

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

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:**

**LRE OPERATING, LLC, FOR  
APPROVAL OF A SALT WATER  
DISPOSAL WELL, EDDY COUNTY,  
NEW MEXICO**

2012 JUL -5  
14:33  
RECEIVED  
OCD  
CASE NO. 14863

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by Opponent as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

LRE Operating, LLC

**APPLICANT'S ATTORNEY**

Ernest L. Padilla  
PADILLA LAW FIRM, P.A.  
P.O. Box 2523  
Santa Fe, New Mexico 87504-2523  
epadillapl@qwestoffice.net

**OPPONENT**

Yates Petroleum Corporation

**OPPONENT'S ATTORNEY**

William F. Carr  
Michael H. Feldewert  
Adam G. Rankin  
Holland & Hart, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
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**OPPONENT'S STATEMENT OF CASE**

Applicant proposes to inject produced water for purposes of disposal into the Eddy-Humble "4" State No. 1 well, located 2310 feet from the South line and 1650 feet from the East

line, Unit J, Section 4, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

The application proposes to inject through an open-hole completion into the Abo, Wolfcamp, and Cisco formations. Yates Petroleum owns interests in the Wolfcamp formation within the half-mile area of review and believes that the Wolfcamp formation is likely to be productive.

### **OPPONENT'S PROPOSED EVIDENCE**

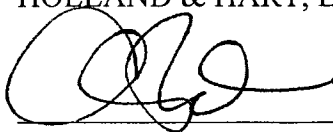
<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Kevin Klein, Petroleum Landman	Approx. 15 min.	Approx. 3
Ray Podany, Petroleum Geology	Approx. 20 min.	Approx. 5
Jim Pringle, Petroleum Engineer	Approx. 20 min.	Approx. 5

### **PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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**ATTORNEYS FOR  
YATES PETROLEUM CORPORATION**

**CERTIFICATE OF SERVICE**

I hereby certify that on July 5, 2012, I served a copy of the foregoing document to the following via electronic mail to:

Ernest L. Padilla  
PADILLA LAW FIRM, P.A.  
P.O. Box 2523  
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epadillapl@qwestoffice.net

A handwritten signature in black ink, appearing to read 'Adam G. Rankin', is written over a horizontal line.

Adam G. Rankin