

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

**APPLICATION OF BLACKBUCK RESOURCES, LLC
FOR A SALT WATER DISPOSAL WELL,
IN EDDY COUNTY, NEW MEXICO.**

Case No. 20316

PRE-HEARING STATEMENT

This Pre-hearing Statement is submitted by Blackbuck Resources, LLC, by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT:

Blackbuck Resources, LLC

ATTORNEY:

Ernest L. Padilla
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Santa Fe, New Mexico 87504
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OPPOSITION OR OTHER PARTY:

NGL Water Solutions Permian, LLC

Deana Bennett
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Sisk
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STATEMENT OF CASE

APPLICANT:

Applicant seeks an order proposing a salt water disposal well its Yesely SWD Fed 1, to be drilled at a location 2320 FNL and 1116 FWL, Unit E, Section 1, Township 24 South, Range 31 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to set a packer at 16,630 feet below the surface of the earth and then inject into the Devonian and Silurian-formation at depths

between 16,620' through 18,000' open hole. The well will be located approximately 20 miles east of Malaga, New Mexico.

OPPOSITION OR OTHER PARTY:

PROPOSED EVIDENCE

APPLICANT

WITNESSES		EST. TIME	EXHIBITS
Name	Title	Topic	Exhibits
Nathan Alleman 20 min.	Permitting Specialist	SWD Application	C-108
J. Daniel Arthur, P.E., SPEC 20 min.	Petroleum Engineer	Need for Disposal Capacity	Graph and Data Table with text. Research showing current and projected future produced water volumes in the area exceeding disposal volumes.
		Induced Seismicity	Maps and data demonstrating distance from Cambrian and pre-Cambrian faults and seismic events.
		Well Design	Wellbore diagram and discussion of mechanical integrity.
Tom Tomastik 20 min.	Senior Geologist	Injection Formation Geology	Geologic evaluation including summary of the injection formation and over- and underlying confining layers.
		Induced Seismicity	Maps and data demonstrating distance from Cambrian and pre-Cambrian faults and seismic events.
		Injection Interference	Calculations and maps indicating no expected injection interference.

OPPOSITION

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Cases Nos. 20315 and 20316 will likely be consolidated for hearing.

PADILLA LAW FIRM, P.A.

/s/ **ERNEST L. PADILLA**

ERNEST L. PADILLA

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was served by e-mail to, deana.bennett@modrall.com, Deana M. Bennett, Modrall, Sperling, Roehl, Harris & Sick, P.A. PO Box 2168, Albuquerque, NM 87103-2168, on this 28th day of February, 2019.

/s/ **ERNEST L. PADILLA**

ERNEST L. PADILLA