

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

TW. 05.8.08

IN THE MATTER OF THE APPLICATION
OF PECOS OPERATING COMPANY FOR
APPROVAL OF A NON-COMMERCIAL SALT
WATER DISPOSAL WELL, LEA COUNTY, NEW MEXICO

CASE NO. 14122

APPLICANT'S PRE-HEARING STATEMENT

Applicant hereby submits this Pre-Hearing Statement as required by the rules of the New Mexico Oil Conservation Division.

APPEARANCES

APPLICANT

Pecos Operating Company

ATTORNEY

Michael H. Feldewert, Esq.
Holland & Hart, LLP
P. O. Box 2208
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(505) 988-4421
(505) 983-6043

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OPPONENT

H&M Disposal Company

OPPONENT'S ATTORNEY

J. Scott Hall, Esq.
Montgomery & Andrews, P.A.
P.O. Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873
(505) 982-4289 Facsimile

APPLICANT'S STATEMENT OF CASE

Applicant seeks approval to deepen and utilize the State GA Well No. 7 (API No. 30-025-03688) located 660 feet from the North line and 2310 feet from the East line in Unit B of Section 16, Township 15 South, Range 36 East, NMPM, to dispose of up to 8,000 barrels of

produced water per day, at a maximum pressure of 1,500 psi, into the Caudill Devonian Pool in the Devonian Formation, at an approximate depth of 13495 feet to 13,900 feet.

This matter was set for hearing solely because of an objection filed by H&M Disposal. However, as noted below, that objection was untimely.

APPLICANT'S PROPOSED EVIDENCE

| <u>WITNESS</u> (Name and Expertise) | <u>ESTIMATED TIME</u> | <u>EXHIBITS</u> |
|--|-----------------------|-----------------|
| Steven Gray, Petroleum Engineer | Approx. 20 minutes | Approx. 8 |

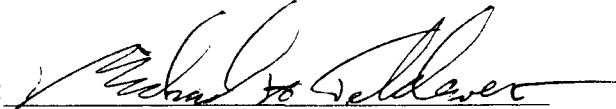
PROCEDURAL MATTERS

This matter was set for hearing solely because of an objection filed by H&M Disposal to the administrative application filed by Pecos Operating. However, this objection was untimely under Division Rule 701.

Pecos Operating provided H&M Disposal with a copy of the Form C-108 Application for Authorization to Inject by certified mail on March 12, 2008. Legal notice of the Application was also published in the Hobbs News Sun on March 15, 2008. Mailing records reflect that H&M Disposal received the Application on March 17, 2008. However, H&M Disposal did not file any objection to Pecos' Application until April 9, 2008, twenty-three days after receipt of the Application. Division Rule 701(D) requires that any objection to the filing of Form C-108 Application must be filed "within 15 days after receipt of a complete application..." Accordingly, the objection filed by H&M Disposal is untimely and should not be entertained by the Division.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

Michael H. Feldewert

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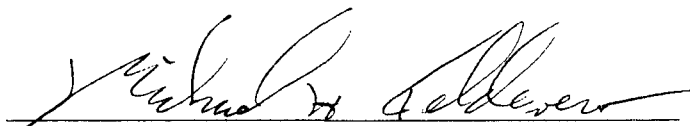
ATTORNEYS FOR PECOS OPERATING COMPANY

CERTIFICATE OF SERVICE

I certify that on May 8, 2008, I served a copy of the foregoing document *Applicant's Pre-Hearing Statement* to the following counsel via U.S. Mail, postage prepaid to:

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ATTORNEYS FOR H&M DISPOSAL COMPANY


Michael H. Feldewert