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

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

CASE NO. 14123

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APPLICATION OF JUDAH OIL, LLC FOR APPROVAL OF A SALTWATER DISPOSAL WELL, EDDY COUNTY, NEW MEXICO.

RESPONDENT'S ENTRY OF APPEARANCE AND PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Judah Oil, LLC

ATTORNEY

James Bruce P.O. Box 1056 Santa Fe, NM 87504 (505) 982-2043 (505) 982-2151 (Fax)

OPPONENT

Raye Miller Marbob Energy Corporation P.O. Box 227 Artesia, NM 88211-0227 (505) 748-3303

ATTORNEY

Ocean Munds-Dry Holland & Hart LLP 110 N. Guadalupe St. Suite 1 Santa Fe, NM 87501 (505) 988-4421 (505) 983-6043 (Fax)

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order approving salt water disposal into the Wolfcamp and Cisco formations in the Geronimo 27 State Com Well No. 2, located 990 feet from the south line and 660 feet from the West line of Section 27, Township 17 South, Range 28

East, NMPM. The well is located approximately 12-1/2 miles east-northeast of Atoka, New Mexico.

OPPONENT

Opponent asserts that the granting of this application will cause the undue waste of oil and gas by damaging productive formations under and around this tract. Disposal of produced water into the proposed well would also impact Opponent's correlative rights. Marbob therefore respectfully requests the Division deny this application.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

OPPONENT

WITNESSES

ESTIMATED TIME

EXHIBITS

Raye Miller, Practical Oilman Approx. 30 minutes

Approx. 10

PROCEDURAL MATTERS

Marbob Energy Corporation will be filing a motion to continue this case for two weeks.

Ocean Munds-Dry

Attorney for Marbob Energy Corp.