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

APPLICATION OF THE NEW MEXICO OIL AND GAS ASSOCIATION TO REPEAL AND REPLACE TITLE 19, CHAPTER 15, PART 34 OF THE NEW MEXICO ADMINISTRATIVE CODE ADDRESSING PRODUCED WATER, DRILLING FLUIDS AND OTHER LIQUID OIL FIELD WASTE; AND TO AMEND THE DEFINITION OF PRODUCED WATER IN TITLE 19, CHAPTER 15, PART 2, OF THE NEW MEXICO ADMINISTRATIVE CODE.

CASE NO. 15239

OIL CONSERVATION DIVISION'S PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted on behalf of the Oil Conservation Division (OCD) as required by NMAC 19.15.3.11(B) NMAC.

APPEARANCES OF PARTIES

AP	PI	IC	AN	T
1 7 7		14 U.		1 A

ATTORNEY

The New Mexico Oil and Gas Association	The No	ew Mex	ico Oil	and (Gas A	Association	
--	--------	--------	---------	-------	-------	-------------	--

Michael H. Feldewert, Esq. Holland & Hart LLP Post Office Box 2208 Santa Fe, NM 87504-2208 (505) 988-4421 mfeldewert@hollandhart.com

OTHER PARTIES

ATTORNEY

The Oil Conservation Division

Gabriel Wade
Assistant General Counsel
Energy, Minerals and Natural
Resources Department
1120 South St. Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3451
gabriel.wade@state.nm.us

Independent Petroleum Association of N.M.

Karin V. Foster Chatham Partners, Inc. 5805 Mariola Place, NE Albuquerque, New Mexico 87111 (505) 238-8385 Fosterassociates2005@yahoo.com Earthworks' Oil and Gas Accountability Project

Pete Dronkers
Bruce Baizel
29149 Road M.4
Dolores, Colorado 81323
(775) 815-9936
Pdronkers@earthworksaction.org
Bruce@earthworksaction.org

APPLICANT'S STATEMENT OF CASE

The New Mexico Oil and Gas Association ("NMOGA") has applied to the New Mexico Oil Conservation Commission ("Commission") for an order repealing Title 19, Chapter 15, Part 34 of the New Mexico Administrative Code ("NMAC") and replacing it with a modified proposed rule.

OCD'S PROPOSED EVIDENCE

WITNESS: ESTIMATED TIME EXHIBITS

Brandon Powell Rebuttal N/A

Mr. Powell is an expert in OCD administrative process. Mr. Powell started with OCD in 2006 as an environmental specialist. This position included overseeing environmental releases including produced water, and oil field wastes and subsequent remediation. In 2011, Mr. Powell was promoted to inspection and enforcement supervisor for OCD District 3. Mr. Powell's current position includes overseeing down-hole engineering and compliance with OCD rules. Mr. Powell has extensive experience in the application of OCD rules to all aspects of oil and gas development.

WITNESS: ESTIMATED TIME EXHIBITS

Jim Griswold Rebuttal N/A

Mr. Griswold is an expert in OCD administrative process. Mr. Griswold has over 20 years' experience in the investigation and remediation of soil and groundwater contamination nationwide. Mr. Griswold started with OCD in 2008 as a hydrologist. This position included overseeing groundwater water remediation associated with oil and gas development. In May of

2014, Mr. Griswold was promoted to Environmental Bureau Chief. This position includes overseeing all OCD environmental staff statewide and ensuring compliance with OCD rules.

EXHIBITS

The OCD will not present any exhibits.

PROCEDURAL MATTERS

The OCD has no procedural issues.

Respectfully Submitted,

Gabriel Wade, Attorney
Oil Conservation Division
Energy, Minerals and Natural Resources
Department
1220 S. St. Francis Drive
Santa Fe, NM 87505

CERTIFICATE OF SERVICE

I hereby certify that on February 6, 2015, I served a copy of the foregoing document to the following counsel of record via electronic mail to:

Gabe Wade Assistant General Counsel Energy, Minerals and Natural Resources Department 1120 South St. Francis Drive Santa Fe, New Mexico 87505 (505) 476-3451 gabriel.wade@state.nm.us

ATTORNEY FOR THE OIL CONSERVATION DIVISION

Pete Dronkers
Bruce Baizel
29149 Road M.4
Dolores, Colorado 81323
(775) 815-9936
Pdronkers@earthworksaction.org

Karin V. Foster Chatham Partners, Inc. 5805 Mariola Place, NE Albuquerque, New Mexico 87111 (505) 238-8385 Fosterassociates2005@yahoo.com

ATTORNEY FOR INDEPENDENT PETROLEUM ASSOCIATION OF N.M.

Bruce@earthworksaction.org

ATTORNEYS FOR EARTHWORKS' OIL AND GAS ACCOUNTABILITY PROJECT

Gabriel Wage

Oil Conservation Division
Energy, Minerals and Natural Resources

Department

1220 S. St. Francis Drive

Santa Fe, NM 87505