

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

2008 MAY 6 PM 3 20

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

CASE NO. 14122

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Montgomery & Andrews, P.A. (J. Scott Hall) on behalf of H&M Disposal Company as required by the Oil Conservation Division.

**APPEARANCES**

APPLICANT'S ATTORNEY

Michael Feldewert, Esq.  
Holland & Hart  
P.O. Box 2208  
Santa Fe, New Mexico 87501  
(505) 988-4421/ (505) 983-6043(Fax)

APPLICANT

Pecos Operating Company

OPPONENT'S ATTORNEY

J. Scott Hall, Esq.  
Montgomery & Andrews, P. A.  
325 Paseo de Peralta  
Post Office Box 2307  
Santa Fe, New Mexico 87504  
(505) 982-3873/ (505) 982-4289 (Fax)

OPPONENT

H&M Disposal Company

OTHER PARTY'S ATTORNEY

None to date/unknown

OTHER PARTY

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order approving of the conversion of the State GA Well No. 7 to non-commercial salt water disposal operations into the Devonian Formation, Caudill Devonian Pool located in Unit B of Section 16 T15S R36E NMPM in Lea County, New Mexico. Applicant seeks to dispose up to 8,000 barrels of produced water per day at injection pressures up to 1,500 psi.

**OPPOSITION OR OTHER PARTY**

H&M Disposal operates a salt water disposal facility located 1,320' from Applicant's proposed disposal well. H&M's well injects into the Devonian formation. H&M is concerned that the injection volumes, rates and pressures proposed by Applicant will adversely affect the H&M disposal operation.

**PROPOSED EVIDENCE**

| <b>WITNESSES</b> | <b>EST. TIME</b> | <b>NO. OF EXHIBITS</b> |
|------------------|------------------|------------------------|
|------------------|------------------|------------------------|

**OPPOSITION**

| <b>WITNESSES:</b> | <b>EST. TIME</b> | <b>NO. OF EXHIBITS</b> |
|-------------------|------------------|------------------------|
| Donald M. Harrod  | 25 min.          | 6                      |

**PROCEDURAL MATTERS**

None.

MONTGOMERY & ANDREWS, P.A.

By: 

J. Scott Hall  
Attorneys for H&M Disposal  
P.O. Box 2307  
Santa Fe, New Mexico 87504-2307  
(505) 982-3873

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on the 6 day of May 2008, as follows:

Michael Feldewert  
Holland & Hart  
P.O. Box 2208  
Santa Fe, NM 87501  
(505) 983-6043/Fax

David K. Brook, Esq.  
NM Energy Minerals & Natural Resources  
Dept.  
1220 South St. Francis Drive  
Santa Fe, NM 87505  
(505) 476-3462/Fax



---

J. Scott Hall