

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

**APPLICATIONS OF GOODNIGHT  
MIDSTREAM PERMIAN, LLC FOR  
APPROVAL OF A SALT WATER DISPOSAL  
WELL, LEA COUNTY NEW MEXICO.**

**CASE NOS. 23614-23617**

**PRE-HEARING STATEMENT**

Goodnight Midstream Permian, LLC (“Goodnight Midstream”), the applicant in this case, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division

**APPEARANCES**

**APPLICANT**

Goodnight Midstream Permian, LLC

**ATTORNEY**

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### APPLICANT'S STATEMENT OF CASE

Goodnight Midstream Permian, LLC (“Goodnight Midstream”) (OGRID No. 372311) seeks authorization to inject produced salt water for purposes of disposal as follows:

In **Case No. 23614**, Goodnight Midstream proposes to drill a new commercial saltwater disposal well to be named the Doc Gooden SWD #1 Well (API No. pending), which will be located 1,596 feet from the south line and 1,334 feet from the east line (Unit J) in Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. The proposed injection disposal interval will be within the San Andres formation [SWD; San Andres (Pool Code 96121)] between approximately 4,200 feet and 4,900 feet below the ground through a perforated completion. Disposal fluid will be produced saltwater from oil and gas wells in the area producing from the Delaware Mountain Group, Wolfcamp, and Bone Spring formations. The maximum surface injection pressure will be 840 psi.

In **Case No. 23615**, Goodnight Midstream proposes to drill a new commercial saltwater disposal well to be named the **Hernandez SWD #1 Well** (API No. pending), which will be located 326 feet from the south line and 793 feet from the east line (Unit P) in Section 10, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. The proposed injection disposal interval will be within the San Andres formation [SWD; San Andres (Pool Code 96121)] between

approximately 4,200 feet and 5,300 feet below the ground through a perforated completion. Disposal fluid will be produced saltwater from oil and gas wells in the area producing from the Delaware Mountain Group, Wolfcamp, and Bone Spring formations. The maximum surface injection pressure will be 840 psi.

In **Case No. 23616**, Goodnight Midstream proposes to drill a new commercial saltwater disposal well to be named the **Hodges SWD #1 Well** (API No. pending), which will be located 2,833 feet from the north line and 1,620 feet from the west line (Lot 11) in Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. The proposed injection disposal interval will be within the San Andres formation [SWD; San Andres (Pool Code 96121)] between approximately 4,100 feet and 5,200 feet below the ground through a perforated completion. Disposal fluid will be produced saltwater from oil and gas wells in the area producing from the Delaware Mountain Group, Wolfcamp, and Bone Spring formations. The maximum surface injection pressure will be 820 psi.

In **Case No. 23617**, Goodnight Midstream proposes to drill a new commercial saltwater disposal well to be named the **Seaver SWD #1 Well** (API No. pending), which will be located 1,809 feet from the south line and 1,428 feet from the west line (Unit K) in Section 10, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. The proposed injection disposal interval will be within the San Andres formation [SWD; San Andres (Pool Code 96121)] between approximately 4,200 feet and 5,300 feet below the ground through a perforated completion. Disposal fluid will be produced saltwater from oil and gas wells in the area producing from the Delaware Mountain Group, Wolfcamp, and Bone Spring formations. The maximum surface injection pressure will be 840 psi.

Approving these applications will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights. The applications were filed administratively but protested by Empire New Mexico, LLC. Accordingly, Goodnight Midstream has requested that these applications be set for hearing before a Division examiner.

Goodnight Midstream believes that the evidence and testimony filed concurrently herewith demonstrates that the San Andres injection interval is not prospective for hydrocarbons and has not produced hydrocarbons in the area of the proposed injection well; that the proposed injection will remain contained within the San Andres injection interval and will not migrate out of zone; that the injection will not cause waste or impair correlative rights; and that the injection will not interfere with Empire’s operations in the EMSU. The evidence and testimony presented also shows that the proposed injection otherwise complies with the New Mexico Oil and Gas Act.

Goodnight Midstream is not aware of any material facts not in dispute.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Nate Alleman, Ace Energy Advisors	Self-Affirmed Statement	Exhibits A, A-1
Preston McGuire, Petroleum Geologist and Reservoir Engineer	Self-Affirmed Statement	Exhibits B, B-1 through B-22

**PROCEDURAL MATTERS**

Goodnight Midstream anticipates that it may file a motion in limine to exclude testimony and evidence that relies on or includes information or data responsive to Goodnight Midstream’s subpoena that was required to be produced but was not produced. Empire objected to Request Nos. 1-6 on the following bases:

Empire objects to this request because it seeks **information** that is protected by the attorney-client privilege, the attorney work-product doctrine, and exemptions afforded consulting experts. Goodnight seeks **information** currently being formulated by Empire's expert witnesses and consultants in coordination with Empire's attorneys for the hearing of the instant cases.

Information, facts, and data are not protected against disclosure by the Attorney-Client Privilege, nor would documents created in the ordinary course of business containing responsive information, facts, or data be protected against disclosure as work product or under any of the narrow exceptions recognized for consulting experts. Goodnight Midstream anticipates that it will raise objections to evidence and testimony offered at hearing by Empire on the basis of these concerns.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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**ATTORNEYS FOR GOODNIGHT MIDSTREAM  
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**CERTIFICATE OF SERVICE**

I hereby certify that on October 26, 2023, I served a copy of the foregoing document, along with the above-referenced testimony and exhibits, via Electronic Mail to:

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

Action 279772

**QUESTIONS**

Operator: GOODNIGHT MIDSTREAM PERMIAN, LLC 5910 North Central Expressway Dallas, TX 75206	OGRID: 372311
	Action Number: 279772
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

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