

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

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

CASE NO. 13865

**APPLICATION OF VERSADO GAS PROCESSORS,
LLC OPERATED BY TARGA RESOURCES, LLC FOR
APPROVAL OF AN ACID GAS INJECTION WELL,
LEA COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Versado Gas Processors, LLC
c/o Targa Resources, Inc.
Attn: Mr. Cary Loughman
1000 Louisiana, Suite 4300
Houston, TX 77002
(713) 584-1000

ATTORNEY

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WFC
H&H
CV 13865

STATEMENT OF CASE

APPLICANT

Applicant seeks an order to utilize its proposed Versado AGI Well No. 1, to be drilled 1200 feet from the West line and 2580 feet from the South line of Section 27, Township 22 South, Range 37 East, NMPM, to inject up to 2500 barrels of acid gas per day, at a maximum pressure of 2000 psi, into the San Andres Formation, at an approximate depth of 4500 feet to 5000 feet. This proposed well will replace Eunice Gas Plant SWD Well No. 1 (API No. 30-025-21497) at this location.

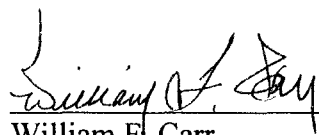
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Cal Wrangham Sr. ES&H Specialist	10Min.	Approx. 2

PROCEDURAL MATTERS

Versado Gas Processors, LLC has none at this time.

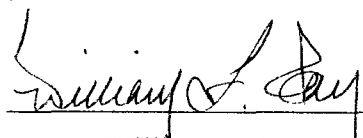


William F. Carr
Attorney for Versado Gas Processors, LLC

CERTIFICATE OF SERVICE

I certify that on July 19, 2007 I served a copy of the foregoing Pre-hearing Statement by Hand Delivery to:

Gail MacQuesten, Esq..
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
Attorney for the Oil Conservation Commission



William F. Carr