

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

**CASE NO. 13142: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE ENVIRONMENTAL BUREAU CHIEF, FOR AN ORDER REQUIRING
MARALO, LLC TO REMEDIATE HYDROCARBON CONTAMINATION AT AN ABANDONED
WELL AND BATTERY SITE; LEA COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This entry of appearance and pre-hearing statement is submitted by the applicant, the Oil Conservation Division.

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451

RECEIVED

NOV 17 2003

Oil Conservation Division

OPPONENTS

Maralo, LLC

OPPONENTS' ATTORNEY

W. Thomas Kellahin
Kellahin & Kellahin
P.O. Box 2265
Santa Fe, NM 87504

Rick G. Strange
Cotton, Bledsoe, Tighe & Dawson
P.O. Box 2776
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(432) 684-5782

OTHER INTERESTED PARTIES

Jay Anthony, Landowner

ATTORNEY

David Sandoval
Heard, Robins, Cloud, Lubel &
Greenwood, LLP
300 Paseo de Peralta, Suite 200
Santa Fe, NM 87501

STATEMENT OF THE CASE

APPLICANT

The applicant seeks a compliance order requiring Maralo LLC to submit a work plan to remedy, and to remediate, hydrocarbon contamination at the Humble State #3 tank battery located in Unit A, Section 36, Township 25 South, Range 36 East, in Lea County, New Mexico.

OPPONENTS

PROPOSED EVIDENCE

APPLICANT

WITNESS:

William Olson

ESTIMATED TIME:

45 min.

EXHIBITS:

Excerpts from well files associated with the tank battery

Excerpts from AP 026 file including correspondence, sample results and photos

Certified copies of regulations (already provided as exhibits to Division's Response to Maralo's motion to dismiss)

OPPONENTS

WITNESS:

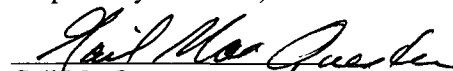
ESTIMATED TIME:

EXHIBITS:

PROCEDURAL MATTERS

Maralo has a pending motion to dismiss.

Respectfully submitted,



Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
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(505) 476-3451

Attorney for the Oil Conservation Division

This 17th day of Nov., 2003.


CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following this 12th day of Nov., 2003 by first class mail, postage pre-paid:

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FACSIMILE COVERSHEET

DATE: November 17, 2003

TO: Michael Stognar, Hearing Officer

Telecopy #: 505/476-3462

TO: W. Thomas Kellahin

Telecopy #: 505/982-2046

TO: Rick Strange

Telecopy #: 432/684-3168

FROM: David Sandoval

FILE: 03-1428

NOTE: Enclosed please find the Pre-Hearing Statement regarding the Application of the New Mexico Conservation Division, Through the Environmental Bureau Chief for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site (Jay Anthony Complaint)

TOTAL NUMBER OF PAGES (Including Coversheet): Three (3)

Fax Operator: LaurieAnn Baca

If you do not receive all pages, please contact us at 505/986-0600.



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

APPLICATION OF THE NEW MEXICO OIL
CONSERVATION DIVISION, THROUGH
THE ENVIRONMENTAL BUREAU CHIEF
FOR AN ORDER REQUIRING
MARALO, LLC TO REMEDIATE
HYDROCARBON CONTAMINATION
AT AN ABANDONED WELL AND BATTERY SUITE;
(Jay Anthony Complaint)
LEA COUNTY NEW MEXICO

PRE-HEARING STATEMENT

APPEARANCES OF THE PARTIES

Applicant

Oil Conservation Division

Attorney

Gail McQuesten, Esq.
NMOCD

Opponent

Maralo, LLC

Attorney

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Surface Owner

Jay Anthony

Attorney

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STATEMENT OF THE CASE**Surface Owner**

Jay Anthony, surface owner, complained to the OCD regarding soil contamination that covered a large area of his ranch in Southeastern New Mexico. Anthony is of the position that the contamination was caused by Maralo, LLC and that the OCD is within all its power and authority to require the remediation of same by the responsible party. Anthony further adopts the statements and arguments made in his earlier briefing.

PROPOSED EVIDENCE

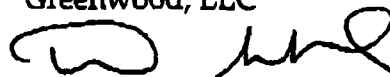
Witness	Estimated Time	Exhibits
Jay Anthony	30 minutes	Photographs

PROCEDURAL MATTERS

Maralo, LLC's and the opposition thereto.

Respectfully submitted this 17th day of November, 2003.

Heard, Robins, Cloud, Lubel &
Greenwood, LLC



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