

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**APPLICATION OF KEY ENERGY
SERVICES, LLC FOR APPROVAL
OF A SALT WATER DISPOSAL WELL,
EDDY COUNTY, NEW MEXICO**

Case No. 15322

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PRE-HEARING STATEMENT OF KEY ENERGY SERVICES, LLC

Key Energy Services, LLC ("Key") submits its Pre-Hearing Statement as required by the
Oil Conservation Division.

APPEARANCES

APPLICANT

Key Energy Services, LLC
1301 McKinney, Suite 1800
Houston, TX 77010

ATTORNEY

Gary W. Larson
Hinkle Shanor LLP
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OPPONENTS

BC Operating, Inc.
Post Office Box 50820
Midland, TX 79710

and

Crown Oil Partners V, L.P.
400 North Big Spring Street
Suite 310
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ATTORNEYS

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STATEMENT OF THE CASE

Key seeks an order authorizing it to inject produced water into the Grace Carlsbad No. 1 well (API 30-015-20573) for disposal. The well is located 1,980 feet from the south line and 660 feet from the east line of Section 36, Township 22 South, Range 26 East, N.M.P.M., in Eddy County. Key proposes to inject produced water into the Brushy Canyon formation of the Delaware Mountain Group through perforations from 4,082 feet to 5,200 feet subsurface.

PROPOSED EVIDENCE


<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Wayne Price (Engineer)	15 min.	Approx. 4
Steve Pattee (Engineer)	15 min.	Approx. 5
Brian Davis (Engineer)	15 min.	Approx. 5
Alberto Gutierrez (Geologist)	15 min.	Approx. 9

Key reserves the right to call a rebuttal witness(es) if necessary.

PROCEDURAL MATTERS

Key is not aware of any procedural matters to be resolved prior to the hearing.

HINKLE SHANOR LLP



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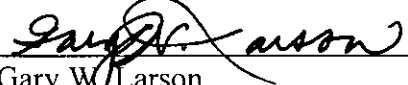
Certificate of Service

I hereby certify that I caused a true and correct copy of the foregoing *Pre-Hearing Statement of Key Energy Services, LLC* to be sent via electronic transmission on the 16th day of July, 2015 to the following:

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*Counsel for BC Operating, Inc. and
Crown Oil Partners V, L.P.*



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