

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

IN THE MATTER OF THE APPLICATION OF
TARGA MIDSTREAM SERVICES LP FOR
APPROVAL OF AN ACID GAS INJECTION
WELL, LEA COUNTY, NEW MEXICO

CASE NO. 14161

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Targa Midstream Services, L.P. as required by the Oil Conservation Division.

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APPEARANCES OF PARTIES

APPLICANT

Targa Midstream Services, L.P.
1000 Louisiana, Suite 4700
Houston, TX 77000

ATTORNEY

J. Scott Hall, Esq.
Montgomery & Andrews, P.A.
P. O. Box 2307
Santa Fe, NM 87504-2307

OPPOSITION OR OTHER PARTY

Momentum Energy Company
P. O. Box 578
Albany, TX 76430

ATTORNEY

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504-1056

STATEMENT OF CASE

APPLICANT

Applicant proposes to drill and complete the Monument AGI Well No. 11 for acid-gas injection operations in Lea County, New Mexico. The well will be drilled at a location:

662' FSL and 2,513' FEL
Section 36: SW/4 SE/4 (Unit O)
T-19-S, R-36-E, NMPM

Applicant proposes to inject acid gas and water through a closed system into the Devonian and Fusselman formations through perforations at depths of 8,350' to 9,200' at an anticipated injection pressure of 0 psi. Applicant proposes injection at average daily rates of approximately 3,500 bbls and 2.66 mmcf/d of acid gas and water and at maximum daily rates of approximately 5,000 bbls and 3.38 mmcf/d. The source of the injected fluids will be the Targa Resources LLC Monument Gas Plant.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Michael Pierce, Geologist	30 minutes	18
Todd Young, Petroleum Engineer	15 minutes	6
Cal Wrangham, Environmental, Safety & Health Manager	15 minutes	5

PROCEDURAL MATTERS

The original application filed on July 7, 2008 reflected the following footage location for the proposed well:

662' FSL and 2,513' FWL
Section 36: SW/4 SE/4 (Unit O)
T-19-S, R-36-E, NMPM

The correct location is 662' FSL and 2,513' FEL of Section 36. An amended application showing the corrected footage location was filed with the Division on July 24, 2008 and a corrected advertisement submitted. The Division's Notice for Docket No. 26-08 reflects the corrected footage location. Additional written notice along with the amended application was mailed to "affected persons" on July 25, 2008. Notice of the amended application is also being published in the Hobbs News-Sun. See Rule 703C(3) and D. All applications, advertisements and notices reflect the correct 40-acre subdivision for the well location.



J. Scott Hall

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on this 31st day of July, 2008 as follows:

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504
(505) 982-2151 – fax

A handwritten signature in black ink, appearing to read "J. Scott Hall", is written above a horizontal line.

J. Scott Hall