

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

**IN RE NEW MEXICO OIL CONSERVATION DIVISION'S  
APPLICATION FOR ORDER TO AMEND APDS OF ENUMERATED  
WELLS AND TO ORDER TEMPORARY CESSATION OF  
ASSOCIATED DRILLING AND COMPLETION ACTIVITIES**

**CASE NO. 22472**

**OIL CONSERVATION DIVISION'S PREHEARING STATEMENT**

The New Mexico Oil Conservation Division ("OCD") submits this Pre-Hearing Statement in support of its Application for Order Amending Applications for Permits to Drill ("APDs") ("Application") as required by 19.15.4.13(B) NMAC.

**I. IDENTIFICATION OF PARTY AND COUNSEL**

OCD filed the Application and is represented by undersigned counsel.

**II. STATEMENT OF THE CASE**

The specified operators currently hold APDs permitting various drilling and completion activities in proximity to the Carlsbad Brine Well Cavity ("Cavity"). The Cavity is an unstable geological feature created by the dissolution and extraction of brine from halite formations for sale to the oil and gas industry. Although partially stabilized by the injection of grout and sand, the Cavity remains at risk of subsidence and collapse caused by seismic activity. This non-negligible but unquantifiable risk jeopardizes public highways, a major irrigation canal, a mobile home park, private properties, and ground water. The State of New Mexico has worked for years, at great public expense, to stabilize the Cavity, and operators' potential development prior to full stabilization of the Cavity threatens to undermine this taxpayer-funded effort.

### **III. OCD'S WITNESSES**

OCD intends to call one witness. The witness will be Jim Griswold, OCD's Special Project Manager for the Carlsbad brine well. Mr. Griswold is an expert in hydrology, the remediation of oil and gas releases to the environment, and the history and management of the Carlsbad brine well. His testimony is expected to be fifteen (15) minutes. Mr. Griswold will testify as to developments in the remediation effort since October and ongoing concerns regarding the stability of the Cavity.

### **IV. EXHIBITS**

The exhibits are attached.

### **V. PROCEDURAL MATTERS**

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

Respectfully submitted,

*Jesse Tremaine*

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of this pleading was mailed electronically on January 27, 2022 to:

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