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

CASE NO. 11807

APPLICATION OF STEVENS & TULL, INC. FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

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PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Stevens & Tull, Inc., as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

Stevens & Tull, Inc. P. O. Box 11005 Midland, Texas 79702 (915) 699-1410

attn: Jerry Weant

W. Thomas Kellahin KELLAHIN AND KELLAHIN P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

INTERESTED PARTY

ATTORNEY

Shackelford Oil Company

William F. Carr, Esq. P. O. Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

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STATEMENT OF CASE

In accordance with Division Order SWD-631 issued July 9, 1996, Stevens & Tull utilized its BF State Well No, 2 in Unit K of Section 16 T20S, R33E, Lea County as a salt water disposal well for reinjection water produced from the West Teas-Yates-Seven Rivers Pool back into the same pool. That well is immediately south of Shackelford's wells in Units E and F of Section 16. The SWD well developed mechanical problems which could not be repaired and the well has been plugged and abandoned.

Originally Stevens & Tull sought approval to utilize its BF State Well No. 1, located in Unit G of Section 16 as a replacement disposal well. In addition, Stevens & Tull seeks a surface pressure limitation of 1,000 psi.

As a result of an objection filed by Shackelford Oil Company who opposed the use of the BF State Well No. 2, Stevens & Tull proposes the use its State "BF" Well No. 4 as the disposal well for which Shackelford Oil Company. Stevens & Tull have concluded that there will be no adverse affect upon those wells operated by Shackelford.

PROPOSED EVIDENCE

<u>APPLICANT</u>:

WITNESSES EST. TIME EXHIBITS

Jerry Weant	(landman)	10 Min.	4 exhibits
Jessie Lawson	(engineer)	20 Min.	8 exhibits
George Elmo	(geologist)	20 Min.	4 exhibits

PROCEDURAL MATTERS

Bv:

None anticipated at this time

KELLAHIN AND KELLAHIN

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