Davidson, Florene, EMNRD

From:

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Sent:

Wednesday, June 8, 2016 5:45 PM

To:

Davidson, Florene, EMNRD

Subject:

Case 15487

Attachments:

mack-phs-roswell basin.pdf

Attached for filing is Mack Energy's pre-hearing statement.

Jim

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 CONSIDERING:

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

Case No. 15,487

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant Mack Energy Corporation as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Oil Conservation Division

OTHER PARTIES

Mack Energy Corporation P.Ó. Box 960

Artesia, New Mexico 88211

Attention:

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Fasken Oil & Ranch, Ltd.

Deyon Energy Production Company, L.P.

James Bruce

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APPLICANT'S ATTORNEY

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Yates Petroleum Corporation

Gary W. Larson

Pecos Valley Artesian Conservancy District A.J. Olsen, Alvin F. Jones & Olivia Mitchell

Independent Petroleum Association Karin V. Foster

of New Mexico

State Engineer Pedro Seifert

STATEMENT OF THE CASE

APPLICANT

The Division seeks special drilling rules and casing programs for wells drilled on certain described lands along the Pecos River Valley in Chaves and Eddy Counties.

OTHER PARTIES

Mack Energy opposes the rules as proposed by the Division, for the following reasons:

- 1. The casing program proposed by the Division is not practical, and will make the drilling of wells both more complicated (potentially causing drilling problems) and more expensive.
- 2. There is no evidence of fresh water contamination caused by drilling.
- 3. Notwithstanding item 2, the expressed goal of preventing fresh water contamination can be better achieved with a simpler drilling and easing program than proposed by the Division, which will be set forth by Mack Energy Corporation at the hearing.

PROPOSED EVIDENCE

<u>APPLICANT</u>

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

OTHER PARTIES

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

Jim Krogman 25 min. (direct) Approx. 2

(Drilling supervisor for Mack Energy Corporation)

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

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Attorney for Mack Energy Corporation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this _______ day of June, 2016 by e-mail:

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