

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

**APPLICATION OF TARGA NORTHERN  
DELAWARE LLC FOR AUTHORIZATION  
TO INJECT, LEA COUNTY, NEW MEXICO**

**CASE NO. 23649**

**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**

Targa Northern Delaware LLC (“Targa”) seeks approval to inject treated acid gas into the proposed Red Hills AGI #003 well (“AGI 3”). AGI 3 is an Underground Injection Control Class II well subject to 19.15.26 NMAC. The proposed injection interval within the Delaware Mountain Group constitutes ‘shallow injection.’ The proposed injection interval could, generally, present challenges for future oil and gas development and production from underlying intervals. OCD assesses such applications for potential impacts to correlative rights, the potential for waste, and impacts to efficient development. For these considerations, OCD supports the terms of the proposed Order, submitted to the Oil Conservation Commission (“OCC”) on August 10, 2023, which limits the term of injection authority to twenty years and imposes milestone reporting requirements upon Targa. Conditions requested by OCD at the July 13, 2023 OCC Meeting in this case are withdrawn.

**III. PROPOSED EVIDENCE**

OCD intends to make Million Gebremichael available for questions.

Exhibit 1 – Curriculum Vitae of Million Gebremichael

**IV. PROCEDURAL MATTERS**

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

Respectfully submitted,

/s/ Jesse K. Tremaine

Jesse Tremaine

Assistant General Counsel

New Mexico Energy Minerals and Natural

Resources Department

1220 S. St. Francis Drive

Santa Fe, New Mexico 87505

(505) 231-9312

[jessek.tremaine@state.nm.us](mailto:jessek.tremaine@state.nm.us)

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of this pleading was mailed electronically on August 10, 2023, to:

Michael Feldewert  
Adam G. Rankin  
Julia Broggi  
Paula M. Vance  
Post Office Box 208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
[mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)  
[agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)  
[jbroggi@hollandhart.com](mailto:jbroggi@hollandhart.com)  
[pmvance@hollandhart.com](mailto:pmvance@hollandhart.com)

*Attorneys for Conoco Phillips Company,  
Matador Production Company, &  
EOG Resources, Inc.*

Dana S. Hardy  
Jaclyn M. McLean  
P.O. Box 2068  
Santa Fe, NM 87504-2068  
(505) 982-4554  
(505) 982-8263  
[dhardy@hinlelawfirm.com](mailto:dhardy@hinlelawfirm.com)  
[jmclean@hinklelawfirm.com](mailto:jmclean@hinklelawfirm.com)

*Counsel for Targa Northern Delaware, LLC*

/s/ Jesse K. Tremaine  
Jesse Tremaine