

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

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

CASE NO. 13865

**APPLICATION OF VERSADO GAS PROCESSORS,
LLC OPERATED BY TARGA RESOURCES, LLC
FOR APPROVAL OF AN ACID GAS INJECTION
WELL, LEA COUNTY, NEW MEXICO.**

2007 JUN 25 PM 3:22

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Versado Gas Processors, LLC
c/o Targa Resources, Inc.
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ATTORNEY

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STATEMENT OF CASE

APPLICANT

Applicant seeks an order to utilize its proposed Versado AGI Well No. 1, to be drilled 1200 feet from the West line and 2580 feet from the South line of Section 27, Township 22 South, Range 37 East, NMPM, to inject up to 2500 barrels of acid gas per day, at a maximum pressure of 2000 psi, into the San Andres Formation, at an approximate depth of 4500 feet to 5000 feet. This proposed well will replace Eunice Gas Plant SWD Well No. 1 (API No. 30-025-21497) at this location.

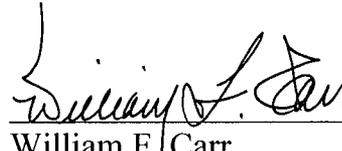
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Alberto A. Gutierrez, C.P.G. Hydrogeologist	Approx. 50 Minutes	Approx. 3

PROCEDURAL MATTERS

Versado Gas Processors, LLC has none at this time.



William F. Carr

Attorney for Versado Gas Processors, LLC