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. 20460

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 Padilla Law Firm, P.A. P.O. Box 2523 Santa Fe, New Mexico 87504 (505) 988-7577 padillalaw@qwestoffice.net	
OPPOSITION OR OTHER PARTY:		
XTO Energy Inc.	Michael H. Feldewert Adam G. Rankin Julia Broggi	

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STATEMENT OF CASE

APPLICANT:

Applicant seeks an order proposing a salt water disposal well its Camille SWD Fed 1, to be drilled at a location 2,596 FSL and 1,471 FEL, Unit J, Section 17, Township 24 South, Range 31 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to set a packer at 16,205 feet below the surface of the earth and then inject into the Devonian-Silurian formations at depths between 16,225' through 17,300' open hole. The well will be located approximately 18 miles east of Malaga, New Mexico.

OPPOSITION OR OTHER PARTY:

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PROPOSED EVIDENCE

ECT TIME

EXITIDITE

APPLICANT

WITNESSES		EST. TIME	EXHIBITS
Name	Title	Topic	Exhibits
Nathan Alleman	Permitting	SWD Application	C-108
20 min.	Specialist		
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 Se 20min.	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

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;

mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com

counsel of record for XTO Energy Inc., on this 24th day of April, 2019.

<u>/s/ ERNEST L. PADILLA</u> ERNEST L. PADILLA