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

77,7,125 511

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

OWL SWD OPERATING, LLC APPLICATION FOR AUTHORIZATION TO INJECT

Case No 15723

PRE-HEARING STATEMENT

This pre hearing statement is submitted by Opponent as required by the Oil Conservation Division under 19 15 4 13 (B) NMAC

APPEARANCES

<u>APPLICANT S ATTORNEY</u>

OWL SWD Operating LLC Dalva L Moellenberg

<u>OPPONENTS</u> <u>OPPONENT'S ATTORNEY</u>

New Mexico State Land Office Katherine M Moss

STATEMENT OF THE CASE

<u>APPLICANT</u>

Case No 17723 Application of Owl SWD Operating LLC for authorization to inject water for disposal into the Yates Seven Rivers formation Lea County New Mexico Applicant seeks an order approving the use of the Bobcat SWD No 1 for the injection of water into the Yates-Seven Rivers formation at the intervals and the pressures, volumes and rates detailed in its Application Owl currently injects into the Maralo Sholes B Well No 2 under the authority of Administrative Order SWD 1127 and intends for the Bobcat SWD No 1 well to replace the Maralo Sholes B Well No 2 Applicant proposes to drill this new well to a total depth of approximately 3 060 feet for

injection of water into the Yates Seven Rivers formation by open hole from 2 915 to 3060 feet. The well is located SW of Jal NM

OPPONENT NEW MEXICO STATE LAND OFFICE

The SLO is opposed to this replacement well being drilled as a SWD into the same zone as the Maralo Sholes Well No 2 since the Tansill Yates Seven Rivers zones, as well as the Capitan Reef contain protectable groundwater of the State of New Mexico in this area

PROPOSED EVIDENCE

APPLICANT

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

STATE LAND OFFICE

WITNESSES	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

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CERTIFICATE OF SERVICE

I hereby certify that on this 25^{th} day of May 2017 a copy of the foregoing pleading was served via email upon the following counsel of record

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