

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

NEW 05 2018 PM03:44

**APPLICATION OF DELAWARE ENERGY, LLC
FOR APPROVAL OF A SALT WATER DISPOSAL
WELL, EDDY COUNTY, NEW MEXICO.**

CASE NO. 16260

DELAWARE ENERGY LLC'S AMENDED PRE-HEARING STATEMENT

Delaware Energy LLC ("Delaware Energy"), the applicant in the above-referenced case, submits this Amended Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Delaware Energy LLC
405 N. Marienfeld, Suite 250
Midland, TX 79705

ATTORNEY

Michael H. Feldewert, Esq.
Jordan L. Kessler, Esq.
Adam G. Rankin, Esq.
Julia Broggi, Esq.
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
jlkessler@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com

OPPONENT

Foundation Minerals, LLC
Mavros Minerals, LLC
Oak Valley Mineral and Land, L.P.

ATTORNEY

Seth C. McMillan, Esq.
Montgomery & Andrews, P.A.
P.O. Box 2307
Santa Fe NM 87504-2307
505-982-3873
smcmillan@montand.com

3Bear Delaware Operating – NM, LLC

Candace Callahan, Esq.
Beatty & Wozniak, P.C.
500 Don Gaspar Avenue
Santa Fe, New Mexico 87505
(505) 983-8545
(800) 886-6566
ccallahan@bwenergylaw.com

Jim & Barbara Davis

Marion J. Craig III, Esq.
Marion J. Craig III Attorney at Law, LLC
P.O. Box 1436
Roswell, New Mexico 88202-1436
(575) 622-1106
Jimmy@craiglawllc.com

APPLICANT'S STATEMENT OF CASE

Applicant filed an administrative application with the Division on May 9, 2018 for an order authorizing injection of produced water for disposal purposes in the proposed **Grizzly SWD No. 1** well with an updated surface location 205 feet from the South line and 765 feet from the East line of Section 11, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico, a maximum proposed daily injection rate of approximately 25,000 barrels per day within the Devonian formation at a depth of approximately 13,420 feet to 14,420 feet deep, and a maximum injection pressure of 2,684 psi. Applicant prepared and submitted updated location information to the Division on October 22, 2018. The State Land Office has approved these updated locations for staking. Applications for disposal well easements have been submitted to the State Land Office and are pending approval, awaiting final Division authorization to inject. Delaware requests that its C-108 application, with an updated surface location, be granted.

Foundation Minerals, LLC, Mavros Minerals, LLC, Oak Valley Mineral and Land, L.P., 3Bear Delaware Operating – NM, LLC, and Jim and Barbara Davis oppose the application.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jason Goss, Engineer	Approx. 20	Approx. 8
Kevin Schepel, Geologist	Approx. 20	Approx. 5
Sarah Presley, Operations Manager	Approx. 20	Approx. 8

OPPONENTS' PROPOSED EVIDENCE

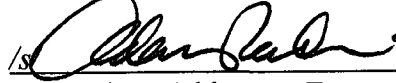
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Foundation Minerals, LLC Mavros Minerals, LLC Oak Valley Mineral and Land, L.P.	10 min.	6
Brian Arnold, Jr., Landman		
3Bear Delaware Operating – NM, LLC		
Kevin Burns	10 min.	1
Jim & Barbara Davis		
Unknown	Unknown	Unknown

PROCEDURAL MATTERS

Applicant requests that Case Nos. 16258-16261 be presented together for purposes of hearing only.

Respectfully submitted,

HOLLAND & HART LLP

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", is written over a horizontal line.

Michael H. Feldewert, Esq.

Jordan L. Kessler, Esq.

Adam Rankin, Esq.

Julia Broggi, Esq.

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

jlkessler@hollandhart.com

agrankin@hollandhart.com

jbroggi@hollandhart.com

**ATTORNEYS FOR DELAWARE ENERGY,
LLC**

CERTIFICATE OF SERVICE

I hereby certify that on November 6, 2018 I served a copy of the foregoing document to
all counsel of record via Electronic Mail to:

Seth C. McMillan
PO Box 2307
Santa Fe NM 87504-2307
505-982-3873
smcmillan@montand.com

Foundation Minerals, LLC
Mavros Minerals, LLC
Oak Valley Mineral and Land, L.P.

Candace Callahan, Esq.
Beatty & Wozniak, P.C.
500 Don Gaspar Avenue
Santa Fe, New Mexico 87505
(505) 983-8545
(800) 886-6566
ccallahan@bwenergyllc.com

3Bear Delaware Operating – NM, LLC

Marion J. Craig III, Esq.
Marion J. Craig III Attorney at Law,
LLC
P.O. Box 1436
Roswell, New Mexico 88202-1436
(575) 622-1106
Jimmy@craiglawllc.com

Jim & Barbara Davis



Adam G. Rankin