

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

NOV 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**

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**OPPONENT**

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

**ATTORNEY**

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3Bear Delaware Operating – NM, LLC

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### **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**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
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**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
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**



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**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:

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**3Bear Delaware Operating – NM, LLC**



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