

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

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CASE NO. 15487

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE SUPERVISOR OF DISTRICT II FOR AN EMERGENCY ORDER
SUSPENDING CERTAIN APPROVED APPLICATIONS FOR PERMITS TO DRILL,
AND FOR ADOPTION OF SPECIAL RULES FOR DRILLING IN CERTAIN AREAS
FOR THE PROTECTIONS OF FRESH WATER, CHAVES AND EDDY COUNTIES,
NEW MEXICO**

DIVISION'S PRE-HEARING STATEMENT

The acting Supervisor of Oil Conservation Division (OCD) District II ("Applicant") hereby
files this Pre-Hearing Statement for the hearing in this case scheduled on May 10, 2016.

APPEARANCES

APPLICANT

Oil Conservation Division

ATTORNEY

David Brooks, Esq.
Energy, Minerals and Natural
Resources Department of the State of
New Mexico 1220 S. St. Francis
Drive
Santa Fe, New Mexico 87505 (505)
Phone (505)-476-3415
FAX (505)-476-3462

INTERESTED PARTIES

COG Operating LLC
OXYUSA Inc.

Michael H. Feldewert, Esq.
Jordan L. Kessler, Esq.
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
Phone (505) 988-4421

FAX (505) 983-6043

Pecos Valley Artesian Conservancy District

AJ Olsen, Esq.
Alvin F. Jones, Esq.
Olivia R. Mitchell, Esq.
PO Box 1415
Roswell, New Mexico
Phone (575) 624-2463
FAX(575) 624-2878

STATEMENT OF THE CASE

The Oil Conservation Division, by its Second Amended Application (Application) in this case, seeks a temporary order suspending all heretofore approved Applications for Permits to Drill (APDs) for wells not yet drilled that are affected by the Application, until a full hearing is had on the merits and an Order issued thereon. The wells affected by the Application are wells to be located in the Designated Area, as described in Exhibit "A" hereto. The pools, or common sources of supply, that may be affected by the granting of the application in this case are listed in Exhibit "B" attached hereto.

PROPOSED EVIDENCE

WITNESS

Name and Expertise

Paul Kautz, Geologist, OCD

Estimated time

20 min.

Exhibits

Unknown at this time

[1] The DESIGNATED AREA in which a restrictive order is urgently needed consists of the lands in Chaves and Eddy Counties, New Mexico described in Exhibit A, attached hereto.

[2] The SUBJECT POOLS, identified in Exhibit B, attached hereto, are those pools all or parts of which are located in the DESIGNATED AREA.

[3] The State Engineer has designated the threatened aquifer(s) as a source of fresh water to be protected.

PROCEDURAL MATTERS

None at this time

Respectfully submitted,



David K. Brooks

Assistant General Counsel

Energy, Minerals and Natural Resources Department

1220 S. St. Francis Drive

Santa Fe, NM 87505

Attorney for Oil Conservation Division

District II acting Supervisor

Phone (505)-476-3415

FAX (505)-476-3462

Certificate of Service

I hereby certify that the above pleading was served on the following parties by electronic mail on May 4, 2016.



David K. Brooks