

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

**APPLICATION OF TARGA NORTHERN  
DELAWARE LLC FOR AUTHORIZATION  
TO INJECT, LEA COUNTY, NEW MEXICO**

**CASE NO. 23649**

**TARGA NORTHERN DELAWARE LLC'S  
PRE-HEARING STATEMENT**

Targa Northern Delaware LLC ("Targa") submits its Pre-Hearing Statement in accordance with Rule 19.15.4.13(B) NMAC.

**APPEARANCES**

**APPLICANT**

Targa Northern Delaware LLC

**APPLICANT'S ATTORNEYS**

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**INTERESTED PARTIES**

New Mexico Oil Conservation Division

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### **STATEMENT OF THE CASE**

Targa seeks authorization to inject treated acid gas comprised of 80% CO<sub>2</sub>, 20% H<sub>2</sub>S, and traces of light hydrocarbons (“TAG”) from its Red Hills Gas Processing Plant (“Plant”) into the proposed Red Hills AGI #003 well (“Well”). The Well is an Underground Injection Control Class II well subject to the requirements of 19.15.26 NMAC. The Well is vertical with an approximate surface and bottom hole location at 3,116 feet from the north line and 1,159 feet from the east line of Section 13, Township 24 South, Range 33 East in Lea County. The Well’s proposed maximum daily injection rate is thirteen (13) million standard cubic feet per day, and the proposed maximum surface injection pressure is approximately 1,767 pounds per square inch gauge. The target injection zone is within the Bell Canyon and Cherry Canyon Formations of the Delaware Mountain Group at a depth of approximately 5,700 feet to 7,600 feet.

The Well, as proposed in the C-108, will not cause waste, impair correlative rights, or harm public health or the environment, including through the risk of induced seismicity. In addition, the Well will facilitate the sequestration of CO<sub>2</sub> and TAG, which is in the public interest. Accordingly, Targa’s application for the Well is reasonable, comports with the requirements of the Oil and Gas Act, and should be approved.

**PROPOSED EVIDENCE****A. Witnesses**

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Matthew Eales (Vice President of Regulatory Affairs, Targa Northern Delaware, LLC)	10 minutes	3
Dana Ulmer-Scholle, Ph.D (Research Scientist, Geology, New Mexico Institute of Mining and Technology)	25 minutes	1
Paul Ragsdale (Engineering Consultant)	10 minutes	1
David Tu, Ph.D (Petroleum Engineer, New Mexico Institute of Mining and Technology)	45 minutes	1

Targa reserves the right to call a rebuttal witness(es) if appropriate.

**B. Exhibits**

In accordance with Rule 19.15.4.13(B)(2) NMAC, copies of Targa's hearing exhibits have been filed contemporaneously with this Pre-Hearing Statement.

**PROCEDURAL MATTERS**

Targa has filed a motion requesting that the Commission set this matter for hearing on July 13, 2023.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

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*Counsel for Targa Northern Delaware LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that on July 6, 2023, I served a copy of the foregoing document on the following counsel of record via electronic mail:

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
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QUESTIONS

Action 236810

QUESTIONS

Operator: Targa Northern Delaware, LLC. 110 W. 7th Street, Suite 2300 Tulsa, OK 74119	OGRID: 331548
	Action Number: 236810
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.