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 HEARING:

APPLICATION OF RB OPERATING COMPANY FOR APPROVAL OF A SALT WATER DISPOSAL WELL, EDDY COUNTY, NEW MEXICO CASE 13313

PRE-HEARING STATEMENT

RB Operating Company submits this pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

RB Operating Company
777 Main St. Suite 800
Fort Worth, Texas 76102
Attn: Mike McGinnis
817-810-1907

ATTORNEY

Thomas Kellahin, Esq. P. 0. Box 2265 Santa Fe, New Mexico 87504 505-982-4285

OPPONENTS

Draper Brantley, Jr. George Henry Brantley Henry McDonald Johnny Reed

ATTORNEY

W. T. Martin, Jr., Esq. 509 W. Pierce St Carlsbad, NM 88221 505-887-3528

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STATEMENT OF THE CASE

APPLICANT:

RB Operating Company seeks approval to utilize its Candelario "24" Well No. 1 (API No. 30-015-26536) located 660 feet FNL and 660 feet FWL, Unit D of Section 24, T23S, R28E as a salt water disposal well for the injection of produced fluids into the Cherry Canyon formation of the Delaware Mountain Group through perforations from 4,304 feet to 4,656 feet as described in the Division C-108 filed in June 16, 2004.

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EST. EXHIBITS

Mike McGinnis (PE) 45 min about 8

Martin Emery, geologist 45 min about 8

PROCEDURAL MATTERS

None

HELLAHIN & KELLAHIN

W/Thomas Kellahin

P/O. Box 2265

Santa Fe, New Mexico 87504

Phone 505-982-4285

Fax 505-982-2047

E-mail: kellahin@earthlink.net

CERTIFICATE OF SERVICE

I certify that on July 16, 2004, I served a copy of the foregoing documents by:

[] US Mail, postage prepaid

[] Hand Delivery

Facsimile

to the following:

W. T Martin, Jr., Esq. Fax 505-887-2136

W. Thomas Kellahin