

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

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

CASE NO. 14396

APPLICATION OF OGX RESOURCES, LLC  
FOR APPROVAL OF SALT WATER  
DISPOSAL, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

OGX Resources, LLC

James Bruce, Esq.  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
Fax: (505) 982-2151

OPPOSITION

ATTORNEY

Yates Petroleum Corporation

William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

STATEMENT OF CASE

APPLICANT

Applicant seeks an order approving disposal of produced salt water into the Delaware formation in the Turquoise 30 Fed. Well No. 1, located 1930 feet from the North line and 1980 feet from the West line of Section 30, Township 24 South, Range 32 East, NMPM.

OPPONENT

Yates Petroleum Corporation opposes the proposed disposal in the Turquoise 30 Federal Well No. 1 because the proposed injection will put at risk reserves that Yates is planning to produce from its offsetting properties.

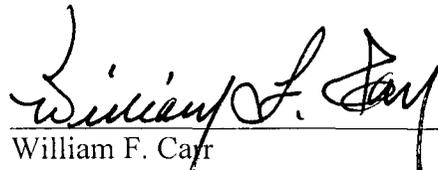
**PROPOSED EVIDENCE**

OPPONENT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Ray Podany (Geologist) MAY CALL	Approx. 10 Minutes	Approx. 3
Al Springer (Petroleum Engineer)	Approx. 15 Minutes	Approx. 3

**PROCEDURAL MATTERS**

Yates Petroleum Corporation has none at this time.

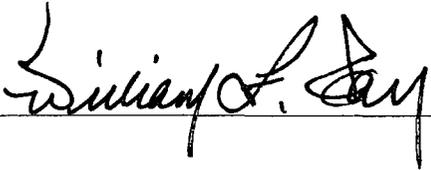
  
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William F. Carr  
Attorney for Yates Petroleum  
Corporation

CERTIFICATE OF SERVICE

I certify that on October 22, 2009 I served a copy of the foregoing document to the following by

U.S. Mail, postage prepaid  
Hand Delivery  
Fax

James Bruce, Esq.  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
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