

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

**APPLICATION OF SALT CREEK MIDSTREAM, LLC
TO AMEND ORDER NO. R-20913-C**

CASE NO. 21476

**SALT CREEK MIDSTREAM, LLC'S
PRE-HEARING STATEMENT**

Salt Creek Midstream, LLC ("Salt Creek") submits its Pre-Hearing Statement in accordance with Rule 19.15.4.13(B) NMAC.

APPEARANCES

APPLICANT

Salt Creek

APPLICANT'S ATTORNEYS

Thomas M. Hnasko
Dana S. Hardy
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
thnasko@hinklelawfirm.com
dhardy@hinklelawfirm.com

INTERVENOR

New Mexico Oil Conservation Division

INTERVENOR'S ATTORNEY

Eric Ames
Assistant General Counsel
New Mexico Energy, Minerals, and Natural
Resources Dept.
1220 South St. Francis Drive
Santa Fe, NM 87505
Eric.ames@state.nm.us

STATEMENT OF THE CASE

On August 5, 2019, Salt Creek filed an application with the New Mexico Oil Conservation Commission (“Commission”) seeking authorization to inject treated acid gas (“TAG”) from the Ameredev South Gas Processing Plant into the proposed Salt Creek Midstream AGI No. 1 Well (“DMG Well”) (Case No. 20780). The DMG Well is vertical with an approximate surface and bottom hole location at 594 feet from the West line and 2,370 feet from the South line of Section 21, Township 26 South, Range 36 East. The target injection zone for the DMG Well is in the Bell Canyon and Cherry Canyon formations of the Delaware Mountain Group at depths of approximately 5,410 feet to 7,000 feet. On January 16, 2020, the Commission issued Order No. R-20913-C approving Salt Creek’s application.

In this case, Salt Creek seeks an order amending Order No. R-20913-C to: (1) reinstate Salt Creek’s authorization to commence injection of TAG into the DMG Well; (2) require Salt Creek to commence injection of TAG into the DMG Well within two years of issuance of a new order; and (3) require Salt Creek to submit a C-108 for a Devonian Well within six months after Salt Creek spuds the DMG Well. Salt Creek submitted a proposed order as Exhibit A to its application, the form of which has been approved by counsel for the Oil Conservation Division and the New Mexico State Land Office. As determined in Order No. R-20913-C, the well will not cause waste, impair correlative rights, or harm the public health and environment.

PROPOSED EVIDENCE

A. Witnesses

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Michael Mason (Engineer)	5 minutes	2
Alberto Gutierrez (Geologist)	10 minutes	1

Salt Creek 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 Salt Creek's hearing exhibits are attached to this Pre-Hearing Statement.

PROCEDURAL MATTERS

Salt Creek is not aware of any procedural matters to be resolved prior to the hearing.

Respectfully submitted,

HINKLE SHANOR LLP

Dana S. Hardy
Thomas M. Hnasko
Dana S. Hardy
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
thnasko@hinklelawfirm.com
dhardy@hinklelawfirm.com

Counsel for Salt Creek Midstream, LLC

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Pre-Hearing Statement was sent to the following counsel of record by electronic mail on December 2, 2020.

Eric Ames
Assistant General Counsel
New Mexico Energy, Minerals, and Natural Resources Dept.
1220 South St. Francis Drive
Santa Fe, NM 87505
Eric.ames@state.nm.us
Counsel for New Mexico Oil Conservation Division

/s/ Dana S. Hardy