

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

**IN THE MATTER OF THE APPLICATION OF THE BOARD
OF COUNTY COMMISSIONERS OF RIO ARRIBA COUNTY
FOR CANCELLATION OR SUSPENSION OF APPLICATIONS
FOR PERMITS TO DRILL (APD'S) FILED BY APPROACH
OPERATING, LLC, RIO ARRIBA COUNTY, NEW MEXICO**

CASE NO. 14134

JUN 17 4 36 PM '08

**IN THE MATTER OF THE APPLICATION OF
APPROACH OPERATING, LLC FOR APPROVAL
OF SIX APPLICATIONS FOR PERMITS TO DRILL,
RIO ARRIBA COUNTY, NEW MEXICO**

CASE NO. 14141

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Montgomery and Andrews, P.A. (J. Scott Hall) on behalf of Approach Operating, LLC, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

Ted J. Trujillo, Esq.
P. O. Box 2185
Espanola, NM 87532-2185
(505) 753-5150

APPLICANT

Board of County Commissioners
of Rio Arriba County

OTHER PARTY'S ATTORNEY

J. Scott Hall, Esq.
Montgomery and Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873

OTHER PARTY

Approach Operating, LLC

STATEMENT OF THE CASE

APPLICANT

In Case No. 14134, Applicant seeks an order canceling or suspending APD's for four wells previously approved by the Division. Applicant contends that drilling of the wells will cause waste, violate correlative rights and will be injurious to human health and the environment.

OPPOSITION OR OTHER PARTY

Approach Operating, LLC disputes Applicant's contentions in Case No. 14134. In Case No. 14141, Approach seeks approval of APD's for six additional wells. All of the wells involved in both cases are located on a single lease in Rio Arriba County.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	NO. OF EXHIBITS
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OPPOSITION OR OTHER PARTY

WITNESSES	EST. TIME	NO. OF EXHIBITS
<u>Approach Operating, LLC</u>		
Ralph Manoushagian, Landman	20 Minutes	3
Glenn Reed, Petroleum Engineer	90 Minutes	15
Ross Craft, Geologist	30 Minutes	6
Peter Maggiore, Hydro-Geologist	60 Minutes	6
Greg Swindle, Health, Safety and Environmental Consultant	30 Minutes	8
Dennis Johnson, Closed-Loop Drilling Design and Implementation	30 Minutes	6

PROCEDURAL MATTERS

Approach Operating, LLC waives no rights or objections due to the Board of County Commissioners' failure to comply with Rules 1206 and 1207 of the Division's Rules and Regulations.

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall
J. Scott Hall, Esq.
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Santa Fe, New Mexico 87504
(505) 982-3873
Attorneys for Approach Operating, LLC

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on the 17th day of June, 2008 as follows:

Ted J. Trujillo, Esq. P. O. Box 2185 Española, NM 87532-2185 (505) 753-4750 [facsimile]	
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J. Scott Hall
J. Scott Hall