

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

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

APPLICATION OF FASKEN OIL AND RANCH LTD FOR APPROVAL OF SALT WATER DISPOSAL WELLS, LEA COUNTY, NEW MEXICO

CASE 13601

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PRE-HEARING STATEMENT

Fasken Oil and Ranch, Ltd. submits this pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

Fasken Oil and Ranch, Ltd 303 West Wall St. Suite 1800 Midland, Texas 79701 Attn: Jimmy Carlile 432-687-1777 ATTORNEY

Thomas Kellahin, Esq. P. 0. Box 2265 Santa Fe, New Mexico 87504 505-982-4285

OPPONENTS

ATTORNEY

Americo Energy Resources, LLC 10940 Old Katy R. Suite 100 Houston, Texas 77043 Attn: Oscar Nosrati Ph 713-984-9700 Fax 713-984-9933 none

NMOCD Case 13601 Fasken's Pre-Hearing Statement Page 1

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STATEMENT OF THE CASE

APPLICANT:

Fasken seeks an order approving three possible salt water disposal wellbores ("SWDs") and authority to utilize only one among these three for actual injection: (a) the Denton Well No. 1 (API No. 30-025-05288) located 1980 feet FNL and 1988 feet FWL (Unit F) of Section 11, T15S, R37E; (b) the Denton Well No. 5 (API No. 30-025-05292) located 658 FNL and 662 feet FEL (Unit A) of Section 11, T15S, R37E, and (c) the Denton 11 (API No. 30-025-05298) located 660 feet FNL and 1815 feet FEL (Unit B) of Section 11, T15S, R37E, for disposal of produced water into the Pennsylvanian formation thorough perforations or open hole at a depth from approximately 9506 feet to 10950 feet. This hearing was set based upon an objection filed by AmeriCo Energy Resources, LLC on October 13, 2005

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EST. EXHIBITS
Carl Brown (PE)	45-60 min	about 12
Jimmy D. Carlile, regulatory affairs coordinator	15 min	about 4

PROCEDURAL MATTERS

Pending action by the Division on Fasken's motion to strike objection by Americo Energy Resources, LLC

HIN & KELLAHIN

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NMOCD Case 13601 Fasken's Prc-Hcaring Statement Page 2 4.45° .4

CERTIFICATE OF SERVICE

I certify that on December 9, 2005, I served a copy of the foregoing documents by:

[] US Mail, postage prepaid

[] Hand Delivery

Facsimile

to the following:

Americo Energy Resources, LLC Fax 713-984-9933

len Thomas Kellahin

NMOCD Case 13601 Fasken's Pre-Hearing Statement Page 3