

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

2017 JUN -2 5 2 3 11

**IN THE MATTER OF THE APPLICATION
OF OWL SWD OPERATING, LLC FOR
AUTHORIZATION TO INJECT, LEA COUNTY,
NEW MEXICO**

CASE NO. 15723

RESPONSE TO MOTION TO INTERVENE

OWL SWD Operating, LLC ("OWL"), by and through its undersigned attorneys, hereby responds to the Motion to Intervene filed by the State Land Office ("SLO") on June 1, 2017.

First, below the signature line of counsel for the State Land Office, it reads "Consent of Dalva L. Moellenberg." Prior to the filing of the SLO's Motion to Intervene, OWL's counsel Mr. Moellenberg and SLO counsel Ms. Moss had consulted regarding the SLO's previously filed Prehearing Statement. During those discussions, OWL's counsel advised that SLO should file a Motion to Intervene if SLO wanted to participate as a party, and that OWL would not necessarily oppose such a motion. SLO's counsel had indicated that she would provide a draft of the Motion to Intervene to OWL's counsel to determine if OWL would or would not oppose the Motion to Intervene. That did not occur before the SLO's motion was filed. Consequently, OWL's counsel did not consent to the Motion to Intervene. OWL's counsel also would note that, under the applicable procedural rules, the Motion to Intervene was due by May 31, 2017, in order to be timely for the hearing scheduled for June 8, 2017.


In response to the Motion to Intervene, OWL notes that the stated basis for SLO's intervention is "that it owns the mineral estate seven hundred and fifty (750) feet from the proposed injection site." OWL does not object to SLO's intervention as a party to the extent that SLO may raise issues in the hearing related to the protection of SLO's nearby mineral interests.

Based upon the Motion to Intervene as well as the Prehearing Statement, it appears that SLO may wish to raise issues at the hearing that may not be related to the protection of SLO's mineral interests. OWL objects to SLO intervening and raising issues at the hearing that are not pertinent to the protection of SLO's mineral interests that are the basis for SLO's proposed intervention in this case.

WHEREFORE, OWL requests that the Division limit the scope of SLO's intervention as a party in this case to issues related to SLO's stated basis for intervention, that is, the protection of SLO's nearby mineral interest(s) consistent with the Oil and Gas Act and applicable rules.

Respectfully submitted,

GALLAGHER & KENNEDY, P.A.

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ATTORNEYS FOR OWL SWD Operating, LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2nd day of June, 2017 a true and correct copy of the foregoing pleading was emailed to the parties listed below.

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Anthony J. Trujillo