

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

**APPLICATION OF AMEREDEV OPERATING, LLC
FOR AUTHORIZATION TO INJECT,
LEA COUNTY, NEW MEXICO**

CASE NO. 21381

**OIL CONSERVATION DIVISION'S
PRE-HEARING STATEMENT**

The New Mexico Oil Conservation Division (“OCD”) submits this Pre-Hearing Statement pursuant to 19.15.4.13(B) NMAC.

I. IDENTIFICATION OF PARTY AND COUNSEL

OCD intervened in this matter and is represented by undersigned counsel.

II. STATEMENT OF THE CASE

Ameredev Operating, LLC (“Ameredev”) filed an application for authorization to inject Treated Acid Gas (“TAG”), consisting of acid gas and residual carbon dioxide, from a proposed natural gas processing plant into the proposed Independence AGI Well No. 1. The proposed well will be located in Section 20, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Ameredev proposes to inject a total cumulative amount of 12 million standard cubic feet per day of TAG at a maximum surface injection pressure of 4,779 pounds per square inch. The proposed well will inject through an open-hole completion into an interval comprising the Devonian and Silurian formations from approximately 16,230 to 17,900 feet below the surface.

III. PROPOSED EVIDENCE

OCD intends to call Baylen Lamkin, an engineer in OCD’s UIC Program, as an expert in petroleum engineering, petroleum geology and underground injection. Mr. Lamkin reviews applications for compliance with OCD’s rules and the prevention of waste and the protection of correlative rights, public health and the environment, and serves as a technical examiner for these

applications. Mr. Lamkin has nine (9) years of experience in the fields of petroleum engineering, fluid mechanics, and geology.

Mr. Lamkin will testify that OCD does not oppose Ameredev's application provided that the permit includes the specific and general conditions stated in Exhibits 1 and 2, and contingent on OCD's review of Ameredev's revised plume dispersion modeling which will not be completed until after OCD files this prehearing statement. Ameredev has informed OCD that it concurs in the permit conditions stated in Exhibits 1 and 2.

Mr. Lamkin's testimony is expected to be thirty (30) minutes, and he will present the following exhibits in support thereof:

- Exhibit 1 Curriculum Vitae of Baylen Lamkin
- Exhibit 2 OCD's Recommended Specific Conditions of Approval
- Exhibit 3 OCD's Recommended General Conditions of Approval
- Exhibit 4 Map of Existing and Proposed UIC Wells within Ameredev's Modeled Plume Dispersion
- Exhibit 5 Map of Existing and Proposed UIC Wells within Radius Used in Ameredev's Plume Dispersion Modeling
- Exhibit 6 AGI Wells

IV. PROCEDURAL MATTERS

OCD has not identified any procedural matters to be resolved prior to the hearing.

Respectfully submitted,



Eric Ames
Assistant General Counsel
New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Tel (505) 476-3463
Fax (505) 476-3220
eric.ames@state.nm.us

CERTIFICATE OF SERVICE

I certify that on October 1, 2020, I served this pleading by electronic mail on:

Adam G. Rankin, Esq.
Holland & Hart
Post Office Box 2208
Santa Fe, New Mexico 87504-2208(505) 988-4421
agrarkin@hollandhart.com

Attorney for Ameredev Operating, LLC

Ari Biernoff
General Counsel
State Land Office
P.O. Box 1148
Santa Fe NM 87504-1148
(505) 827-5756
abiernoff@slo.state.nm.us

*Attorney for Commissioner of Public Lands &
New Mexico State Land Office*



Eric Ames