

**BEFORE THE OIL CONSERVATION DIVISION  
STATE OF NEW MEXICO**

**APPLICATION FOR INJECTION/SWD  
WELLS IN EDDY COUNTY, NM  
BY DELAWARE ENERGY LLC**

**Case Nos.: 16258, 16259, 16,260, and 16,261**

**PROTESTANTS' PRE-HEARING STATEMENT**

Comes now, Jim Davis and Barbara Davis, Protestants in the above-referenced Application, through their counsel of record, Marion J. Craig III, Attorney at Law, L.L.C., (Marion J. Craig III) and files this their Pre-Hearing Statement in the above-numbered cases:

1.     **Party/Attorney:**       Jim and Barbara Davis,  
                                  c/o Marion J. Craig III, Attorney at Law, L.L.C.  
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2.     **Statement of the case:**

Applicant seeks an order authorizing the injection of produced water for disposal purposes in the proposed Bear Trap SWD #1, Giant Panda SWD #1, Grizzly SWD #1 and Kodiak SWD #1.

Protestants own property along Black River Village Road, and are in the area which would be affected by this well. The Davises are located on Black River, and are one of the habitats of the Texas Hornshell, and endanger species. Mr. and Mrs. Davis are protesting these salt water disposal wells on the basis that these salt water disposal wells are within the immediate proximity of the Black River and Black River Road, and therefore pose a threat to public safety, environmental quality and the fresh water supply of Black River. The Davises also oppose this

application since there is no showing that the Applicant even has permission to locate the SWD Well at the place shown on the application. Upon information and belief, the Davises believe that the Applicant does not have permission to place the well at the location set forth in its applications, which were published. Finally, the location of the proposed wells, as advertised, is along Black River Village Road.

Black River Village Road is in extremely bad repair, and there is already excessive truck traffic and other oil field traffic on that road. Additional traffic would pose a threat to the traveling public and cause additionally damage to the road. The proposed salt water disposal wells will require truck traffic across low water crossings to reach the salt water disposal well locations. The low water crossings would present a danger to the river and the endangered species there in the event of a mishap with of the salt water disposal trucks. Additionally, Black River is a major source of agricultural water for the Carlsbad Irrigation District, and also is the home to one endangered species and another species that is being investigated. Any spill into the river, whether directly through a truck accident, or an overflow at a salt water disposal well location, or a mishap with the casing or below ground portions of the disposal well, would seriously impact the Black River and destroy the endangered species.

3. **Witnesses:**

A. Jim Davis. Mr. Davis is a land owner along the Black River, and is across the road from one of the proposed salt water disposal wells. Mr. Davis can testify about the traffic problems and maintenance problems on Black River Road, and the critical nature of the Black River.

B. Emily Wirth and/or Matt Ramey. Both work for CEHMM, and are acquainted with the environmental conditions of Black River, the critical habitat of the Texas Hornshell Mollusk, and the impact that any leaked or lost produced water would cause to the environmental integrity of Black River. They will also testify that the effect that any spill would have on the endangered species, and generally about the hydrologic condition of Black River and the water bearing strata through which these salt water disposal wells are to be drilled, and the concerns from the increased traffic which will lead to opportunities for spills and increase in sedimentation, which would have a very deleterious effect on Black River. They also have photos of the types of problems which might be encountered.

C. Possible Representative from the BLM or a witness with knowledge of the karst formations within the area of the proposed wells. Representative will testify about the Critical Karst Resource Areas and drilling history for producing wells in this area show extremely high potential for poor well construction for the casing interval designated to protect any USDW.

D. Possible Representative from the State Land Office to testify on the status of any State Leases on the lands identified in the Applications.

4. **Approximate Time for Testimony:** It is anticipated that Protestants' presentation of their testimony will take approximately 2 hours. The testimony should be essentially the same with respect to each of the salt water disposal wells to which objection has been made, therefore the Applications should be heard together.

5. **Procedural Matters:** Protestants know of no procedural matters which need to be resolved, except that Applicants should be required to furnish a consent, lease or deed to show

that it has the right to place the proposed well at the noticed location, and if any of the locations are revised or changed, a showing by the applicant that notice of any new location be noticed as required by 19.15.26.8 NMAC.

Respectfully Submitted,

Marion J. Craig III,  
Attorney at Law, LLC

/s/Marion J. Craig III  
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**Certificate of Service**

Copies of this Statement have been sent to counsel for Applicant and the Oil Conservation Division Office this 5th day of September, 2018.

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/s/Marion J. Craig III