

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

2013 FEB 28 P 4: 01

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

APPLICATION OF NEW MEXICO SALT
WATER DISPOSAL CO., INC. FOR
AUTHORIZATION TO INJECT

Case No. 14960

**NEW MEXICO SALT WATER DISPOSAL
CO., INC.'S PRE-HEARING STATEMENT**

Applicant New Mexico Salt Water Disposal Co., Inc. ("NMSWD") submits its Pre-Hearing Statement as required by the Oil Conservation Division ("Division").

APPEARANCES

NMSWD is the applicant in this case. Its business address is 400 N. Pennsylvania, #1000, Roswell, New Mexico 88201-4780. NMSWD is represented by the undersigned counsel.

Diamond & Half, Inc. objected to NMSWD's request for administrative approval of its application. On February 26, 2013 counsel for Diamond & Half submitted a letter requesting the Division to cause Diamond & Half's January 22, 2013 objection letter to be filed as a Pre-Hearing Statement and stating that Justin Johnson of Diamond & Half will appear *pro se*.

STATEMENT OF CASE

NMSWD is currently authorized to inject produced water into its State 28 #001 well (API #30-025-25558) for disposal in the Devonian Formation. The State 28 #001 SWD well is located 1,980 feet from the South line and 660 feet from the East line in Unit Letter I, Section 28, Township 10 South, Range 34 East, in Lea County. NMSWD's application seeks a change in

the injection interval and requests authorization to inject into the Glorieta Formation from 5,588 feet to 5,660 feet below ground surface. The application proposes a maximum injection pressure of 800 psi and a maximum injection rate of 3,500 barrels of water per day.

PROPOSED EVIDENCE

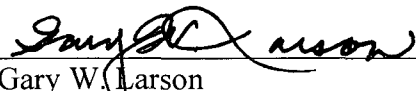
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Rory McMinn (Vice President)	15 min.	Approx. 4
Kay Havenor, Ph.D., P.G. (Geologist)	15 min.	Approx. 3

PROCEDURAL MATTERS

NMSWD is not aware of any procedural matters to be resolved prior to the hearing.

Respectfully submitted,

HINKLE, HENSLEY, SHANOR
& MARTIN, LLP



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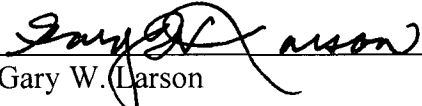
*Counsel for New Mexico Salt Water Disposal Co.,
Inc.*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 28th day of February, 2013 I served a true and correct copy of the foregoing *New Mexico Salt Water Disposal Co., Inc.'s Pre-Hearing Statement* via email to:

C. Gene Samberson, Esq.
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Counsel for Diamond & Half, Inc.



Gary W. Larson