

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:**

**APPLICATION OF SALT CREEK MIDSTREAM, LLC FOR AUTHORIZATION
TO INJECT ACID GAS INTO THE PROPOSED LEAVENWORTH AGI NO. 1,
SECTION 23, TOWNSHIP 26 SOUTH, RANGE 36 EAST, LEA COUNTY, NEW
MEXICO.**

CASE NO. 16446

SALT CREEK MIDSTREAM, LLC'S PRE-HEARING STATEMENT

SALT CREEK MIDSTREAM, LLC ("Salt Creek"), the applicant in the above-referenced cases, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Commission.

APPEARANCES

APPLICANT

Salt Creek Midstream, LLC

ATTORNEY

Michael H. Feldewert, Esq.
Adam G. Rankin, Esq.
Jordan L. Kessler, Esq.
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jlkessler@hollandhart.com

INTERVENOR

Oil Conservation Division

ATTORNEY

David K. Brooks, Esq.
Assistant General Counsel
Keith Herrmann, Esq.
Assistant General Counsel
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3215
davidk.brooks@state.nm.us
keith.herrmann@state.nm.us

APPLICANT'S STATEMENT OF THE CASE

Salt Creek Midstream, LLC seeks authorization to inject treated acid gas for purposes of disposal through its proposed Leavenworth AGI No. 1 well, to be located in Section 23, Township 26 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

The proposed Leavenworth AGI No. 1 well will be drilled at a surface location approximately 973 feet from the South line and 1,836 feet from the East line (Unit O) of said Section. The target injection zone will be from approximately 16,459 to 18,600 feet deep in the Devonian and Fusselman formations and will potentially include the top of the Montoya formation.

The well will be drilled as a vertical well with an open hole completion. The maximum allowable surface injection pressure is calculated to be 4,954 psig. The proposed well will inject treated acid gas up to a maximum of 60 MMSCFD at a maximum surface injection pressure of 2,830 psig. The average daily injection rate is projected to be 25 MMSCFD and the average surface injection pressure is expected to be 2,402 psig. Salt Creek will present four witnesses, identified below.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
David Martinkewiz, Project Manager	Approx. 15	Approx. 3 Demonstrative Exhibits
Jerry Ferguson, Geologist	Approx. 20	Approx. 4
Peter Jordan, Plume Analysis	Approx. 15	Approx. 4
Steve Pattee, Engineer	Approx. 20	Approx. 3

PROCEDURAL MATTERS

Salt Creek modified the proposed well design to address concerns raised by the Division after its initial review. The attached Form C-108, marked as Exhibit A, has been updated to reflect those changes and to include water samples from wells within the area of review.

Respectfully submitted,

HOLLAND & HART LLP

By: 
Michael H. Feldewert, Esq.
Adam G. Rankin
Jordan L. Kessler
Holland & Hart, LLP
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Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jlkessler@hollandhart.com

ATTORNEYS FOR SALT CREEK MIDSTREAM, LLC