance with Heaton.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent: None

Alternates Attending: None

Alternates Absent: Gary Schubert
 Monty Newman
 Bob Forrest
 Roxanne Lara

Guest: John Manganaro
 Greg Fulfer
 Gary Sanford
 Sam Cobb

Staff: Karen Simpson

Approval of Agenda

Cope moved for approval of the agenda. Volpato seconded the motion. Motion carried.

Approval of Minutes

Maddox moved for approval of the minutes of the 4-12-12 meeting. Volpato seconded the motion. Motion carried.

Heaton announced that a meeting is scheduled with Secretary Martin and the ELEA Board for Tuesday, 29 May 2012 at 1:30 p.m. at the CDOD office. It was suggested that when the group meets with Secretary Martin, it is very important that he understands that both Eddy and Lea are really on the same page and moving forward. It needs to be conveyed that ELEA is a solid group that is working together. This will give the state reassurance.

The next meeting of the ELEA Board will be Friday, 18 May 2012 at 1:00 p.m. via phone. Heaton stated that there should be no need to go into Executive Session and that the board should be able to vote on the issue.

Adjournment

Motion was made to adjourn by Volpato and seconded by Cope. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: 
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: 

**MINUTES OF THE SPECIAL TELEPHONIC MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
FRIDAY, MAY 18, 2012**

A telephonic meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Friday, May 18, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order at 1:07 p.m. and then recognized Jim Maddox and Jack Volpato as being present via phone. Guests present via phone were Lisa Hardison, Norbert Rempe, Gary Sanford, Greg Fulfer, and John Waters.

Members Attending: John Heaton, Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director

Members Absent: Johnny Cope, Vice Chairman

Alternates Attending: None

Alternates Absent: Gary Schubert
 Monty Newman
 Bob Forrest
 Roxanne Lara

Guest: Greg Fulfer
 Gary Sanford
 Norbert Rempe
 Lisa Hardison
 John Waters

Staff: Karen Simpson

Approval of Agenda

Volpato moved for approval of the agenda. Maddox seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for any additions or corrections to the minutes of the 5-10-12 meeting. Maddox referred to the long paragraph on Page 2 regarding the tax exempt status of

Maddox moved for: (1) Adoption of the document with the contingency that it goes to the Rodey Firm for final review, and then is distributed upon concurrence by Rodey, advancing, if necessary, the date by the same number of days needed for legal review, in order to allow the applicant a sufficient number of days to reply; (2) In Paragraph 5. A(m.), "a" would be changed to "the". (3) The word "Draft" would be removed from the document cover, call it "Final", but not actually say "Final" on the cover, and send to Alan Hall for final review prior to sending out. Heaton seconded the motion. Motion carried.

Heaton then asked for a motion to approve the final application as amended, to include the process of distribution. Maddox so moved. Volpato seconded the motion. Motion carried.

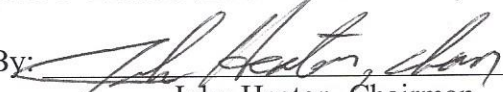
Maddox commented that the document will provide appropriately for a central source of contact through Waters at the CDOD. However, Maddox would like the understanding that all information received by Waters should be shared with Hardison who will keep the Hobbs/Lea County group informed. Waters will keep the Carlsbad/Eddy County group informed. Secondly, Maddox suggested that any substantive response, any questions or inquires that come in from third parties, be reviewed and coordinated through the Board. Heaton stated that what has been agreed upon is that all questions about the application would come through Waters and then distributed. A committee comprised of Sanford, Heaton, and Cope would formulate the answers to the questions. The questions and the responses would go to Hardison and Waters to be distributed to the members. Therefore, everyone would be clearly in the loop. No one should be left out of the loop.

Volpato reported that the Eddy County budget has been finalized with \$25,000 approved for ELEA. Fulfer reported that Lea County will finalize their budget in a few days. Fulfer believes there is also \$25,000 in the budget for ELEA.

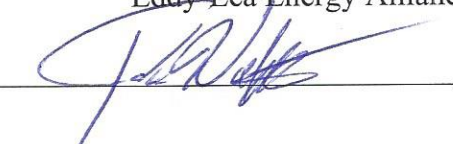
Adjournment

Motion was made to adjourn by Volpato and seconded by Maddox. Motion carried. Meeting adjourned at 1:52 p.m.

EDDY-LEA ENERGY ALLIANCE, LLC

By: 
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: 

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
TUESDAY, MAY 29, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Tuesday, May 29, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice-Chairman
 Jack Volpato, Secretary/Treasurer
 Jim Maddox, Director (via phone)

Members Absent: None

Alternates Attending: Roxanne Lara
 Monty Newman

Alternates Absent: Gary Schubert
 Bob Forrest

Guest: Secretary Dave Martin
 Norbert Rempe

Staff: Karen Simpson
 John Waters

Approval of Agenda

Cope moved for approval of the agenda. Volpato seconded the motion. Motion carried.

Maddox stated that in the event that he must leave the meeting before it is completed, Newman, as an alternate, will take over for Maddox on any and all business coming before the board.

Other Business

Heaton reported that the LEDA application went out last week to two companies. One company has responded back that they will not participate. Heaton suggested that it is best to have a competitive environment in order to compare one group with another. Therefore, the board should consider sending an application to NAC. Maddox suggested that the board and the alternates be given a chance to go back and review the materials that were made available during the review process; then call a special ELEA meeting next week in order to discuss how to respond to the situation. Heaton agreed with Maddox. Heaton added that there is the option of extending the response time period, perhaps to the middle of July. The extension would apply to

days prior to the meeting. Such persons addressing the Governing Board will be allowed an appropriate time to present at the discretion of the chairman.”

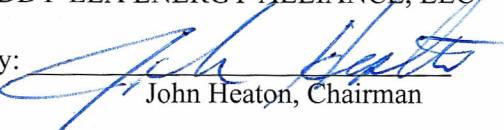
Maddox stated that with the above changes, he would move for adoption of the resolution as presented. Volpato seconded the motion. Motion carried. Clean copies will be e-mailed as soon as possible.

Adjournment

Meeting adjourned.

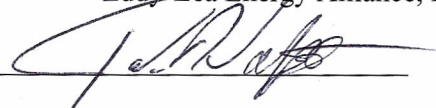
EDDY-LEA ENERGY ALLIANCE, LLC

By:


John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By:


Jack Volpato, Secretary-Treasurer

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
MONDAY, JUNE 4, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Monday, June 4, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice-Chairman
 Jack Volpato, Secretary/Treasurer (via phone)
 Jim Maddox, Director

Members Absent: None

Alternates Attending: Roxanne Lara
 Monty Newman

Alternates Absent: Gary Schubert
 Bob Forrest

Staff: Dr. Lisa Hardison
 John Waters

Approval of Agenda

Heaton called attention to the agenda and suggested that an item be added – “Discussion of other potential applicant recipients”. Cope moved for approval of the agenda as amended. Maddox seconded the motion. Motion carried.

Open Meetings Act Resolution

A draft of the new resolution was provided to all present. Heaton went through the document, pointing out the changes. At the conclusion, Maddox made further suggestions. Heaton asked Maddox to write out his suggested changes so the entire group could peruse them, and the issue would be re-addressed at the end of the meeting. Maddox agreed.

Additional Applicants

Heaton distributed comments that were made to him at the Nuclear Infrastructure Council meeting last week in Baltimore, MD. In Summary, AREVA stated that they had received the invitation to apply and that they would recommend that ELEA consider, rather than moving into a contract, a Memo of Understanding which has a more limited time frame (possibly around 18 months) associated to it. AREVA’s position is almost identical to Fluor’s, in that there are too many

unknowns to get into a contractual arrangement. There are too many uncertainties which would make it difficult, or almost impossible, for them to sell their senior management on this approach, and to get them to approve it. They think that by going through a Memo of Understanding, which would be shorter term, they could commit to doing that. Maybe even one or two months if we can come to an agreement about what they would like and make it for six months or up to 18 months, whatever we think is an appropriate period of time. It would allow for a more complete analysis of things and allow us to move through an assessment of political issues – what the DOE is going to do, utilities positions on things, and the status of a Host Agreement. Lengthy discussion followed. Question was then raised about adding other applicants and whether to allow them an extensive one-half day session as Fluor and AREVA participated in.

Heaton provided information to the board about a meeting he attended – a meeting to try to promote interim storage. At the meeting were representatives from Virginia, South Carolina, Kentucky, Mississippi, Texas, New Mexico and California. Heaton passed out copies of an email he received from Sen. Pete Domenici. A man by the name of George O'Connor approached Domenici about sending him the above-mentioned email. A group (AFCI Texas) has a letter of intent, signed by the State of Texas, to make land available for interim nuclear waste storage. Monty Humble represents the group. He is an attorney. Heaton suggested that Humble be contacted about setting up a meeting. After further discussion, consensus was that Maddox will contact Humble and set up a meeting to include one board member from Eddy County and one board member from Lea County.

Back to the topic of other potential candidates, Cope moved that Parsons and NAC be added as candidates. Volpato seconded the motion. Motion carried. Heaton stated that a cover letter will be written to Parsons and NAC and an application sent. An offer will be made, inviting them to meet with ELEA prior to completion of the application if they would like. The same letter will also be sent to Fluor and AREVA, suggesting that we are looking for a response from them. If it happens to be something other than full completion of the application, then perhaps a Memo of Understanding or some path to go forward. The letter will state that what we are looking for at this point is a short-term MOU and what we would like from each applicant is their vision of what we can accomplish over 18 months and how to do it – what they expect to bring to the table monetarily and personnel-wise. Heaton will draft a letter and send it to the board for approval before releasing it to the applicants.

Other Business

Heaton gave a report on his recent trip to Baltimore where he spoke at the NIC Workshop. There was discussion about repositories, interim storage facilities, and the BRC report.

Open Meetings Act Resolution (continued)

Maddox proposed that paragraphs 9, 10 and 11 become one paragraph. Paragraph 9 would be unchanged, followed by, “The request may be oral, emailed or written and must include the name of the person making the request and the subject on which they wish to address the Governing Board. The presentations by such persons addressing the Governing Board may be limited as determined by the chairman; provided, however, each person will have at least three minutes to speak. All persons, agencies or organizations that require an extended time to discuss public business or matters with the Governing Board, must make their request, in writing, at least seven days prior to the meeting. Such persons addressing the Governing Board will be allowed an appropriate time to present at the discretion of the chairman.”

Maddox stated that with the above changes, he would move for adoption of the resolution as presented. Volpato seconded the motion. Motion carried. Clean copies will be e-mailed as soon as possible.

Adjournment

Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
TUESDAY, AUGUST 7, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Tuesday, August 7, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman (via phone)
 Johnny Cope, Vice-Chairman (via phone)
 Jack Volpato, Secretary/Treasurer

Members Absent: Jim Maddox

Alternates Attending: Monty Newman (via phone)

Alternates Absent: Gary Schubert
 Bob Forrest

Staff: Dr. Lisa Hardison
 John Waters
 Shaye Coats

Approval of Agenda

Heaton called attention to the agenda and suggested that two items be added – Item 07: Kevin Riley Briefing and Item 08: Monty Humble Briefing. It was also noted the Hardison had asked Waters to update the agenda to include Item 05: Insurance – General Liability Policy. Cope moved for approval of the agenda as amended. Volpato seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 5/29/2012 and 6/4/2012 meetings. Volpato moved to amend the 5/29/2012 minutes by moving John Waters from Guest to Staff. Cope seconded the motion. Motion carried. Volpato moved to amend the 6/4/2012 minutes by moving John Waters and Dr. Lisa Hardison from Guest to Staff. Cope seconded the motion. Motion carried.

Financial Report

Volpato reported that ELEA currently has a balance of \$3,261.30. He also reported the Eddy County had approved the \$25,000 request from ELEA and that we should be receiving a check by next week. Heaton asked that Shaye bill the three other entities \$25,000 each. Heaton expressed

his concern about following city policy and having some type of budget in place. Volpato stated that he would come up with a brief preliminary budget.

Payment of Bills

Newman moved to pay the bills to the newspapers immediately and to pay the bills owed to Rodey, Dickason, Sloan, Akin & Robb, P.A. and Urenco when the funds come in from the four entities. Volpato seconded the motion. Motion carried.

Insurance

The general liability policy with Leavell Insurance Agency is due September 10, 2012 in the amount of \$2,200. It was discussed that in 2013 we will get other quotes for the insurance but due to time constraints this year ELEA would continue their policy with Leavell Insurance Agency. Cope motioned to pay the premium. Volpato seconded the motion. Motion carried.

Riley Briefing

Heaton gave an overview of the meeting with Kevin Riley. In Riley's proposal he would like to use the funds from the settlement fund to create the storage facility; with the exception of the transportation or the storage containers. In order to proceed this way each entity (City of Hobbs, Leas County, City of Carlsbad and Eddy County) would have to commit to at least a 1.5 million contribution to the project to cover the other costs.

Humble Briefing

Heaton reported that Mr. Humble and Mr. Jones wanted us to partner with Texas. From their discussion Heaton felt as though Humble and Jones wanted ELEA to hire them to oversee our contractor (when we enter into a contract). Jim Maddox was also in attendance at the meeting. Newman asked that we discuss this more when Maddox was in attendance and it was agreed to discuss more at a later meeting.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership. Johnny Cope made the motion and it was seconded by Newman. A vote was taken to go into executive session: Heaton-Yes, Cope-Yes, Volpato-Yes, Newman-Yes.

Volpato made the motion to return to the regular meeting and it was seconded by Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Cope-Yes, Volpato-Yes, Newman -Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session were the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership and no action was taken.

Next Meeting

The next meeting for ELEA will be Monday, August 13, 2012 at 8:00 a.m. It will be held at the Carlsbad Department of Development; 400-2 Cascades Ave., Ste. 201, Carlsbad, NM 88220.

Adjournment

Volpato moved to adjourn the meeting. Cope seconded the motion. Motion carried. Meeting adjourned.

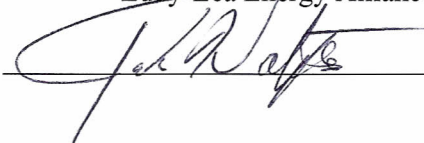
EDDY-LEA ENERGY ALLIANCE, LLC

By: _____


John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____



**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
MONDAY, AUGUST 13, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Monday, August 13, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman (via phone)
 Johnny Cope, Vice-Chairman (via phone)
 Jim Maddox, Director

Members Absent: Jack Volpato, Secretary/Treasurer

Alternates Absent: Gary Schubert
 Bob Forrest
 Monty Newman

Staff: John Waters
 Shaye Coats

Approval of Agenda

Heaton called for an approval of the Agenda. Cope moved for approval of the agenda as presented. Maddox seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 7/8/2012 meeting with an amendment of one paragraph changing President Heaton to Chairman Heaton. Cope moved to approve the minutes as amended. Maddox seconded the motion. Motion carried.

Alltel Contract

Maddox stated with Cope's help they would try and locate the Alltel contract and report back to the board once they have any information.

Western Commerce Bank Statement

Waters reported that the monthly bank statement is currently going to PO Box 905 in Hobbs. Cope stated that he was currently getting the bank statements as that is his PO Box. Waters reported that Accounting and Consulting Group (ACG) in Carlsbad needs copies of the statements as the last one that they have on file is over three months old. It was agreed that the

address on file at Western Commerce Bank will be changed to reflect the address of ACG. The Board will ask ACG to send out quarterly information to the 4 members of the board and the 2 departments of development.

FY 2012-2013 Budget – DRAFT

It was agreed by all those in attendance that they would review the proposed budget and be ready for discussion and approval at the next meeting.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership. Cope made the motion and it was seconded by Maddox. A vote was taken to go into executive session: Heaton-Yes, Cope-Yes, Maddox-Yes.

Maddox made the motion to return to the regular meeting and it was seconded by Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Cope-Yes, Maddox -Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session were the confidential details related to the Request for Proposal Request on Development of Interim Storage Strategic Partnership and no action was taken.

Next Meeting

The next meeting for ELEA will be Friday, August 24, 2012 at 10:00 a.m. It will be held at the Carlsbad Department of Development; 400-2 Cascades Ave., Ste. 201, Carlsbad, NM 88220.

Adjournment

Cope moved to adjourn the meeting. Maddox seconded the motion. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
FRIDAY, AUGUST 24, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Friday, August 24, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Johnny Cope, Vice-Chairman (via phone)
 Jim Maddox, Director
 Jack Volpato, Secretary/Treasurer

Alternates Absent: Gary Schubert
 Bob Forrest
 Monty Newman

Staff: Dr. Lisa Hardison
 John Waters
 Shaye Coats

Guest: Norbert Rempe

Approval of Agenda

Heaton called for the approval of the Agenda. Volpato moved for approval of the agenda as presented. Maddox seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 8/13/2012 meeting. Cope moved to approve the minutes. Volpato seconded the motion. Motion carried. Volpato abstained from voting on the minutes as he was not in attendance during the 8/13/2012 meeting.

Treasurers Report

Volpato gave a brief overview of the income and expense report for ELEA. We received a check in the amount of \$25,000 from Eddy County.

Alltel Contract

Maddox stated via phone, that he was unable to locate the Alltel contract in Mr. Hannah's professional files. He reported that there were several files sent to Lea County and he was planning to review those as well. He will report back at the next board meeting.

Payment of Bills

Volpato presented two bills from The Lovington Leader in the amount of \$19.52 and \$20.20. Hardison stated that the General Liability Insurance with Leavell Insurance totaled \$2,259. Volpato made a motion to pay The Lovington Leader and Leavell Insurance. Maddox seconded the motion. Motion carried.

FY 2012-2013 Budget – DRAFT

A motion was made by Volpato to accept the FY 2012-2013 budget as presented with the understanding that the budget would have to be flexible since this was the first year with an official budget in place. A second was made by Maddox. Hardison called into question the line item for Administration and why it stated the “Carlsbad Department of Development”. Maddox felt it might be better to remove “Carlsbad DOD” and replace it with “To Be Reviewed and Approved”. Volpato moved to amend his motion to accept the FY 2012-2013 budget to reflect the change in wording suggested by Maddox. Maddox seconded the motion. Motion carried.

Guest Norbert Rempe excused himself from the meeting before the board went into executive session.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership. Volpato made the motion and it was seconded by Maddox. A vote was taken to go into executive session: Heaton-Yes, Cope-Yes, Maddox-Yes, Volpato – Yes.

Volpato made the motion to return to the regular meeting and it was seconded by Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Cope-Yes, Maddox –Yes, Volpato – Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session was the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership and no action was taken.

Next Meeting

The next meeting for ELEA will be a Face-to-Face meeting on Friday, September 7, 2012 at 3:30 p.m. It will be held at the Carlsbad Department of Development; 400-2 Cascades Ave., Ste. 201, Carlsbad, NM 88220.

Adjournment

Volpato moved to adjourn the meeting. Cope seconded the motion. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____

John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
FRIDAY, SEPTEMBER 7, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Friday, September 7, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Jim Maddox, Director (via phone)
 Jack Volpato, Secretary/Treasurer

Members Absent: Johnny Cope, Vice-Chairman

Alternates Absent: Gary Schubert
 Bob Forrest
 Monty Newman

Staff: Dr. Lisa Hardison
 John Waters
 Shaye Coats

Guest: Councilor Jason Shirley
 Councilor JR Doportto

Approval of Agenda

Heaton called for the approval of the Agenda. Volpato moved to amend and accept the agenda as follows: Item 4 – Cell Tower Update, Item 5 – Insurance Update, Item 6 – Consideration of Articles of Organization Amendments, Item 7 – Review response from NAC/Flour, Item 8 – Review response from Areva, Item 9 – Closed Executive Session, Item 10 – Determine next steps for project, Item 11 – Next Meeting, and Item 12 – Adjournment. Maddox seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 8/24/2012 meeting. Maddox moved to approve the minutes with the following amendments; under the Alltel Contract, change the first sentence to read, “Maddox stated, via phone, that he was unable to locate the Alltel contract in Mr. Hanna’s professional files”. In the second sentence change the “City of Hobbs” to “Lea County”. Volpato seconded the motion. Motion carried.

Treasurers Report

Volpato gave a brief overview of the income and expense report for ELEA. We received a check in the amount of \$25,000 from Lea County.

Alltel Contract

Waters and Maddox reported that the current contract still needs to be tracked down. The one that was located is from 1997. Hardison reported that Lea County is looking through Mr. Hannah's professional files and suggested that we need to give the County time to go through everything before we follow up with them again.

Payment of Bills

Volpato presented two bills; one from The Lovington Leader (\$12.79) and the other from Hobbs Daily News-Sun (\$25.81). Volpato made a motion to pay both bills. Maddox seconded the motion. Motion carried.

Consideration of Articles of Organization Amendments

Heaton presented the Operating Agreement and the proposed changes he would like for the members of ELEA to consider. He advised the two Councilman, Jason Shirley and JR Doport, that before any changes could be made to the Operating Agreement the four parent entities would have to agree to the changes. He wanted the committee to know that it may take several months before any changes could be made since all parties must be in agreement.

Maddox pointed out that on the Agenda the Item was listed as "Consideration of Articles of Organization Amendments". He asked Heaton if we were going to be changing the Articles of the Organization. Heaton stated that this was a mistake on the Agenda and that it should actually show that we would like to consider making changes to the Operating Agreement which is the same as the Joint Powers Agreement.

Before Heaton presented the proposed changes, Maddox requested that he be allowed to read over the changes and asked that we wait before we make any changes.

Heaton summarized the changes as follows:

- Section B – This section deals with GNEP. Heaton suggests that we remove i & ii. These two points only focus on GNEP. He would suggest that we leave iii since it is a broader statement that focuses on our business ideas.
- Our fiscal year begins July 1 and ends June 30 (like our parent companies). Heaton feels that this is when the transfer of officers should occur instead of at the beginning of the calendar year.
- Heaton suggested that 4.3 should be changed as well since GNEP is no longer viable. There may have been some changes made via the Resolution in the March meeting but the Resolution has no real power unless the Operating Agreement is officially changed.

- This item refers to the distribution of money. Heaton suggest this clause; distribution of gross receipts taxes, property taxes or payment in lieu of taxes are paid either directly to Lea County or paid to Lea County by the State of New Mexico that are directly attributable to the sale of goods, or performance of services, or improvements on the property, be distributed equally to the members based on their percentage interest. He hopes that this makes sense as this is what the intent has always been. 4.3 previously referred to GNEP only and since GNEP is not around and we are looking at other projects; Heaton feels that they statement needs to be broader.
- 4.4 should be changed to reflect the possibility of receiving an incentive and making it possible to distribute to the members according to their percentage. As it is written now it is to be held by the Board until dissolution of the LLC. Heaton wrote a different statement with suggestions from Hardison that anticipated revenues that will be generated under this Agreement that may result in excess funds after payment of all necessary and legitimate costs.
 - Heaton called to attention that we have to have a budget prepared in advance of the City's and County's preparing their budgets so there is a 30 mandate written in. Heaton thinks that the City's and County's would prefer for us to have it to them by 60 days or by March since that is when they start their budget process. So we need to be more diligent.
 - Heaton discussed 4.9 as it applies to special funding and asked Maddox for clarification on the history. Maddox said it would be something that he would need to look into.
 - On 6.1.1 Heaton stated that as an FYI, as the "administering agency" and the "fiscal agency" we must consider that we must meet all of the City's and County's restrictions and requirements related to a fiscal agent.
 - 6.2.2 is about designating, in writing, one director and one alternative to represent the board. Heaton stated that there has been talk about expanding the board so he suggested that each member shall designate in writing two directors, one of whom shall be an elected official of the Members body. So that should help us obtain a representative from the City's and the County's (that make up ELEA) whom can then relay information back to the governing bodies so that the "outside" group is not the only one with representation. This will take the membership up to eight and four alternates. It would help the quorum problem and the ability to have meetings.
 - Regarding 6.4.1 Heaton stated that we have adopted a Resolution but that it is not the same as having it in the Operating Agreement. So, 6.4.1 would state that we can have a telephonic meeting if the majority says, and that we can acknowledge telephonic voting. We will annually review the open meetings act and if necessary will make changes or will reaffirm the Open Meetings Act Resolution that we have. 6.4.1 will refer the reader to the Resolution rather than including it in the document.
 - Regarding the Officers (6.6.1) we are required to have a Chairperson, Treasurer and Secretary. Heaton stated that we have always had a Chairman, Vice-Chairman and Secretary/Treasurer. So Heaton would suggest that we add a Vice-Chairman, then we would have four officers.

- Heaton stated that there were a couple of FYI's about books and records. All reports, and minutes need to be sent to our "parents" on a routine basis so that they are informed on what is being done.

Heaton stated that this is an overview and that we will present this as an item at the next meeting to allow time for everyone to review in more detail.

Insurance

Heaton reported that he had talked to Leavell regarding the renewal of the ELEA insurance policy. The policy provides \$1,000,000 in coverage but ELEA needs a policy that provides \$1,050,000 in coverage. Leavell was going to look into the cost of adding the additional \$50,000 in coverage and let Heaton know what the difference would be. Heaton asked Leavell to see if the current policy complies with the Tort Reform Act and to write a letter for ELEA stating whether the policy does or does not comply with the act.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership. Volpato made the motion and it was seconded by Maddox. A vote was taken to go into executive session: Heaton-Yes, Maddox-Yes, and Volpato - Yes.

Volpato made the motion to return to the regular meeting and it was seconded by Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Maddox - Yes, and Volpato - Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session was the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership and no action was taken.

Next Meeting

The next meeting for ELEA will on Friday, September 21, 2012 at 9:00 a.m. It will be held at the Carlsbad Department of Development; 400-2 Cascades Ave., Ste. 201, Carlsbad, NM 88220.

Adjournment

Maddox wanted to thank both Councilor Shirley and Councilor Doportto (from Carlsbad) for attending the meeting and appreciated both of them for taking an interest in ELEA. He invited both of them to attend again. Volpato also thanked both councilmen for attending the meeting and invited them back as well.

Volpato moved to adjourn the meeting. Maddox seconded the motion. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
FRIDAY, SEPTEMBER 28, 2012**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Friday, September 28, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Jim Maddox, Director (via phone)
 Johnny Cope – Vice-Chairman
 Jack Volpato, Secretary/Treasurer

Alternates Absent: Gary Schubert
 Bob Forrest
 Monty Newman
 Roxann Lara

Staff: Dr. Lisa Hardison
 John Waters
 Shaye Coats

Guest: Mayor Sam Cobb

Approval of Agenda

Heaton called for the approval of the Agenda. Maddox voiced his concern over approving the Agenda until we know what direction ELEA is going to take. He felt it would be better to get a legal opinion of what type of organization ELEA is before we make any decisions or enter into any contracts with anyone. Cope agreed with Maddox. Volpato understood the concern but asked that they agree to approve the Agenda and then table the items they felt we should not enter into until we received the legal opinion. Cope moved to accept the agenda with the option to table any item they felt necessary. Volpato seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 9/7/2012 meeting. Maddox moved to approve the minutes with the following amendment: add Roxann Lara under Alternates Absent. Volpato seconded the motion. Motion carried.

Payment of Bills

Volpato presented bills for the Carlsbad Current Argus in the amount of \$129.54, Hobbs New Sun for \$16.16, and Windstream for \$69.77. Volpato said the Windstream bill is for all of the conference calls ELEA has been having. Heaton moved to pay the bills as presented. Volpato seconded the motion. Motion carried.

Western Commerce Bank Account

Shaye Coats presented the information that she received from the representative at Western Commerce Bank. Currently James Maddox, Johnny Cope, Robert Forrest, Harry Teague, Janelle Whitlock, and Steve Massey are on the signature card for ELEA. Volpato moved to remove Forrest, Teague, Whitlock and Massey from the signature card and add himself and Heaton. Heaton seconded the motion. Motion carried.

RFP for Attorney

Maddox felt there was no need for an RFP for an Attorney to look at ELEA and determine what type of organization we are as long as we keep the expense under a certain amount. Heaton and Maddox will work together to come up with a scope of work for Allen Hall and in that scope they will state the services are not to exceed the \$10,000 threshold. Volpato moved to hire Allen Hall not to exceed \$10,000. Cope seconded the motion. Motion carried.

RFP for Auditor

Heaton presented a copy of the RFP for Auditor from the City of Carlsbad. Heaton stated that we needed to hire an auditor based upon the response that we received from the State Auditor's office. Maddox felt that we needed the independent counsel to let us know what type of organization we are first. Maddox and Cope felt the scope of work for the RFP was not clear. There was some discussion on what the scope of work would be. Volpato suggested that if we are a government agency we are only required to go back one year so the scope of work should include an audit for FY 12 (7/1/11 – 6/30/2012). Heaton will work with Maddox to put together a scope of work and then send a rough draft out for the board to review. Heaton moved to prepare and RFP for an Auditor to include an audit for FY 12. Volpato seconded the motion. Motion carried.

RFP for Insurance

Volpato moved to table the RFP for Insurance until we receive more information from independent counsel on what type of organization we are, so we know what type of insurance is required. Cope seconded the motion to table. Motion carried.

Insurance Statement and Letter from Leavell Agency

Cope moved to table a decision for additional insurance (on top of the current policy) until we find out more information from independent counsel. Volpato seconded the motion. Motion carried.

Concept Paper for Broad Based BRC Support

Heaton presented a concept paper draft that he prepared for a meeting in Dallas sometime in September. He outlined a list of initiatives on the second page of the paper. Heaton encouraged everyone to attend the meeting if possible.

Consideration of the Operating Agreement

Maddox moved to table any action on the Operating Agreement until we received more information from independent counsel regarding ELEA. Volpato seconded the motion. Motion carried. Maddox felt we should include this topic in our request to the independent counsel.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership. Volpato made the motion and it was seconded by Cope. A vote was taken to go into executive session: Heaton-Yes, Maddox-Yes, and Volpato - Yes.

Guest Norbert Rempe left the meeting at this time.

Volpato made the motion to return to the regular meeting and it was seconded by Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Maddox - Yes, and Volpato - Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session was the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership and no action was taken.

Volpato moved to contact AREVA and enter into discussion regarding contract negotiations. Cope seconded the motion. Motion carried.

Cope moved to adjourn the meeting. Maddox seconded the motion. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
WEDNESDAY, OCTOBER 24, 2012 @ 8:30 AM**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, October 24, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Johnny Cope – Vice-Chairman
 Jack Volpato, Secretary/Treasurer

Members Absent: Jim Maddox, Director

Alternates Present: Bob Forrest

Alternates Absent: Gary Schubert
 Monty Newman
 Roxann Lara

Staff: Dr. Lisa Hardison
 John Waters
 Shaye Coats

Guest: Rep. Cathryn Brown
 Councilor Greg Fulfer (Via Phone)
 Dorothy Davidson
 Robert Edmonds
 John Donel
 Eric Knox
 Church Bernhardt

Approval of Agenda

Heaton called for the approval of the Agenda. Cope moved to accept the agenda as presented. Volpato seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 9/28/2012 meeting. Cope moved to approve the minutes. Volpato seconded the motion. Motion carried.

Payment of Bills

Volpato presented bills for the Carlsbad Current Argus in the amount of \$87.72, Hobbs New Sun for \$31.48 & \$26.20, and Lovington Leader for \$12.79. Cope moved to pay the bills as presented. Heaton seconded the motion. Motion carried.

Status of Checking Account

Shaye said that once Maddox signed the signature card the checking account would be up to date. She asked Lisa Hardison if she would take the signature card to Maddox for his signature and then mail it back to the CDOD.

Status RFP for Auditor

Heaton submitted a draft of an RFP for Audit Services; it is based on state guidelines. In the RFP he is asking that everyone respond by November 15th. Volpato suggested that the date be moved to November 30th. The Audit will be for the FY 2011-2012. Cope moved to approve the RFP and amend the date of acceptance from November 15th to November 30th. Volpato seconded the motion. Motion carried.

Status of Insurance Coverage

Heaton informed the Board that currently we need our \$1 million policy plus and additional \$50,000 to be in compliance. Fulfer asked if we could receive a waiver but Heaton did not think so. Heaton said we had two choices: purchase an additional \$1 million in coverage or wait until we have a determination from Allan Hall regarding the status of ELEA. Cope moved to keep the Insurance Coverage at \$1 million until we receive more information from Allan Hall. Volpato seconded the motion. Motion carried.

Governmental Conduct Act

Heaton presented the Governmental Conduct Act form to the Board. He asked all of the current ELEA Board Members and Alternates to fill out the form so it is on file. It will need to be completed on an annual basis.

Committee Reports

Operating Agreement Recommendations by Allan Hall – Heaton presented a memo from the Rodey Law Firm. They agree that the initial analysis by the State (NM) Auditor is reasonable and that ELEA may be classified as a government entity. They also do not feel that ELEA would benefit from changing their operating agreement or articles of organization. Rather, they suggest that changing the JPA might be the best solution. There were suggestions made by board members that ELEA look into becoming an Authority or have a Fiscal Agent. Volpato moved to entertain offers from all four governing entities to become the Fiscal Agent (all inclusive) for ELEA and while we are waiting on the offers we will continue to operate the same as we always have. Cope seconded the motion. Motion carried.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership. Volpato made the motion and it was seconded by Cope. A vote was taken to go into executive session: Heaton-Yes, Cope-Yes, and Volpato - Yes.

Guest Norbert Rempe left the meeting at this time.

Volpato made the motion to return to the regular meeting and it was seconded by Cope. A vote was taken to go into the regular meeting: Heaton-Yes, Cope - Yes, and Volpato - Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session was the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership and no action was taken.

Cope moved to adjourn the meeting. Volpato seconded the motion. Motion carried. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
WEDNESDAY, DECEMBER 7, 2012 @ 8:30 AM**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, December 7, 2012.

Call to order and roll call

Chairman John Heaton called the meeting to order and determined that there was a quorum.

Members Attending: John Heaton, Chairman
 Johnny Cope – Vice-Chairman (Via Phone)
 Jack Volpato, Secretary/Treasurer (Via Phone)
 Jim Maddox, Director (Via Phone)

Alternates Absent: Gary Schubert
 Monty Newman
 Roxanne Lara
 Bob Forrest

Staff: Dr. Lisa Hardison (Via Phone)
 John Waters
 Shaye Coats

Guest: Rep. Cathrynn Brown
 Councilor Greg Fulfer (Via Phone)
 Councilor Jason Shirley
 Sam Cobb (Via Phone)
 Norbert Rempe

Approval of Agenda

Heaton called for the approval of the Agenda. Cope moved to accept the agenda as presented. Maddox seconded the motion. Motion carried.

Approval of Minutes

Heaton asked for approval of the minutes for the 10/24/2012 meeting. Cope moved to approve the minutes to include the suggested change the spelling of Cathrynn Brown's name. Heaton seconded the motion. Motion carried.

Payment of Bills

Shaye Coats presented bills for the Carlsbad Current Argus in the amount of \$130.90, Hobbs New Sun for \$26.87 & \$31.48, Lovington Leader for \$19.53, Accounting and Consulting Group for \$320.40, and Windstream \$23.74. Maddox moved to pay the bills as presented. Volpato seconded the motion. Motion carried.

Status RFP for Auditor

The RFP for Audit Services was sent to all of the firms on the state auditor's list. There were three responses. After grading the proposals based on the RFP, Cope moved to accept the bid from Axiom for the calendar year ending June 30, 2012. Volpato seconded the motion. Motion carried.

Changes to JPA

Heaton sent everyone the recommended changes to the JPA. The changes noted were recommended by Allen Hall. After a lengthy discuss, all members agreed to take the changes back to their City's/County's for review.

Governmental Conduct Act

Heaton presented the Governmental Conduct Act form to the Board. He asked all those present to sign the Act and return it to Shaye. Representative Brown did not feel that the form that was presented was acceptable. She felt it was missing a lot of key information. She suggested that we look closer at the form the State of NM uses. It was agreed that ELEA would review the form that the State currently uses.

Update on Arvea

Heaton reported that he is continuing to meet every other week with Arvea via phone. Arvea has been going forward, and they are currently working on communication document. They have yet to sign a MOU. This may take another month to complete. With the help of Rep. Brown there was a meeting with Governor Martinez and Secretary Martin. The main reason for the meeting was to introduce ELEA and its corporate entities as well as inform them both of what ELEA is trying to accomplish. The meeting was effective and it seems as they now have an understanding what direction ELEA is taking. Maddox thanked all of those who attended the meeting including the elected officials and specifically Representative Brown.

Fiscal Agent Agreement by City or County

Heaton reported that a letter was mailed to Eddy County, Lea County, Carlsbad and Hobbs regarding taking over as the Fiscal Agent for ELEA. Eddy County wants to hold off on making decision until the newly elected commissioners have a chance to take office. Lea County has already submitted a proposal to become Fiscal Agent. All agreed that any decision on the Fiscal Agent will be postponed until after the first of the year.

Executive Session

John Heaton advised that the committee convene in executive session to discuss the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership. Volpato made the motion and it was seconded by Cope. A vote was taken to go into executive session: Heaton-Yes, Cope-Yes, Maddox – Yes, and Volpato - Yes.

Guest Norbert Rempe left the meeting at this time.

Volpato made the motion to return to the regular meeting and it was seconded by Maddox. A vote was taken to go into the regular meeting: Heaton-Yes, Cope - Yes, Maddox – Yes, and Volpato - Yes.

After the executive session was held Chairman Heaton indicated that the only business discussed in the executive session was the confidential details related to the Request for Proposal for Development of an Interim Storage Strategic Partnership and no action was taken.

Determine Next Steps for Project

Heaton stated that the partners are putting together a communication agreement, and that further discussion with Secretary Martin will begin soon. He is going to try and get Areva to move forward as quickly as possible on the MOU.

Next Meeting

At the next meeting there will be a change of leadership as everything will revert back to Lea County.

Cope mentioned a meeting in Dallas. Both Cope and Heaton plan on attending.

Maddox moved to adjourn the meeting. Meeting adjourned.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Jack Volpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC**

WEDNESDAY, FEBRUARY 20, 2013

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, February 20, 2013 at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, NM.

Call to order and roll call

Chairman John Heaton called the meeting to order at 8:40 am and a quorum was present.

Members Attending: John Heaton, Chairman
Johnny Cope, Vice-Chairman
Jack Volpato, Secretary/Treasurer
Jim Maddox, Director

Members Absent:

Alternates Attending: Gary Schubert

Alternates Absent: Bob Forrest
Monty Newman
Roxanne Lara

Guests: Lisa Hardison, EDC of Lea County, President
John Waters, Carlsbad DOD, President
Gregg Fulfer, Lea County, Commission Chair
Sam Cobb, City of Hobbs, Mayor
JJ Murphy, City of Hobbs, Manager
Scotty Holloman, Lea County, Attorney
Mike Gallagher, Lea County, Manager
Mike Stone, City of Hobbs, Attorney

Approval of Agenda

Johnny Cope motioned to approve agenda as presented. Jim Maddox seconded the motion. Motion carried.

Approval of Minutes

Jack Volpato motioned to approved the 12/7/2012 minutes as presented. Johnny Cope seconded the motion. Motion carried.

Financial Report

Jack Volpato reviewed budget activity since the December meeting. There was no new information available regarding the cell tower. John Heaton requested that Mike Gallagher follow up to see if Lea County had any records of these transactions.

Approval of Bills

Bills were presented for the payment of the legal notices for the last meeting in the area newspapers. Jack Volpato made the motion to approve payment of the bills as presented. Jim Maddox seconded the motion. Motion carried.

JPA Changes and presentation

John Heaton asked Jim Maddox to present the information concerning the updates to the JPA. Maddox asked Scotty Holloman, representing Lea County as their attorney, to review the February 12, 2013 memo (attached) with the group. The memo was reviewed. Additional discussion was held about the need for possible changes to the Operating Agreement and Articles of Organization so that all these documents were aligned.

Scotty Holloman noted that any payments in lieu of taxes (PILT) would need to include consideration for the schools, hospital districts, and junior college, if an industrial revenue bonds (IRB) was part of a future agreement. John Heaton indicated that it should be written so that the taxing beneficiaries would receive their full payment. Scotty Holloman said that it is impossible to predetermine what will happen in each situation, but that Alan Hall, partner at the Rodey Law Firm, could write something in general terms for the JPA. Sam Cobb suggested that in the case of an IRB that the remainder of the PILT payment (excluding the schools, etc.) should be split by the partners.

Additional discussion was held regarding ELEA meetings that may be held outside of NM and about what is allowed under the NM Open Meetings Act. John Heaton requested that the ELEA work with Alan Hall to determine what is allowed by the Open Meetings Act regarding the location of meetings and how the public is informed and how they can participate.

Jim Maddox requested that Scotty Holloman and Mike Stone, attorney for the City of Hobbs, update the JPA memo presented with the changes and questions and return it to him. Maddox will then forward it on to Alan Hall. Maddox indicated that he would speak with Alan Hall to amend the Joint Powers Agreement and Articles of Organization as discussed and then provide to the ELEA for review and approval. The approved documents would then be provided to Eddy County, Lea County, City of Hobbs and the City of Carlsbad.

Fiscal Agent

It was reviewed that Lea County had submitted a letter to the ELEA to serve as the organization's fiscal agent. Jack Volpato indicated that Eddy County was also interested, but by mistake it was omitted from the last Eddy County agenda and no action was taken at the meeting. He believes that Eddy County still has an interest in serving as the fiscal agent and could place on the agenda for consideration at the March 12 meeting. Jim Maddox asked if the ELEA could we move forward with Lea County as the fiscal agent for a 3-year term which would include March through June of 2013 and fiscal years 2013-2014, 2014-2015, 2015-2016. The ELEA would reassess the fiscal agent appointment at that point. It would be best to have a fiscal agent in place as soon as possible because of audit circumstances. Jim Maddox made the motion for Lea County to serve as the fiscal agent to the ELEA for a 3-year term. Jack Volpato indicated that he would like for the fiscal agent to be reviewed each year with the option to renew up to 3 years. Johnny Cope seconded the original motion without the review process. Motion carried. Mike Gallagher requested a letter from the ELEA Chairman that the Board had appointed Lea County as its fiscal agent as well as the meeting minutes for their records.

Open Meetings Act

Jim Maddox requested that someone familiar with the Open Meetings Act to review the ELEA's Open Meeting Act before making any changes. Maddox suggested that Mike Stone conduct the review. John Heaton suggested the Open Meetings Act (attached) be approved as presented with the option to update again at the next meeting. He also suggested that it be reviewed and updated as needed annually. Jack Volpato made the motion to adopt the updated Open

Meetings Act with the option to make further updates if pending legislation is passed. Jim Maddox seconded the motion. Motion carried.

Review Reports

John Heaton reviewed the following items with the committee.

- MOU between ELEA and AREVA – The next step will be for the ELEA to provide feedback or approve the MOU.
- NRC Letter of Intent – Need to provide a letter to the NRC stating the intent to file for a license, so that the NRC can make the appropriate budgetary adjustments. Maddox will review and send letter from ELEA.
- Host Agreement with NM – Close to discussion stage with Secretary Martin
- Solicit Letters from Governors to Support Funding for Host States – Will need work through Secretary Martin to visit with Governor Martinez on this topic.
- ELEA Audit - Chris Garner with Axiom will be reviewing records on Feb. 27, 28 and March 1st. The anticipated delivery time is 90 days.

Election of Officers

John Heaton made a call for nominations for officers. Johnny Cope nominated Jim Maddox as Chair. Cope made the motion and Heaton seconded. Motion carried. Cope nominated John Heaton as Vice Chair and made the motion. Maddox seconded the motion. Motion carried. John Heaton nominated Johnny Cope as Secretary and made the motion. Volpato seconded the motion. Motion carried. Heaton nominated Jack Volpato as Treasurer and made the motion. Cope seconded the motion. Motion carried. The new slate of officers for 2013 will be Jim Maddox as Chair, John Heaton as Vice-Chair, Johnny Cope as Secretary, and Jack Volpato as Treasurer.

Jim Maddox conducted the remainder of the meeting as Chair.

Executive Session

Maddox advised that the committee convene in executive session to discuss the confidential details related to the Interim Storage Strategic Partnership. Maddox stated that according to Section 10-15-1 (H)(6) NMSA 1978, executive session is allowed for the purpose of discussing contracts related to the land. Motion was made by Cope to into Executive Session and seconded by Volpato. Motion carried.

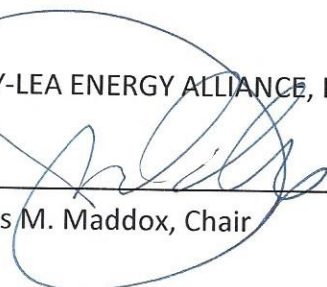
Return to Regular Session

After Executive Session was held, Maddox stated that the group took no formal action on any items and the discussion pertained to the details of the contract related to the land.

Adjournment

John Heaton made a motion to adjourn and it was seconded by Cope. Motion carried. Meeting adjourned at 10:30 am.

EDDY-LEA ENERGY ALLIANCE, LLC

By: 
James M. Maddox, Chair

ATTEST:

By: 
Johnny Cope, Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, March 20, 2013**

A regular meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, March 20, 2013 at the Carlsbad Department of Development, 400-2 Cascades Ave., Suite 201, Carlsbad, New Mexico.

Call to order and roll call

Chairman Jim Maddox called the meeting to order at 9:05 a.m. and determined that there was a quorum. Notice of the meeting was published as required by law.

Members Attending: James M. Maddox, Chairman
John Heaton, Vice-Chairman
Jack Volpato, Treasurer
Johnny Cope, Secretary

Members Absent:

Alternates Attending: Susan Crockett

Alternates Absent: Bob Forrest
Monty Newman
Gary Schubert

Guests: David Martin, NM Cabinet Secretary of Environment
Sam Cobb, Mayor of Hobbs
Gregg Fulfer, Lea County Commissioner (on phone)
Mike Gallagher, Lea County Manager (Fiscal Agent)
Dorothy Davidson, AREVA (Industry Team Partner)
Bob Edmonds, AREVA (Industry Team Partner)
John Donnell, URS (Industry Team Partner)
Eric Gerber, URS (Industry Team Partner)
Eric Knox, URS (Industry Team Partner)

Staff: Lisa Hardison, EDC of Lea County
John Waters, DOD of Carlsbad

Approval of Agenda

Jim Maddox made a motion to approve the agenda. Johnny Cope seconded the motion. Motion carried.

Approval of Minutes for 2/20/2013

Jim Maddox suggested that under the "JPA Changes and Presentation" section of the minutes that a copy of the memo from Scotty Holloman be attached, that Scotty Holloman be identified as the attorney for Lea County, that Alan Hall be identified as a partner at the Rodey Law Firm, and that Mike Stone be identified as the attorney for the City of Hobbs. Johnny Cope made a motion to approve minutes with changes discussed. John Heaton seconded the motion. Motion carried.

Status of Amendments to Articles and Operating Agreement

Jim Maddox reported that JPA and Articles of Organization should be ready to discuss at the next regular ELEA meeting. If agreed upon, the JPA and Articles of Organization would then be provided to ELEA partners (City of Carlsbad, City of Hobbs, County of Eddy, and County of Lea representatives) for review prior to seeking approval from each of the respective Commissions.

Maddox continued by stating that all of the ELEA Directors are excited about expanding the board to add the elected officials and he will request that the municipal and county representatives attend the subsequent meetings. Maddox indicated that Gregg Fulfer will be the elected official representing Lea County and Sam Cobb will be representing the City of Hobbs. Jack Volpato indicated that Susan Crocket will represent Eddy County. John Heaton said that City of Carlsbad had discussed a representative, but had not yet formally selected one. John Heaton was asked to visit with the City of Carlsbad to determine who would be the elected official representing them on the ELEA Board.

Payment of Bills

Heaton made a motion to approve the bill as presented for payment. Volpato seconded the motion. Motion carried.

Status of Audit

Maddox asked Lisa Hardison, who was providing staff support for the ELEA audit, to give an update on the status of the audit. Hardison indicated that all the requested documents had been provided to auditor, Chris Garner of Axiom. Hardison said that the audit was scheduled to take about 90 days to complete and work was started 30 days ago. Maddox asked if any additional documents had been located regarding the cell phone tower located on the ELEA property. Hardison said that a few documents had been found and it appeared that either Alltel or AT&T was the current owner of the tower. Maddox requested that Hardison to follow up with Alltel and AT&T. Maddox indicated that he would visit with Axiom to determine when the audit should be completed.

AREVA Team Update

Eric Knox of URS provided an update to the ELEA regarding the efforts made in Washington DC. Knox indicated that the federal budgets are due on April 8, 2013. Also, he indicated that the date for the confirmation hearing (before the Senate Energy Committee) for Ernest Moniz, newly appointed Secretary of Energy, has been set. Knox continued that the Blue Ribbon Commission (BRC) Strategy report (dated January 11, 2013) stated that the democrats and republicans are working together to provide access to funding sources for interim storage and that progress has been made toward this goal by the Department of Energy (DOE).

Knox feels that the new Secretary of Energy is in favor of nuclear and he is encouraged by his interactions and conversations with Moniz. Knox said that Moniz was on the BRC Committee, so he is an informed person that understands the issues. There seems to be some evidence coming from Washington DC that would indicate an urgency related to issue of interim storage, but we will need to ensure that funds will be going to the interested communities.

Heaton indicated that productive progress had been made in the bi-weekly meetings with the officers of ELEA and AREVA. This committee is looking at the Nuclear Regulatory Commission (NRC) process for facility licensure, R&D facility potential, and a gap analysis between GNEP characterization and the required data for NRC licensure.

Maddox asked Knox of the eleven sites that were identified during the GNEP process, how many are interested in interim storage. Knox indicated that four of the original GNEP locations are expressing interest. These states are New Mexico, Mississippi, Texas, and South Carolina. Maddox asked if the GNEP study would be helpful with the NRC licensure process for interim storage. Heaton indicated that more information will be needed than identified during the

GNEP study. John Donnell (URS team member) interjected that the work was descriptive for GNEP project, but now the purpose for the site has changed. He said that the data are good, but greater detail will be needed such as a full year of data regarding environmental/safety perspectives. For example, Donnell said that the GNEP study was conducted in March and does not represent the data for the remainder of the year/seasons.

Volpato said that representatives from New Mexico and Louisiana were on a panel that presented at a Nuclear Energy Institute (NEI) conference recently and it appeared that the other states did not have any solidified plans. Knox added that Virginia and Ohio have shown up at related interim storage meetings, but have never indicated that they intend to pursue interim storage or speak of an identified site or community. Dorothy Davidson (AREVA team member) said that none of the other states are as far along as NM is with a specific site. Heaton said that having the gap analysis between the data that was provided by the GNEP study and the required data for the NRC licensure is needed from AREVA to move forward. Donnell indicated that AREVA has made progress and should have something to review soon.

Closed Executive Session pursuant to sections 10-15-1 (H) (8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978.

Maddox requested that the Directors go into executive session under section 10-15-1 (H) (8) of NMSA 1978 to discuss the purchase, acquisition, or the disposal of real property. Heaton made the motion to go into executive session and Cope seconded the motion. Motion carried.

Return to Regular Session

After the executive session was held, Maddox stated that the group took no formal action on any items and the discussion pertained to the details of the potential contracts related to the real estate owned by ELEA.

Determine Next Steps for Project

On motion by Cope and a second by Heaton, the Chairman and Vice Chairman were authorized to finalize the Memorandum of Understanding (MOU) with the AREVA team. The completed MOU will be subject to final approval by Board.

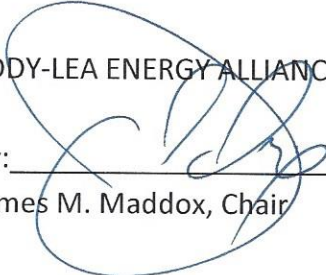
Next Meeting

Maddox said that he would call the next meeting as the project developed.

Adjournment

John Heaton made a motion to adjourn and it was seconded by Cope. Motion carried. Meeting adjourned at 1:15 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: 
James M. Maddox, Chair

ATTEST:

By: 
Johnny Cope, Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
TUESDAY, APRIL 23, 2013**

A regular meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Tuesday, April 23, 2013 at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

Chairman Jim Maddox called the meeting to order at 2:04 p.m. A quorum was present and notice of the meeting was published as required by law.

Members Attending: James M. Maddox, Chairman
John Heaton, Vice-Chairman
Jack Volpato, Treasurer
Johnny Cope, Secretary

Members Absent:

Alternates Attending:

Alternates Absent: Susan Crockett
Bob Forrest
Monty Newman
Gary Schubert

Guests: Sam Cobb, Mayor of Hobbs
Gregg Fulfer, Lea County Commissioner
Pierre Oneid, President SMR, LLC
Norbert Rempe, Carlsbad Resident

Staff: Lisa Hardison, EDC of Lea County

Approval of Agenda

John Heaton requested that an agenda item be added to discuss the formalization of the budget process for the next fiscal year. Jim Maddox made a motion to approve the agenda with the change requested. Heaton seconded the motion. Motion carried.

Approval of Minutes for 3/20/2013

Maddox suggested that a few changes be made to the minutes to correct a typo and to clarify the section regarding the team update. Heaton moved to approve the minutes from March 20, 2013 with the changes. Johnny Cope seconded the motion. Motion carried.

Audit Presentation – Chris Garner, Axiom

Mr. Garner stated that an audit was conducted for the ELEA for the fiscal year 2012. He indicated that Axiom had reviewed the ELEA's financial statements and other requested information to determine if the records are correct. Garner noted that it was a clean opinion. Garner then reviewed communications from the State Auditor. Maddox stated that the ELEA would need to prepare to have an audit completed and submitted in accordance with the State Auditor's timeframe for fiscal year 2013.

Heaton asked about the information found regarding the cell tower lease and revenue. Mr. Garner stated that they were unable to find out anything. Mr. Fulfer stated that Lea County is researching the tower and would provide information as soon as possible to the ELEA.

Heaton asked if there were any additional internal controls that should be in place. Mr. Garner indicated that with a small organization, that does not employ accounting staff, the expenditures and bank account should be closely monitored by the board. Garner indicated that the ELEA was monitoring the expenses well by approving them at the board level and should continue to document the approval of payments in the meeting minutes. Maddox stated with Lea County, as fiscal agent, that their sophisticated controls will become part of future accounting and recording practices.

Status Report of Revised Operating Agreement and Articles of Organization

Maddox handed out a proposed draft of the Operating Agreement and Articles of Organization that had been drafted by Alan Hall, attorney for the ELEA (attached). Maddox indicated that the board members should review the document for preparation for discussion at the next meeting.

Closed Executive Session pursuant to sections 10-15-1 (H) (8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978.

Maddox requested that the Directors go into executive session under section 10-15-1 (H) (8) of NMSA 1978 to discuss the purchase, acquisition, or the disposal of real property. Cope made the motion to go into executive session and Heaton seconded the motion. Motion carried.

Return to Regular Session

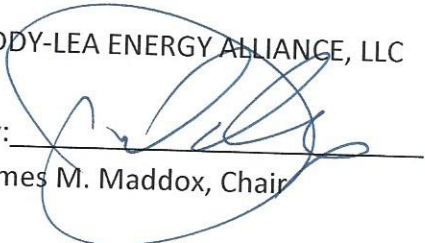
After the executive session was held, Maddox stated that the group took no formal action on any items and the discussion pertained to the details of the potential contracts related to the real estate owned by ELEA.

No further business was discussed.

Adjournment

Heaton made a motion to adjourn and it was seconded by Cope. Motion carried. Meeting adjourned at 5:15 p.m.

EDDY-LEA ENERGY ALLIANCE, LLC

By: 
James M. Maddox, Chair

ATTEST:

By: 
Johnny Cope, Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, MAY 1, 2013**

A regular meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, May 1, 2013 at the Economic Development Corporation of Lea County, 200 E. Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

Jim Maddox called the meeting to order at 9:10 a.m. A quorum was present and notice of the meeting was published as required by law.

Members Attending: James M. Maddox, Chairman
John Heaton, Vice-Chairman
Jack Volpato, Treasurer (by phone)
Johnny Cope, Secretary

Members Absent:

Alternates Attending:

Alternates Absent: Susan Crockett
Bob Forrest
Monty Newman
Gary Schubert

Guests: Sam Cobb, Mayor of Hobbs
JJ Murphy, Hobbs City Manager
Mike Stone, City of Hobbs Attorney
Scotty Holloman, Lea County Attorney

Staff: Lisa Hardison, EDC of Lea County
John Waters, Carlsbad DOD

Approval of Agenda

John Heaton requested that an agenda item be added to discuss the utilization of a lobbyist for the ELEA. Johnny Cope made a motion to approve the agenda with the requested change. Heaton seconded the motion. Motion carried.

Approval of Minutes for 4/23/2013

Maddox requested that the approval of the minutes be tabled until the next meeting. This would allow for the minutes to be recorded in the traditional format to maintain consistency with the records.

Approval of the Bills

The following bills were presented for payment:

- Hobbs News Sun, \$27.55 - Legal notice published on 4/19/13
- Lovington Leader, \$20.87 - Legal notice published on 4/20/13

Jack Volpato made a motion to approve the bills for payment. Heaton seconded the motion. Motion carried.

FY 2012-2013 Audit

Maddox presented a proposed contract for fiscal year 2013 audit (attached) from Axiom. Heaton made a motion to accept the contact from Axiom for audit services. Cope seconded the motion. Motion carried.

Discussion about Lobbyist

Heaton began a discussion about the need for a lobbyist in Washington to represent the ELEA regarding central storage. Cope had indicated that Patrick Murphy had expressed some interest in representing the ELEA. Maddox requested that a proposal from Murphy and others that may be suited for this task be presented at a future meeting of the ELEA.

Status of Revised Operating Agreement and Articles of Organization

Maddox referred to the Operating Agreement and Articles of Organization that had been drafted by Alan Hall, attorney for the ELEA (attached). After extensive review and discussion, Maddox requested that the representatives review these documents with their respective

member municipalities/counties and provide any comments or changes to him so that a completed document could be provided at the next ELEA meeting for approval by the board. Maddox noted that once the ELEA board had approved document, it would then need to be sent to each of the members (City of Hobbs, City of Carlsbad, County of Lea, and County of Eddy) for approval/adoption.

Closed Executive Session pursuant to sections 10-15-1 (H) (8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978.

Maddox requested that the Directors go into executive session under section 10-15-1 (H) (8) of NMSA 1978 to discuss the purchase, acquisition, or the disposal of real property. Heaton made the motion to go into executive session and Cope seconded the motion. Motion carried.

Return to Regular Session

After the executive session was held, Maddox stated that the group took no formal action on any items and the discussion pertained to the details of the potential contracts related to the real estate owned by ELEA.

No further business was discussed.

Adjournment

Heaton made a motion to adjourn and it was seconded by Cope. Motion carried. Meeting adjourned at 11:25 a.m.

EDDY-LEA ENERGY ALLIANCE, LLC

By: 

James M. Maddox, Chair

ATTEST:

By: 

Johnny Cope, Secretary

**AGENDA FOR THE REGULAR MEETING
OF THE BOARD OF THE
EDDY-LEA ENERGY ALLIANCE, LLC**

Thursday, August 22, 2013
200 E. Broadway, Suite A201, Hobbs, NM 88240

AGENDA

ROLL CALL

ITEM 01: Approval of the Agenda

ITEM 02: Approval of the Minutes for 5/22/13

ITEM 03: Ratify Payment of the Bills and Travel Expenses

ITEM 04: Approval of 2013-2014 Budget

ITEM 05: Discussion and Approval of Revised Operating Agreement/Articles of Organization

ITEM 06: Closed Executive Session pursuant to Sections 10-15-1 (H)(8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978. All items to be discussed will pertain to the exceptions listed above and no action will be taken in closed session.

ITEM 07: Approval of MOU with AREVA

ITEM 08: Determine Next Steps for Project

ITEM 09: Set Next Meeting Date

ITEM 10: Adjourn

*- Oct 14 @ 2 pm Board / Otrly
Carlsbad, COOP offices*

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
WEDNESDAY, May 22, 2013**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Wednesday, May 22, 2013 at the Carlsbad Department of Development, 400-2 Cascades Avenue, Suite 201, Carlsbad, NM.

Call to order and roll call

Chairman Jim Maddox called the meeting to order at 9:05 a.m.

Members Attending: Jim Maddox, Chair
John Heaton, Vice President
Johnny Cope, Secretary
Jack Volpato, Treasurer

Alternates Absent: Bob Forrest
Monty Newman
Gary Schubert
Susan Crockett

Guests: Gregg Fulfer
Sam Cobb
Dick Doss
Jason Shirly
Eric Knox-URS
Bob Edmonds-Areva
Dorothy Davidson-Areva

Staff: Lisa Hardison
John Waters

Approval of Agenda

Johnny Cope made a motion to approve agenda as presented. Jack Volpato seconded the motion. Motion carried.

Approval of Minutes for 4/23/2013

John Heaton made a motion to approve the April 23, 2013 minutes as presented and Jack Volpato seconded the motion. Motion carried.

Approval of Minutes for 5/1/2013

John Heaton made a motion to approve the May 1, 2013 minutes as presented and Johnny Cope seconded the motion. Motion carried.

Approval of Bills

The following bills were presented for approval of payment:

- 4/30/2013 Lovington Leader- \$22.22
- 4/30/2013 Carlsbad Current Argus- \$46.09
- 5/1/2013 Hobbs New Sun- \$28.89
- 5/17/2013 Hobbs New Sun- \$28.22

Jack Volpato made a motion to approve the payment of the bills as presented and John Heaton seconded the motion. Motion carried.

Financial Report

Jim Maddox indicated that Lisa Hardison was in the process of transferring all the needed documents over to the Fiscal Agent as well as the balance of the bank account held at Western Commerce Bank. This process will need to be completed prior to the end of the fiscal year (June 30, 2013). The Accounting and Consulting Group has been informed of the transition to a Fiscal Agent for the ELEA and their services have been terminated.

Jack Volpato will prepare and present a draft budget at the next ELEA meeting for review and approval.

Closed Executive Session pursuant to sections 10-15-1 (H) (8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978.

Jim Maddox requested that the Directors go into executive session under section 10-15-1 (H) (8) of NMSA 1978 to discuss the purchase, acquisition, or the disposal of real property. John Heaton made the motion to go into executive session and Johnny Cope seconded the motion. Motion carried.

Return to Regular Session

After the executive session was held, Jim Maddox stated that the group took no formal action on any items and the discussion pertained to the details of the potential contracts related to the real estate owned by ELEA.

Other Business

Jim Maddox indicated that Scotty Holloman, Attorney for Lea County and Alan Hall, Attorney for the ELEA, are continuing to work on the suggested revisions to the Operating Agreement and Articles of Organization and should have the final changes completed by end of May. The revised document will then sent to the Carlsbad and Eddy County attorneys for review. It is anticipated that the final approval of the documents will be in the June/July timeframe.


A copy of the draft proposal of the Nuclear Waste Administration Act of 2013 was circulated to the members. A discussion pursued about the need for the ELEA to provide official comments in response to this proposed legislation. John Heaton motioned that the officers of the ELEA be authorized to prepare and submit comments pertaining to the Nuclear Waste Administration Act of 2013 to congress on behalf of the ELEA. Johnny Cope seconded the motion. Motion carried.

Adjourn

Jack Vopato made a motion to adjourn and Johnny Cope seconded the motion. Meeting adjourned at 11:30 am.



Memorandum

To: Eddy Lea Energy Alliance
From: Lisa Hardison 
Date: August 22, 2013
Re: ELEA Bills-Approval to Pay

Below is a listing of the expenses pertaining to the Eddy Lea Energy Alliance for July and August.

Category	Date	Payee	Amount
Advertising	July 6	Lovington Leader	\$28.28
	July 4	Hobbs News Sun	\$30.24
	July 5	Carlsbad Current Argus*	\$51.41 ✓
	August 16	Carlsbad Current Argus*	\$47.42
	August 17	Hobbs News Sun	\$31.58
Travel	July 8-10	Sam Cobb	\$1363.32
		John Heaton	\$1728.08
		Susan Crockett	\$1451.32
		Johnny Cope	\$1338.32
		Monty Newman	\$1400.69
		James Maddox	\$1335.22
Total			\$8805.88

*To be reimbursed to the EDCLC. The Carlsbad Current Argus will only accept a credit card payment.



Memorandum

To: Eddy Lea Energy Alliance
From: Donna Richards
Date: October 8, 2013
Re: ELEA Bills-Approval to Pay

Below is a listing of the expenses pertaining to the Eddy Lea Energy Alliance for July and August.

Category	Date	Payee	Amount
Advertising	8/13/2013	Lovington Leader	\$22.89
Legal Fees	8/27/2013	AXIOM CPA	\$5,136.00
Insurance	9/18/2013	Union Standard Company	\$2,493.00
Total			\$7,651.89

Final

**AGENDA FOR THE REGULAR MEETING
OF THE BOARD OF THE
EDDY-LEA ENERGY ALLIANCE, LLC**

Monday, October 14, 2013
2:00 PM MDT
Carlsbad Department of Development
400-2 Cascades Ave., Ste. 201, Carlsbad, New Mexico

AGENDA
ROLL CALL

- ITEM 01: Approval of the Agenda (Maddox)
- ITEM 02: Approval of the Minutes for 08/22/2013 Meeting (Maddox)
- ITEM 03: Ratify Payment of the Bills and Travel Expenses (Bunch)
- ITEM 04: Approve an invoice approval process (Maddox)
- ITEM 05: Fiscal Agent Report (Bunch):
 - Acceptance of 2012/2013 Audit
 - Review of Budget
 - Review of Quarterly Financial Statement (as of September 30, 2013)
- ITEM 06: Discussion of Revised Operating Agreement/Articles of Organization (Maddox)
- ITEM 07: Closed Executive Session pursuant to Sections 10-15-1 (H)(8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978. All items to be discussed will pertain to the exceptions listed above and no action will be taken in closed session.
- ITEM 08: Quarterly report from Industry Team (Industry Team):
 - Review status of MOU
 - Update on the Project
- ITEM 09: Determine Next Steps for the Project (Maddox)
- ITEM 10: Set Next Meeting Date (Maddox)
- ITEM 11: Adjourn

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
Thursday, August 22, 2013**

*1st
Draft*

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Thursday, August 22, 2013 at the Economic Development Corporation of Lea County offices, 200 E. Bender, Ste. A 201, Hobbs, New Mexico.

Call to order and roll call

Chairman Jim Maddox called the meeting to order at 2:05 p.m. A quorum was present. Notices of the meeting were published as required by law.

Members Attending: Jim Maddox, Chairman
John Heaton, Vice President
Johnny Cope, Secretary
Jack Volpato, Treasurer

Members Absent:

Alternates Attending: Susan Crockett

Alternates Absent: Bob Forrest
Monty Newman
Gary Schubert

Guests: Sam Cobb, Mayor of Hobbs
J. J. Murphy, City Manager - Hobbs
Mike Gallagher, Lea County Manager (Fiscal Agent)
Greg Fulfer, Lea County Commissioner
E. D. Sterling
Eric Franke

Staff: Lisa Hardison, EDC of Lea County

Return to Regular Session

Following the Executive Session, Mr. Maddox stated that the group took no formal action on any items.

Discussion and Approval of Revised Operating Agreement/Articles of Organization

Eddy Lee Energy Alliance, LLC

John Heaton moved that the Articles be adopted as presented. The motion was seconded by Jack Valpato and approved unanimously.

James M. Maddox, Chair

John Heaton made a motion to ask Scotty Holloman to follow up and recommend the Articles to the members for general approval and adoption. This motion was also approved following a second by Jack Valpato.

By:

Jim Maddox will send out the Articles and Operation Agreement to each entity.

Approval of MOU with AREVA

Mr. Maddox reported that all documents have been reviewed and "cleaned up". Johnny Cope then made a motion to approve the MOU with AREVA. The motion was approved following a second by John Heaton.

Determine Next Steps for Project

Jack Volpato reported that the Interim Storage group was moved under Research & Development within the DOE. He stated that it is still active, but not as visible. He recommended intensifying efforts to work with U. S. Energy Secretary, Ernest Moniz.

Johnny Cope stated that ELEA may need to look at privatizing the effort and find an avenue to create funding. Other ideas included:

- Reaching out to Texas, maybe inviting them to the next ELEA Board Meeting.
- Perhaps making a trip to look at a Mississippi site.

Jim Maddox and John Heaton will help to coordinate these efforts.

Next Meeting

The next meeting of ELEA will be held in Carlsbad on Monday, October 14, 2013 at 2:00 p.m.

Approval of Agenda

The agenda was unanimously approved as presented following a motion by Jack Valpato, seconded by John Heaton.

Approval of Minutes for May 22, 2013

The minutes for May 22, 2013 were reviewed and approved following a motion by John Heaton, seconded by Jack Volpato.

Approval of Bills and Travel Expenses

A list of expenses totaling \$8,805.88 was presented and approved following a motion by Jack Valpato and a second by John Heaton.

Status of Audit

The audit is in progress and will be completed within approximately 2 weeks. The final report will be presented on November 1, 2013.

2013 - 2014 Budget

Jack Volpato presented FY 13/14 Budget. (See Attachment) Each entity is being asked to contribute an additional \$10,000 annually. A discussion followed concerning the need for an ELEA lobbyist. Mr. Volpato suggested that Lea County and Eddy County each retain their own lobbyists who will include the topic of interim storage in their respective activities. The 2013 – 2014 Budget was then approved following a motion by John Heaton, seconded by Johnny Cope.

The issue of the cell phone tower contract and the additional funds generated will be addressed at the next ELEA meeting.

Closed Executive Session pursuant to sections 10-15-1 (H) (8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978

Mr. Heaton made a motion requesting that the Directors go into executive session under section 10-15-1-(H) (8) of the NMSA 1978 to discuss the purchase, acquisition, or the disposal of real property. The motion was approved following a second by Johnny Cope.

**AGENDA FOR THE REGULAR MEETING
OF THE BOARD OF THE
EDDY-LEA ENERGY ALLIANCE, LLC**

Wednesday, December 18, 2013
200 E. Broadway, Hobbs, NM 88240

AGENDA

ROLL CALL

- ITEM 01: Approval of the Agenda
- ITEM 02: Approval of the Minutes for 10/14/13
- ITEM 03: Ratify Payment of the Bills
- ITEM 04: Review of November, 2013 Financial Statement
- ITEM 05: Status of 2012/2013 Audit
- ITEM 06: 2013/2014 Assessment of Members
- ITEM 07: Status of Revised Operating Agreement/Articles of Organization
- ITEM 08: Washington Update
- ITEM 09: Discuss Extension of MOU
- ITEM 10: Closed Executive Session pursuant to Sections 10-15-1 (H)(8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978. All items to be discussed will pertain to the exceptions listed above and no action will be taken in closed session.
- ITEM 11: Determine Next Steps for Project
- ITEM 12: Set Next Meeting Date
- ITEM 13: Adjourn

Eddy-Lea Energy Alliance
Attendance-23 October 14, 2013
Carlsbad, NM @ 2:05 pm

	Jim Maddox, Chair
	John Heaton, Vice President
	Johnny Cope, Secretary

Staff: Donna Richards

Guest: Eric Knox, URS
Dorothy Davidson
Sam Cobb
John Donnell
 Chuck Walder, Babcock & Wilcox

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE LLC
Monday, October 14, 2013**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC was held on Monday, October 14, 2013 at the Carlsbad Department of Development, 400-2 Cascades Ave., Ste.201, Carlsbad, New Mexico.

Call to order and roll call

Chairman Jim Maddox called the meeting to order at 2:05 p.m. A quorum was present. Notices of the meeting were published as required by law.

Members Attending: Jim Maddox, Chairman
John Heaton, Vice President
Johnny Cope, Secretary

Members Absent: John Volpato

Alternates Absent: Bob Forrest
Susan Crockett
Gary Schubert
Monty Newman

Guests: Sam Cobb, Mayor of Hobbs

Staff: Donna Richards, EDC of Lea County

Approval of Agenda

The agenda was unanimously approved as presented following a motion by John Heaton, seconded by Johnny Cope.

Approval of Minutes for August 22, 2013

The minutes for August 22, 2013 were reviewed and approved following a motion by John Heaton, seconded by Johnny Cope.

Approval of Bills and Travel Expenses

A list of expenses totaling \$7,651.89 was presented and approved following a motion by Johnny Cope, seconded by John Heaton.

Approval of Invoice Approval Process

Jim Maddox reported that Lea County, ELEA fiscal agent, has requested a procedure for approval of invoices and timely payment. After a brief discussion, John Heaton moved to allow Jack Volpato as president to approve all invoices within the budget. The motion was unanimously approved following a second by Johnny Cope.

Acceptance of Audit

A review by the State of New Mexico did not result in any changes in the 6-30-2013 audit. Johnny Cope moved that the 6-30-2012 audit be accepted as presented. The motion by seconded by John Heaton and unanimously approved.

Review of Budget

The 2013/2014 Budget calls for a \$10,000 capital contribution from each member. A letter to entities to implement the budget was approved at the August 22, 2013 meeting.

Discussion of Revised A T & T Operating Agreement

Jim Maddox will analyze a proposal received and provide information to committee members before the next meeting. In summary, the proposal calls for a 30 year lease with a 10% adjustment every five years.

Closed Executive Session pursuant to sections 10-15-1 (H) (8) (the discussion of the purchase, acquisition or disposal of real property) NMSA 1978

John Heaton made a motion to enter into a closed session. The motion was seconded by Johnny Cope.

Return to Regular Session

The closed session ended with a motion by John Heaton, seconded by Johnny Cope.

Following the Executive Session, Mr. Maddox stated that the group took no formal action on any items.

Review the Status of MOU with Industry Team

Mr. Maddox reported a MOU is expected within the next 10 days.

Next Meeting

The next meeting of ELEA will be held in Hobbs in early November.

Adjournment

Johnny Cope made a motion to adjourn at 4:05 p.m . The meeting was adjourned without a second.

Eddy-Lea Energy Alliance, LLC

By: _____

James M. Maddox, Chair

Attest:

By: _____

Johnny Cope, Secretary

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
FRIDAY, DECEMBER 18, 2013**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the EDC of Lea County, 200 E. Broadway Suite A201, Hobbs, New Mexico.

Call to order and roll call

President Jim Maddox called the meeting to order at 9:00 am.

Members Attending: James Maddox, Chair
John Heaton, Vice Chair
Susan Crockett, Alternate – Eddy County

Attending by conf call:
Bob Forrest
Jason Shirley

Guests: Donna Richards
Sherri Bunch
Mike Gallagher
Stella Davies
Dick Doss
Melvia (?)

Approval of Agenda

Susan Crockett made a motion to accept the agenda and was seconded by John Heaton. The vote was unanimous and the motion carried.

Approval of Minutes

Minutes from the October 14, 2013 meeting were presented for review. Susan Crockett made a motion to accept the minutes as presents and John Heaton seconded the motion. The vote was unanimous and the motion carried.

Financials

Sherri Bunch presented the invoices that were due. John Heaton moved that the invoices be approved, seconded by Susan Crockett. The vote was unanimous and the motion carried.

Other Business

A discussion regarding extending the MOU with the existing corporate partners was held and Jim Maddox was authorized to try and arrive at a mutually agreeable structure by year end. John Heaton suggested that a condition of a continuation of the MOU should be a requirement that the corporate partners prepare financial projections for a centralized interim storage project.

Closed Session

A motion was made by John Heaton to move into closes session pursuant to Sections 10-15-1 (H)(8) (the discussion of the purchase, acquisition or disposal of real property). The motion was seconded by Susan Crockett. The vote was unanimous and the motion passed.

John Heaton made a motion to move to public session and was seconded by Susan Crockett. The vote was unanimous the motion passed. Jim Maddox announced that all discussions during closed session were consistent the statute and no actions were taken.

Adjournment

There being no further discussion or comments, Jim Maddox moved to adjourn the meeting. John Heaton seconded the motion. The motion was approve unanimously. The meeting adjourned at 10:30 am.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
James Maddox, Chairman

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
FRIDAY, FEBRUARY 21, 2014**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Pecos River Village, 302EDC of Lea County, 200 E. Broadway Suite A201, Hobbs, New Mexico.

Call to order and roll call

President James Maddox called the meeting to order at 2:15pm.

Members Attending: James Maddox, Chair
John Heaton, Vice Chair
Johnny Cope, Secretary (via phone)
Jack Volpato, Treasurer

Others Attending: Sam Cobb
John Waters
Jason Shirley
Melinda Allen
Mundo Orasco

Approval of Agenda

John Heaton made a motion to accept the agenda and was seconded by Jack Volpato. The vote was unanimous and the motion carried.

Approval of Minutes

No minutes were presented for review at this time due to staffing changes. Minutes will be presented at a future meeting.

Financials

A motion to authorize bills previously approved in the budget was made by John Heaton and seconded by Johnny Cope. The vote was unanimous and the motion passed.

Status of Audit

The auditors have all materials needed for the audit and should be complete within the next two weeks. Even though the completion of the audit is past due, the ELEA has been in contact with the state auditors and ELEA will remain in good standing.

Assessment of Members

Invoices for the \$10,000 2013/2014 assessment were passed out to representatives of members present.

Status of Revised Operating Agreement

John Heaton and James Maddox reported that the Revised Agreement had been approved by all Members and had been filed with DFA for approval.

Review of Activities in Other States

James Maddox reported that John Heaton and Monty Newman had attended a meeting in Washington DC in December with interested states sponsored by NEI. He reported that follow up conversations were had with the interim storage group from Texas. John Heaton reported that there is no current movement in Washington related to interim storage and that there is not a champion in place to support those efforts.

Discussion of Possible Uses of Site

A discussion was had regarding expanding the uses of the site for additional potential uses, such as a small modular reactor (SMR). John Heaton proposed a motion to agree to open site to SMR. After additional discussion, James Maddox suggested revising the motion to supporting the utilization of the site for joint use for project such as the SMR, subject to the potential project being compatible with the site's planned uses. John Heaton agreed to the revised motion and Jack Volpato seconded the motion. The vote was unanimous and the motion passed.

Closed Session

A motion was made by John Heaton to move into closes session pursuant to Sections 10-15-1 (H)(8) (the discussion of the purchase, acquisition or disposal of real property). The motion was seconded by Jack Volpato. The vote was unanimous and the motion passed.

At 3:25 pm John Heaton made a motion to move to public session and was seconded by Jack Volpato. The vote was unanimous the motion passed. All discussion during closed session were consistent the statute and no actions were taken.

Other Business

The next meeting date is to be determined

Adjournment

There being no further discussion or comments, John Heaton moved to adjourn the meeting. John Volpato seconded the motion. The motion was approved unanimously. The meeting adjourned at 3:30 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
James Maddox, Chairman

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
TUESDAY, MAY 27, 2014**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Economic Development Corporation of Lea County, 200 E Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

Chairman James Maddox called the meeting to order at 4:00 pm.

Members Attending: James Maddox, Chair
 John Heaton, Vice Chair (via phone)
 Johnny Cope, Secretary
 Jack Volpato, Treasurer (via phone)

Others Attending: Sam Cobb (via phone)
 John Waters (via phone)
 Jason Shirley (via phone)
 Melinda Allen
 Susan Crockett (via phone)
 Monty Newman
 Mike Gallagher
 James Britton
 David Gallegos

Agenda

A discussion was had to postpone official action at this meeting due to the new board not being confirmed as per the requirements of the new Operating Agreement. An overview and status was given for selected agenda items.

Meeting Minutes Approval Postponed

No minutes were presented for review. They will be approved at the next meeting.

Bills and Travel Approval Postponed

Bills and travel will be approved at the next meeting

Status of Audit

The audit is complete and being reviewed by the state. It is anticipated that the review should be complete after the first of June.

Status Report: 2013/2014 Assessment of Members

The City of Hobbs and Lea County have paid their 2013/2014 assessment of \$10,000 each. City of Carlsbad and Eddy County requested invoices be mailed to the administrative offices of the entity. Mike Gallagher, representing Lea County in its capacity as Fiscal Agent for ELEA indicated he would do so.

Approval of Operating Agreement

The new operating agreement was approved by the State. Not all designees from the four member entities have been formalized. The City of Carlsbad had this matter scheduled for action tonight and Lea County had this matter scheduled for action on June 6th.

Closed Session

No closed session was held during this meeting.

Next Meeting Date

A preliminary date of June 10th was set for the next meeting. All parties are confirming that the date will work and notice will be sent out.

Adjournment

There being no further discussion or comments, the meeting adjourned at 4:20 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
James Maddox, Chairman

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
TUESDAY, JUNE 10, 2014**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the EDC of Lea County, 200 E. Broadway Suite A201, Hobbs, New Mexico.

Call to order and roll call

Chairman Jim Maddox called the meeting to order at 9:00 a.m.

Attending: Johnny Cope
 Jim Maddox
 Monty Newman
 Sam Cobb
 Sherri Bunch
 Gregg Fulfer

Via Teleconference: John Waters
 Susan Crockett
 Jack Volpato
 John Heaton

Also present: Sally Tomar, EDC of Lea County

ITEM 01: Approval of the Agenda

The June 10, 2014 Agenda was approved following a motion by Johnny Cope, seconded by Jack Volpato. The vote was unanimous and the motion passed.

ITEM 02: Approve Minutes for 12/18/2013 and 02/21/2014

A motion was made by Mr. Maddox to approve the 12/18/2013 and 02/21/2014 meeting minutes at the future meeting. Currently the meeting minutes are under final review and then will be emailed to the board of directors.

ITEM 03: Ratify Payment of the Bills and Travel Expenses

Sherri Bunch presented the Budget Report as of May 27, 2014. Total Revenue to Date \$20,000.00, Total Expenditures to Date \$26,444.99. Cash to date \$74,626.61. A correction on page 3 of the Budget Report: Cash available should reflect May, 27, 2014, not January 27, 2014. The financial report will be distributed to the board members, it was not sent prior to this meeting. The motion to approve was approved by John Heaton, seconded by Jack Volpato. The vote was unanimous and the motion passed.

ITEM 04: Status Report: FY 2012/2013 Audit

Sherri Bunch reported that the 2012/2013 Audit Report is pending approval. Once approved, copies will be distributed. Sherri Bunch recommended approval to commit to a contract with AXIOM to continue with their audit services for 2014-2015. The motion to approve was made by Johnny Cope, seconded by John Heaton. The vote was unanimous and the motion passed.

ITEM 05: Status Report: 2013/2014 Assessment of Members

Mr. Maddox reported that the remaining invoices would be distributed today.

ITEM 06: Approve and implement the Revised Operating Agreement/Articles of Organization

Under the Revised Operating Agreement, there will be two directors per entity. The prior board approved a motion to approve the Operating Agreement/Articles of Organization. The motion to approve was made by John Heaton, seconded Johnny Cope. The vote was unanimous and the motion passed.

ITEM 07: Election of Directors (eight under the Revised Operating Agreement) and Officers (2014/2015)

The floor was open for nominations of the following positions, Chairman, Vice Chair, Treasurer, and Secretary. Nomination of John Heaton, Chairman, Gregg Fulfer, Vice Chair, Susan Crockett, Treasurer, and Sam Cobb, Secretary. No further nominations were

made. A motion to accept the aforementioned nominations was made (didn't catch the name of the person who made the nomination) seconded by Sam Cobb. The vote was unanimous and the motion passed.

ITEM 08: Closed Executive Session pursuant to Sections 10-15-1 (H)(*)(the discussion of the purchase, acquisition or disposal of real property) NMSA 1978. All items to be discussed will pertain to the exceptions listed above and no action date will be taken in closed session.

No Closed Executive Session was needed at this time.

A discussion followed regarding monthly meetings with Eddy County and Lea County representation. The meetings would provide an opportunity to discuss current issues, communications, to include 2 from Carlsbad and Lea County and a lobbyist. Monty Newman volunteered to sit in on the panel discussions. The meetings are conducted the last Wednesday of each month at 7:00 a.m., location TBD.

John Heaton provided an update on WIPP. WIPP continues with their recovery plan.

ITEM 09: Set Next Meeting Date

The upcoming Eddy-Lea Energy Alliance meeting is scheduled Thursday, July 24. On the agenda will be a discussion of the Eddy-Lea Energy Alliance Strategic Plan. Additional information and meeting reminder to follow.

The 2014-2015 Eddy-Lea Energy Alliance Board of Directors:

John Heaton, Chairman
Gregg Fulfer, Vice Chair
Susan Crockett, Treasurer
Sam Cobb, Secretary
John Waters
Jack Valpato
Monty Newman
Johnny Cope

Adjournment

There being no further discussion or comments, Johnny Cope moved to adjourn the meeting, Monty Newman seconded the motion. The motion was approved unanimously. The meeting adjourned at 9:35 a.m.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
John Heaton, Chairman

ATTEST: Sam Cobb, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

Minutes of the Meeting of the
Board of Directors of the
Eddy-Lea Energy Alliance, LLC
Friday, July 25, 2014

PRESENT: J. Heaton
R. Rudometkin
J. Waters
M. Allen (Phone)

S. Crockett
J. Volpato
S. Cobb (Phone)
J. Shirley (Phone)

ABSENT: Sherri B., Johnny C.

John Heaton: called meeting to order.

John Heaton: called approval of the agenda. **Jack Volpato** moved for approval, **Sam Cobb** seconded the motion. Motion carries.

John Heaton: called approval of December minutes. **Susan Crockett** moved for approval, **Sam Cobb** seconded the motion. Motion carries.

John Heaton: called approval of February minutes. **Jack Volpato** moved for approval, **John Heaton** seconded the motion. Motion carries.

John Heaton: called approval of May minutes. **Sam Cobb** moved for approval, **Susan Crockett** seconded the motion. Motion carries.

John Heaton: we have two budgets that we need to adopt. Change in the 2013-14 budget of \$200. **Sam Cobb** motioned to table it, **Susan Crockett** seconded the motion. Motion carries.

John Heaton: the city and county have paid their contributions. Budget has been prepared by Sherri B.

John Waters: we need to make sure that we get a copy of that.

John Heaton: the payment of invoices are on the report. It is primarily the payments to the newspaper. We can vote on it later when we see it.

John Heaton: there will be a delay on the approval of the audit as the CPA delayed in submitting it.

John Heaton: motion to go into executive session. **Sam Cobb** moved for approval, **Susan Crockett** seconded the motion. Motion carries.

John Heaton: motion out of executive session. **Susan Crockett** moved for approval, **Jack Volpato** seconded the motion. Motion carries.

John Heaton: the next meeting will be at the call of the chair.

John Heaton: moved to adjourn the meeting. **Jack Volpato** moved for approval, **Sam Cobb** seconded the motion. Motion carries.

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

On December 22, 2015, 8:00 A.M. At 200 E. Broadway St., Suite A201 Hobbs, NM

Members Present:

John Heaton (Phone)

Monty Newman (Phone)

Susan Crockett (Phone)

Jack Volpato (Phone)

Gregg Fulfer (Phone)

Staff Members Present:

John Waters (Phone)

Chip Low (Phone)

Mike Barnes

Guests:

Curtis Wynne

J.J. Murphy

Mike Stone

Norbert Rempe (Phone)

Allen Hall (Phone)

1. Meeting called to order at 8:00 am by **Monty Newman**.
2. Quorum was established by **Monty Newman**.
3. **Monty Newman** requested a motion to approve the agenda. **Susan Crockett** moved for approval and **John Heaton** second. Motion carried. Agenda approved.
4. **Monty Newman** requested authorization to issue and advertise a request for proposals (RFP) for disposition of real property. **John Heaton** made motion to move that the board approve the RFP substantially in the form presented to the board subject to minor changes. Not consistent with the purpose of the procurement that may be approved by the Chairperson or the Vice Chairperson. **Gregg Fulfer** second. Motion carried. Motion approved.
5. **Monty Newman** opened for comments from the public.
 - a. J.J. Murphy, City of Hobbs, wanted to confirm that it would be advertised in the local paper to ensure transparency.

- b. Allen Hall stated the legal requirement states it be published in paper of procurement agent location, Lea County. It would be published in the Lovington Leader to meet legal obligations.
 - c. Chip Low stated that Lea County will do as board directs.
 - d. **Monty Newman** confirms that motion passes as read.
6. **John Heaton** made motion to adjourn. **Gregg Fulfer** seconded. Motion carried. Motion approved.

Minutes Approved: _____

Monty Newman, Chairman

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

On June 24, 2015, 8:00 A.M. At 400-2 Cascades Ave. Suite 201, Carlsbad NM

Members Present:

John Heaton	Susan Crockett (Phone)	Jason Shirley
Monty Newman	Johnnie Cope (Phone)	
Sam Cobb (Phone)	Jack Volpato	

Staff Members Present:

John Waters
Anna Carrasco
Chip Low (Phone)

Guests:

Ernie Endes

1. Meeting called to order at 9:04 am.
2. Quorum was established by **John Heaton**
3. Agenda was approved unanimously.
4. Financial report was presented by Chip Low. YTD report as of June 15. Reported revenue is \$1,4792.00 . Discussed expenditures for the year.
5. **John Heaton** requested a motion to approve the expenditures. **Jack Volpato** moved for approval and **Jason Shirley** second. Motion carried. Expenditures approved.
6. Chairman report discussion was led by **John Heaton**. **Thanked board members, Greg Fulfer, John Waters, Chip Low and Lea County.**
7. Election of officers for FY 2015-2016 were held. The following are the results.
 - a. Chairman: **Monty Newman** elected by acclamation by **John Heaton** **Jack Volpato** moved for approval, **Jason Shirley** seconded. **Mr Newman** was elected.
 - b. Vice-Chairman: **John Heaton** was nominated by **Susan Crockett**. Motion

for acclamation. **Jack Volpato** moved for approval. **Sam Cobb** second. **Mr Heaton** was elected.

c. Secretary: **Sam Cobb** was nominated by **John Heaton**. **John Heaton** motioned to approve by acclamation. **Jason Shirley** moves, **Monty Newman** seconds. **Mr. Cobb** was elected.

d. Treasurer: **Susan Crockett** was nominated by **John Heaton**. **Jack Volpato** second. **John Heaton** requested motion to accept approval by acclamation. Moved by **Monty Newman**; seconded by **Jack Volpato**. **Ms. Crockett** was elected.

8. **John Heaton** requested a motion to go into executive session at 9:58. **Susan Crockett** moved. **Jason Shirley** seconded. Motion carried. Meeting went into Executive Session. Meeting returned to formal session. Moved by **Jack Volpato** and seconded by **Monty Newman**.

9. Discussion took place regarding letters of support from elected officials regarding HOLTEC

10. Meeting adjourned at 10:18 am

Minutes Approved: _____

John Heaton, Chairman

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

On May 11, 2015, 8:00 A.M. At 400-2 Cascades Ave. Suite 201, Carlsbad NM

Members Present:

John Heaton	Johnnie Cope (Phone)	Sam Cobb (Phone)
Chris Garner (Phone)	Jack Volpato	
Susan Crockett	Gregg Fulfer (Phone)	

Staff Members Present:

John Waters	Anna Carrasco
Chip Low (Phone)	
Melinda Allen (Phone)	

1. Meeting was called to order at 8:08 am by **John Heaton**.
2. Quorum was established by **John Heaton**.
3. **John Heaton** called for approval of agenda. **Jack Volpato** moved for approval, **Greg Fulfer** seconded the motion. Motion carried.
4. **John Heaton** called for approval of minutes **Jack Volpato** moved for approval, **Johnnie Cope** seconded the motion. Motion carried.
5. **Chip Low** led discussion on financial report.
6. Discussion took place regarding the presentation of bills. All bills will be sent to **Johnnie**. **Johnnie Cope** moved for approval on payments of bills, **Jack Volpato** seconded the motion. Motion carried.
7. Discussion by **Chip Low**, regarding Axiom Audit, took place.
8. **Sam Cobb** moved for approval of Audit Contract for next year, **Johnnie Cope** seconded the motion. Motion carried.
9. Discussion took place regarding HOLTEC press release.
John Heaton: The press conference was successful and very effective. Good support from Farmington and west part of New Mexico.
10. The meeting went into Executive Session. Meeting reconvened at 8:49.
11. No other business

12. Meeting adjourned 8:51 am.

Minutes Approved: _____

John Heaton, Chairman

MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE

On March 4, 2015, 1:00 P.M. At 400-2 Cascades Ave. Suite 201, Carlsbad, NM

Members Present:

John Heaton	Gregg Fulfer
Johnny Cope	Monty Newman
Susan Crockett	Jack Volpato

Staff Members Present:

John Waters	Chip Low
Melinda Allen	

Call Meeting to Order:

John Heaton called meeting to order at 1:00

Approve Agenda:

John Heaton: The first item is the approval of the agenda. Are there any deletions, corrections, substitutions, additions?

Volpato moved for approval and **Crockett** seconded the motion. The agenda was approved.

Approve Minutes:

Heaton: The next item is the approval of the minutes from the last meeting.

Crockett moved approval of the minutes. **Cope** seconded.

Melinda Allen: One addition, we need to add Bernadette Granger to the others attending list.

Crockett: I amend my motion to approve that change. The motion carries.

Financials:

Chip Low: The fiscal year is July first through February 28th of 2016. We have beginning cash of \$88,711. The county contributed \$10,000 in revenues. There were 7,300 in expenditures

which is advertisements, insurance, and professional services. We have net revenue of \$2,628 adding that to the cash. We have cash on hand at the end of the year at \$91, 331.

Heaton: The next item is the expenditures. These are the total expenditures from July 1st to February 28th. Chip any extraordinary expenses there?

Low: <inaudible sentence> We have almost \$19,000 in insurance premiums that we pay cordially and \$1,200 for the audit and looks like the rest is just legal notices in the newspaper.

Volpato moved to approve financials. **Cope** second. Motion carries.

Other Business:

Heaton: The next item is the approval of the bill for the expenditures for the 2015-16 fiscal year. ...Moved approval. **Susan Crockett** second. Motion carries.

Heaton: I'd like to entertain a motion to go into executive session pursuant to Section 10-15-1 (H)(6) NMSA 1978 (Disposition of Real Property).

Volpato motioned and **Crockett** second. Motion Carries.

CLOSED EXECUTIVE SESSION

Heaton: We have reconvened into Regular Session and certified that the only items discussed were those that pertained to the call and that no decisions were made.
Is there any other business for the good of the cause?
Seeing none, we are adjourned.

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE, LLC
WEDNESDAY, JANUARY 14, 2015**

A meeting of the Board of Directors of Eddy-Lea Energy Alliance, LLC, was held at the Economic Development Corporation of Lea County, 200 E Broadway, Suite A201, Hobbs, New Mexico.

Call to order and roll call

President John Heaton called the meeting to order at 3:00 pm.

Members Attending: John Heaton, Chair
 Greg Fulfer, Vice Chair
 Sam Cobb, Secretary
 Jack Volpato, Treasurer
 Susan Crockett
 Monty Newman
 Jason Shirley

Others Attending: John Waters
 Melinda Allen
 James Waltersheid
 Tom Jones
 Alicia Sanchez
 Rodney Balter
 Carroll Leavell
 Gay Kernan

Absent: Johnny Cope

Agenda

Motion was made to approve the agenda by Monty Newman and seconded by Greg Fulfer. Motion Passed Unanimously.

Executive Session

Greg Fulfer made the motion to enter into Closed Executive Session pursuant to Section 10-15-1 (H)(6) NMSA 1978 (Disposition of Real Property), Sam Cobb seconded, and the motion passed unanimously.

Return from Executive Session

Susan Crockett made the motion to return to regular open session and certified that the only item that was discussed was pertained to the item listed on the agenda and that no action was taken. Monty Newman seconded, and motion passed unanimously.

Adjournment

Sam Cobb made the motion to adjourn and Greg Fulfer seconded.
Chairman John Heaton adjourned the meeting at 4:30 PM.

DRAFT

Closed Session

No closed session was held during this meeting.

Next Meeting Date

A preliminary date of June 10th was set for the next meeting. All parties are confirming that the date will work and notice will be sent out.

Adjournment

There being no further discussion or comments, the meeting adjourned at 4:20 pm.

EDDY-LEA ENERGY ALLIANCE, LLC

By: _____
James Maddox, President

ATTEST: Jack Valpato, Secretary-Treasurer
Eddy-Lea Energy Alliance, LLC

By: _____

**Minutes of the Meeting of the
Board of Directors of the
Eddy-Lea Energy Alliance, LLC
Monday, September 29, 2014**

MEMBERS PRESENT: Chairman John Heaton (Phone) Greg Fulfer (Phone)
Monty Newman (Phone) Sam Cobb (Phone)
Jason Shirley Jack Volpato (Phone)
Susan Crockett

STAFF PRESENT: John Waters Melinda Allen (Phone)
Sherri Bunch (Phone) Marie Robinson

PUBLIC PRESENT: Norbert Rempe

ABSENT: Johnny Cope

John Heaton: called meeting to order

John Heaton: called approval of the agenda. **Monty Newman** moved for approval, **Sam Cobb** seconded the motion. Motion carries.

John Heaton: called approval of July 25th meeting minutes. **Jack Volpato** moved for approval, **Susan Crockett** seconded the motion. Motion carries.

John Heaton: we received the audit from Axiom ending June 30th.

Sherri Bunch: presented an overview of the audit for FY13.

John Heaton: called for approval of the FY2013 Audit. **Sam Cobb** moved to adopt the audit, **Greg Fulfer** seconded the motion. Motion carries.

Sherri Bunch: financial report and payment of invoices. To be approved at a later time, before the end of the FY.

John Heaton: called for approval of 2014-2015 FY budget. **Susan Crockett** moved for approval, **Gregg Fulfer** seconded the motion. Motion carries.

John Heaton: called for approval of the expenditures/bills. **Sam Cobb** moved for approval, **Greg Fulfer** seconded the motion. Motion carries.

John Heaton: we will approve bills and travel in next meeting.

John Heaton: called for approval of Axiom for IPA services for FY14. **Susan Crockett** moved for approval, **Sam Cobb** seconded the motion. Motion carries.

John Heaton: called for approval of FY2014 budget as adjusted. **Jason Shirley** moved for approval, **Susan Crockett** seconded the motion. Motion carries.

Norbert Rempe: there was some procedural deficiencies before this meeting, one was the week day for the meeting was mistaken in the add based in the Current Argus it said Friday the 29th, and the agenda did not show up on the website I checked it this morning despite the promise in the ad, these were deficiencies. I also have two recommendations. You discussed what to do with the minutes and how to distribute them you have the website but the website has basically zero content for members of the public, it doesn't even mention the members of the Eddy – Lea Alliance it has the agendas on there if they show up in time at all only for the next meeting, why would it not be possible to publish and then leave on the website the agendas for all the meetings that you have had as well as the minutes posted there and the audit reports, that would be in the interest of the public.

John Heaton: stated that Mr. Rempe's suggestions were valid and that the staff would work on them for the next meeting.

John Heaton: called for motion to move into Closed Executive Session. **Susan Crockett** moved for approval **Jason Shirley** seconded the motion. Motion carries.

Susan Crockett: certified all was right.

Greg Fulfer motioned to adjourn, **Jason Shirley** seconded the motion.

John Heaton adjourned the meeting.

Minutes approved: _____

John Heaton, Chairman

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

On December 7, 2015 2:30 PM. At 400-2 Cascades Ave. Suite 201, Carlsbad NM

Members Present:

Monty Newman
John Heaton
Susan Crockett

Sam Cobb (Phone)
Allen Hall (Phone)
Chip Low (Phone)

Greg Fulfer (Phone)

Staff Members Present:

John Waters
Chip Low (Phone)
Melinda Allen (Phone)

Anna Carrasco

Guest:

Norbert Rempke

1. Meeting was called to order at 2:32 PM by **John Heaton**.
2. It was established the meeting was invalid due to the meeting notification, after discussion from Norbert Rempke.
No action was taken for the meeting.