

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

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APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION THROUGH THE SUPERVISOR OF DISTRICT II FOR AN EMERGENCY ORDER SUSPENDING CERTAIN APPROVED APPLICATIONS FOR PERMITS TO DRILL, AND FOR ADOPTION OF SPECIAL RULES FOR DRILLING IN CERTAIN AREAS FOR THE PROTECTION OF FRESH WATER, CHAVES AND EDDY COUNTIES, NEW MEXICO.

**Case No. 15487
Order No. R-14164-D**

**PRE-HEARING STATEMENT
OF LIME ROCK RESOURCES II-A, L.P.**

Lime Rock Resources II-A, L.P. ("Lime Rock") submits this Pre-Hearing Statement as required by the Oil Conservation Commission.

APPEARANCES

PARTIES

Applicant Oil Conservation Division

Pecos Valley Artesian Conservancy District

ATTORNEYS

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STATEMENT OF THE CASE

On February 8, 2017, the Commission entered its Order No. R-14164-D adopting Special Provisions for a Selected Area of the Roswell Artesian Basin (“Special Provisions”), which are included in Attachment 1 to the Commission’s Order. Lime Rock joined the Pecos Valley Artesian Conservancy District, EOG Y Resources, Inc., COG Operating, LLC, Fasken Oil & Ranch, Ltd., OXY USA Inc., Mack Energy Corporation, Devon Energy Production Company, L.P., and the Independent Petroleum Association of New Mexico (collectively “the Joint Applicants”) in requesting a rehearing for purposes of addressing two parts of the Commission’s Special Provisions.

Along with the Joint Applicants, Lime Rock contends that the Commission should limit the application of the Special Provisions to the “well defined” area where both aquifers are present, plus a one-mile buffer zone. Lime Rock further contends that the Joint Applicants’ proposed modification of 19.15.39.11(C) (2) will provide clarity and avoid potential confusion with regard to those areas of the Roswell Artesian Basin where an operator shall set a surface casing string not more than 50 feet above the first oil show, rather than 50 feet below the base of the artesian aquifer.

PROPOSED EVIDENCE

WITNESS

John Maxey
(Engineer)

ESTIMATED TIME

20 minutes

EXHIBITS

None

Lime Rock reserves the right to call a rebuttal witness(es) and introduce rebuttal exhibits if appropriate.

PROCEDURAL MATTERS

Lime Rock is not aware of any procedural matters to be resolved prior to or at the hearing.

Respectfully submitted,

HINKLE SHANOR LLP

A handwritten signature in black ink, appearing to read "Gary W. Larson", is written over a horizontal line.

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Counsel for Lime Rock Resources II-A, L.P.

CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of March, 2017, I served a true and correct copy of the foregoing *Pre-Hearing Statement of Lime Rock Resources II-A, L.P.* via email to:

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