



MONTGOMERY  
& ANDREWS  
LAW FIRM

**J. Scott Hall**

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April 9, 2015

***Hand Delivered***

Florene Davidson  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Re: NMOCD Case No. 15262: APPLICATION OF MESQUITE SWD, INC. FOR  
APPROVAL OF SALT WATER DISPOSAL WELL, LEA COUNTY, NEW MEXICO.

Dear Ms. Davidson:

Enclosed for filing on behalf of Fulfer Oil and Cattle LLC and Driftwood Oil, LLC,  
is a Pre-Hearing Statement.

Thank you.

Very truly yours,

J. Scott Hall

cc: James Bruce, Esq.

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

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APPLICATION OF MESQUITE SWD, INC. FOR  
APPROVAL OF A SALT WATER DISPOSAL  
WELL, LEA COUNTY, NEW MEXICO

**Case No. 15262**

**PRE-HEARING STATEMENT**

Fulfer Oil & Cattle LLC, ("Fulfer") and Driftwood Oil, LLC, ("Driftwood") provide this  
Pre-Hearing Statement as required by the rules of the Division.

**APPEARANCES**

**OPPONENTS**

Fulfer Oil & Cattle LLC, and  
Driftwood Oil, LLC

**OPPONENTS ATTORNEY**

J. Scott Hall, Esq.  
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**APPLICANT**

Mesquite SWD, Inc.

**APPLICANT'S ATTORNEY**

James Bruce, Esq.  
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Santa Fe, NM 87504  
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**STATEMENT OF THE CASE**

Applicant, Mesquite SWD, Inc. ("Mesquite") seeks an order to (i) drill its proposed Johnny East SWD Well No. 1, to be located 300 feet from the south line and 2340 feet from the west line of Section 11, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico; (ii) to dispose of produced water into the Basal Yates and Upper Seven Rivers formations at depths of 3378-3388 feet subsurface.

Fulfer and Driftwood oppose Mesquite's application for a salt water disposal well. Fulfer operates producing wells that are producing or capable of producing hydrocarbon reserves in close proximity to the proposed disposal well which will be adversely affected. In addition, the proposed disposal well would be located within the Capitan Reef Complex.

### PROPOSED EVIDENCE

#### OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Gregg Fulfer, Operator, Driftwood Oil	10 minutes	2
Steve Patee, Petroleum Engineer	20 minutes	6

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By:

  
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*Attorneys for Fulfer Oil & Cattle LLC, and Driftwood Oil, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served to counsel of record by  
electronic mail this 9th day of April, 2015:

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*Attorneys for Mesquite SWD, Inc.*



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J. Scott Hall