

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

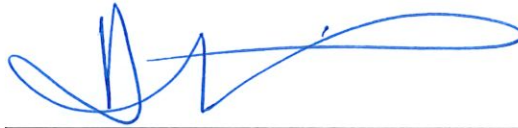
**APPLICATION OF SALT CREEK
MIDSTREAM, LLC FOR AUTHORIZATION
TO DRILL, COMPLETE AND OPERATE
AN ACID GAS INJECTION (AGI) WELL AT THE
AMEREDEV SOUTH GAS PROCESSING
FACILITY IN LEA COUNTY, NEW MEXICO**

CASE NO. 20780

ENTRY OF APPEARANCE

Andrea Antillon enters her appearance on behalf of the Commissioner of Public Lands, Stephanie Garcia Richard, and the New Mexico State Land Office in the above case.

Respectfully submitted,



Andrea Antillon
Associate Counsel,
New Mexico State Land Office
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Santa Fe, NM 87504
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**ATTORNEY FOR THE COMMISSIONER OF PUBLIC
LANDS, NEW MEXICO STATE LAND OFFICE**

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of September, 2019, a copy of the foregoing Entry of Appearance was served via email upon the following:

HINKLE SHANOR LLP
Thomas M. Hnasko
thnasko@hinklelawfirm.com
Dana S. Hardy
dhardy@hinklelawfirm.com



Andrea Antillon

**STATE OF NEW MEXICO
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**APPLICATION OF SALT CREEK
MIDSTREAM, LLC FOR AUTHORIZATION
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CASE NO. 20780

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by the New Mexico State Land Office as required by the Oil Conservation Division under 19.15.4.13 (A) NMAC.

APPEARANCES

APPLICANT

Salt Creek Midstream, LLC

APPLICANT'S ATTORNEY

Hinkle & Shanor LLP
Thomas M. Hnasko, Dana S. Hardy

OPPONENTS

New Mexico State Land Office

OPPONENT'S ATTORNEY

Andrea Antillon

STATEMENT OF THE CASE

APPLICANT

CASE NO. 20780

Application of Salt Creek Midstream, LLC, for authorization to drill, complete and operate an acid gas injection well at the Ameredev South Gas Processing Facility in Lea County, New Mexico.

OPPONENT NEW MEXICO STATE LAND OFFICE

The State Land Office ("SLO") is concerned with the proximity of the proposed AGI well site to State Trust Lands and Minerals. SLO records indicate nearby production in the requested injection zone, there are additional horizontal wells in the area that penetrate the injection zone, and there are concerns about potential communication with the Capitan Reef. Permitting Applicant's AGI poses a health and safety threat to personnel operating producing wells in proximity of the AGI and, moreover, the requested AGI may cause waste if acid gas migrates into producing wells thereby causing waste in the Delaware and other deeper formations. Therefore, SLO requests Applicant's AGI be denied as requested in Applicant's application or, in the alternative, Applicant drill its AGI to the Devonian.

PROPOSED EVIDENCE

APPLICANT

The State Land Office has not received notice of witnesses or exhibits that will be presented by the Applicant.

STATE LAND OFFICE

WITNESSES

Anchor Holm

EST. TIME

1.5 hours

EXHIBITS

Approx. 10

PROCEDURAL MATTERS

No procedural matters have been identified that are to be resolved prior to the hearing.

Respectfully submitted,



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