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

APPLICATION OF SOLARIS WATER MIDSTREAM, LLC FOR APPROVAL OF A SALTWATER DISPOSAL WELL, LEA COUNTY, NEW MEXICO

CASE NO. 24380

PRE-HEARING STATEMENT

Solaris Water Midstream, LLC ("Solaris" or "Applicant") submits its Pre-Hearing

Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

ATTORNEYS

Solaris Water Midstream, LLC

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INTERESTED PARTY

EOG Resources, Inc.

ATTORNEYS

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Civitas Permian Operating, LLC

Ocean Munds-Dry Michael Rodriguez 309 Johnson St. Santa Fe, NM 87501 (505) 992-0521 omundsdry@civiresources.com mdrodriguez@civiresources.com

STATEMENT OF THE CASE

Solaris Water Midstream, LLC ("Solaris") requests that the New Mexico Oil Conservation Division ("Division") issue an order approving a saltwater disposal well in Lea County, New Mexico. Solaris seeks an order approving its proposed Ragin Rutley SWD No. 1 ("Well"), to be drilled at a location 857' from the south line and 228' from the east line, in Unit P of Section 14, Township 20 South, Range 32 East, Lea County, New Mexico, for the purpose of operating the Ragin Rutley SWD No.1 as a saltwater disposal well. Solaris seeks authorization to inject produced water into the Devonian, Fusselman Formation (SWD; Devonian-Silurian pool; Code 97869) at a depth of approximately 14,463 to 16,263 feet. Solaris proposes to inject an average of 30,000 barrels of water per day up to a maximum of 40,000 barrels of water per day and requests that the Division approve a maximum surface injection pressure of 2,892 psi.

Solaris will operate the Well as a commercial SWD. A significant amount of new drilling activity is in progress or planned in this area and there is minimal saltwater disposal infrastructure available. Solaris chose this particular location to accommodate customer disposal needs offsetting the Well and based on proximity to Solaris' existing pipeline infrastructure. The proposed location is also consistent with the Division's spacing requirements and presents no induced seismicity concerns based on Solaris' induced seismicity study.

The granting of Solaris' application would serve the interests of conservation, the prevention of waste, and the protection of correlative rights.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Drew Dixon	Senior Vice	Affidavit	Approx. 2
	President of		
	Land and		
	Regulatory		
Patrick Ryan	Senior Geologist	Affidavit	Approx. 2
Jason Rubin	Director of Engineering	Affidavit	Approx. 2

PROCEDURAL MATTERS

Applicant will present this case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR LLP

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Prehearing Statement was sent to the following counsel of record by electronic mail on this 6th day of June, 2024.

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> <u>/s/ Dana S. Hardy</u> Dana S. Hardy

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QUESTIONS

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Action 351736

QUESTIONS

Operator:	OGRID:
SOLARIS WATER MIDSTREAM, LLC	371643
9651 Katy Fwy	Action Number:
Houston, TX 77024	351736
	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.	