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

2015 MAY 21 P 3: 11

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

APPLICATION OF OASIS WATER SOLUTIONS, LLC FOR APPROVAL OF A SALT WATER DISPOSAL WELL, IN LEA COUNTY, NEW MEXICO.

Case No. 15307

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division under 19.15.4.13 (A) NMAC.

APPEARANCES

APPLICANT

APPLICANT'S ATTORNEY

Oasis Water Solutions, LLC

Ernest L. Padilla

OPPONENTS

OPPONENT'S ATTORNEY

Randy Briggs

New Mexico State Land Office

Katherine M. Moss

Michael L. Danoff

STATEMENT OF THE CASE

APPLICANT

Case No. 15307: Application of Oasis Water Solutions, LLC, for approval of a salt water disposal well, Lea County, New Mexico; Applicant seeks an order approving its application for a salt water disposal in its Cooper 17 #1, located 2320' FNL and 2200' FWL, Unit F, Section 17, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Applicant proposes to set a packer at 4100 feet below the surface of the earth and then inject into the Lower San Andres formation at depths of 4170' to 4900' open hole. The well is located approximately 7 miles south east of Monument, New Mexico.

OPPONENT NEW MEXICO STATE LAND OFFICE

The State Land Office is concerned that injection of produced waters of undemonstrated salt contents, if higher than those present in the formation, will negatively impact protectable and useable water in the Capitan Reef Aquifer. The Grayburg-San Andres Formations in this area are protectable under current federal and state law. The formations injected into have no defined borders which isolate the water from the Capitan Reef Aquifer.

PROPOSED EVIDENCE,

<u>APPLICANT</u>

The State Land Office has not received notice of witnesses or exhibits that will be presented by the Applicant.

STATE LAND OFFICE

<u>WITNESSES</u>	•	EST. TIME	<u>EXHIBITS</u>
Anchor Holm	•	30 min	Approx. 6

OTHER OPPONENTS

The State Land Office has not received notice of witnesses or exhibits that will be presented by the other opponent.

PROCEDURAL MATTERS

No procedural matters have been identified that are to be resolved prior to the hearing.

Respectfully submitted,

/s/ Katherine M. Moss

Katherine M. Moss Associate General Counsel New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148 (505) 827-5713

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 21st day of May, 2015 by e-mail:

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> /s/Katherine M. Moss Katherine M. Moss