

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

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IN THE MATTER OF APPLICATION  
OF PARKER ENERGY SUPPORT  
SERVICES, INC. FOR AUTHORIZATION  
TO INJECT, LEA COUNTY, NEW MEXICO

CASE NO. 15180

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted as required by the Oil Conservation Division in the instance that a party wishes to both cross-examine witnesses and to present evidence.

**APPEARANCE ON BEHALF OF THE NEW MEXICO STATE LAND OFFICE**

Kelly Brooks Smith  
Associate Counsel  
New Mexico State Land Office  
310 Old Santa Fe Trail  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

**STATEMENT OF THE CASE**

The New Mexico State Land Office has concerns about the application, given that the proposed injection interval is into the San Andres formation, which contains 1,600 mg/L of chlorides in the immediate vicinity of the proposed salt water disposal well. The well is located in the back-reef portion of the Capitan Reef Aquifer where the ground water quality is from 1600 to 5,000 mg/L of chlorides, thus making the waters protectable groundwater. The application does not indicate that a sufficient barrier exists to prevent the migration of disposed fluids into the Capitan Reef Aquifer.

In addition, the application does not indicate a sufficient barrier to prevent waste to the State Land Office's oil reserves above the proposed salt water disposal interval.

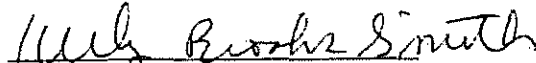
**PROPOSED EVIDENCE**

<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Anchor Holm, Professional Petroleum Engineer	30 minutes	6 to 8
William Jones, Professional Petroleum Engineer	10 minutes	

**PROCEDURAL MATTERS**

The State Land Office is not aware of any procedural matters at this time.

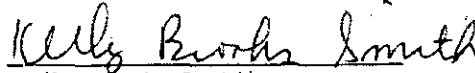
Respectfully submitted,



Kelly Brooks Smith  
Associate Counsel  
New Mexico State Land Office  
310 Old Santa Fe Trail  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148  
(505) 827-5713

**Certificate of Service**

I hereby certify that a copy of the foregoing was served upon the following this 30<sup>th</sup> day of July, 2014 by regular U.S. mail:



Kelly Brooks Smith

Ben Stone  
SOS Consulting, LLC  
P.O. Box 300  
Como, Texas 75431  
Agent for Cameron Oil and Gas, Inc.

Carl H. Nordstrand  
Nordstrand Engineering, Inc.  
3229 D'Amico Street, Suite 200.  
Houston, Texas 77019

J. Scott Hall  
Montgomery & Andrews, P.A.  
Attorneys for Parker Energy Support Services, Inc.  
325 Paseo de Peralta  
Santa Fe, New Mexico 87501  
P.O. Box 2307  
Santa Fe, New Mexico 87504-2307