

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

**APPLICATION OF DELAWARE WATER
MANAGEMENT COMPANY, LLC FOR
AUTHORIZATION TO INJECT INTO THE
E MURPHY FEDERAL SWD No. 1 WELL
FOR PURPOSES OF DISPOSAL, LEA
COUNTY, NEW MEXICO.**

CASE NO. 20814

PRE-HEARING STATEMENT

Delaware Water Management Company, LLC ("Delaware Water Management"), the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Delaware Water Management Company, LLC

ATTORNEY

Michael H. Feldewert, Esq.
Adam G. Rankin, Esq.
Julia Broggi, Esq.
Kaitlyn A. Luck, Esq.
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

OTHER PARTIES

New Mexico State Land Office

Andrea Antillon, Esq.
New Mexico State Land Office
Post Office Box 1148
310 Old Santa Fe Trail
Santa Fe, NM 87504
(505)827-5752
(505) 827-4262 fax
aantillon@slo.state.nm.us

APPLICANT'S STATEMENT OF THE CASE

Delaware Water Management Company, LLC seeks authority to inject produced salt water for purposes of disposal through its proposed **E Murphy Federal SWD No. 1 Well** (API No. 30-025-PENDING), to be located 2,443 feet from the north line and 2,634 feet from the west line (Unit F), Section 1, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. The proposed injection disposal interval would be within the Devonian formation through an open-hole completion between approximately 16,314 feet and 17,294 feet below the surface. The estimated average disposal volume will be 40,000 barrels of water per day with a maximum anticipated volume of 45,000 barrels of water per day. The average injection pressure is expected to be approximately 2,500 psi with a maximum surface injection pressure of 3,262 psi.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|---------------------------------------|-----------------------|-----------------|
| Brooks Verschoyle, Landman | Approx. 15 minutes | Approx. 5 |
| Ned Frost, Geologist | Approx. 10 minutes | Approx. 3 |
| Brad Robinson, Reservoir Engineer | Approx. 10 minutes | Approx. 3 |

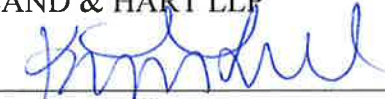
PROCEDURAL MATTERS

Applicant intends to present this case by affidavit. Counsel for the State Land Office has consented to the presentation of this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

By: _____



Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

Post Office Box 2208

Santa Fe, NM 87504

505-998-4421

505-983-6043 Facsimile

mfeldewert@hollandhart.com

agrarkin@hollandhart.com

jbroggi@hollandhart.com

kaluck@hollandhart.com

**ATTORNEYS FOR DELAWARE WATER
MANAGEMENT COMPANY, LLC**

CERTIFICATE OF SERVICE

I hereby certify that on September 26, 2019 I served a copy of the foregoing document to all counsel of record via Electronic Mail to:

Andrea Antillon, Esq.
Associate Counsel
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
aaantillon@slo.state.nm.us

Attorney for the Commissioner of Public Lands, New Mexico State Land Office



Adam G. Rankin