

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 AGUA SUCIA, LLC TO REINSTATE ADMINISTRATIVE
ORDER SWD-559 FOR A SALT WATER DISPOSAL WELL, LEA, EDDY
COUNTY, NEW MEXICO.

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CASE NO. 14411

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Agua Sucia, LLC

ATTORNEY

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504
Fax: (505) 982-2151

OPPONENT

Armstrong Energy Corporation
Robert G. Armstrong

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

STATEMENT OF CASE

APPLICANT:

Applicant in the above-styled cause seeks an order reinstating Division Administrative Order SWD-559 for a salt water disposal well, approving disposal into the Bone Spring

formation in the Government E Well No. 1 located 610 feet from the South Line and 1880 feet from the West Line of Section 24, Township 19 South, Range 34 East, NMPM, at depths of 9716 through 10240 feet subsurface.

OPPONENT:

Armstrong Energy Corporation opposes the application. There has been substantial activity at this well under the current and prior operator. Armstrong believes that these past operations at this well, and future injection in this well, have damaged and will damage in the future, offsetting Armstrong Energy Corporation operated properties.

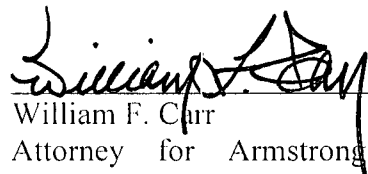
PROPOSED EVIDENCE

OPPONENT:

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Bruce Stubbs Reservoir Engineer	30 Minutes	Approx. 10

PROCEDURAL MATTERS

Armstrong Energy Corporation has an outstanding subpoena seeking the production of documents by the applicant. To date no documents have been produced. If these documents are not produced in time to be reviewed prior to hearing, Armstrong will seek a continuance and file a Motion to Compel Production.



William F. Carr
Attorney for Armstrong Energy
Corporation

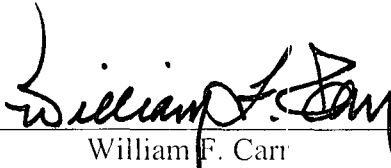
CERTIFICATE OF SERVICE

I certify that on December 9, 2009 I served a copy of the foregoing document to the following by

☐
☐
☒

U.S. Mail, postage prepaid
Hand Delivery
Fax

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William F. Carr