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

APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR APPROVAL OF AN ACID GAS INJECTION WELL, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 14329

STATEMENT OF APPEARANCES & PREHEARING STATEMENT

The Oil Conservation Division submits this statement of <u>appearances</u> and <u>prehearing statement</u> pursuant to OCD Rules 19.15.4.10 and 19.15.4.13 NMAC.

| 100 | APPEARANCES | |
|---|--|----------|
| APPLICANT ANADARKO PETROLEUM CORP. | APPLICANT'S ATTORNEY OCEAN MUNDS-DRY WILLIAM CARR HOLLAND & HART, LLP P.O. Box 2208 Santa Fe, NM 87504 (505) 988-4421 OMundsDry@HollandHart.com WCarr@HollandHart.com | RECEIVED |
| OTHER PARTIES OIL CONSERVATION DIVISION | ATTORNEY MIKAL ALTOMARE Oil Conservation Division Energy, Minerals & Natural Resources Dept. 1220 S. St. Francis Drive Santa Fe, NM 87505 (505) 476-3451 [f: 476-3480] Mikal.Altomare@state.nm.us | OCD |

STATEMENT OF THE CASE

Applicant Anadarko has submitted an application requesting approval to drill an acid gas injection well at one of its existing gas plant facilities in New Mexico. Anadarko simultaneously submitted an H2S contingency plan with the application.

This matter was originally scheduled to proceed to hearing on June 11, 2009. However, the Environmental Bureau of the OCD conducted a preliminary review of the

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contingency plan that was submitted with the application and identified a number of deficiencies in the plan as it was originally submitted. The matter was therefore continued to allow the Environmental Bureau/OCD to work with the Applicant to address and attempt to remedy those deficiencies prior to the matter being heard by a Division Examiner. OCD staff conducted a thorough review of the materials submitted by Anadarko, advised Anadarko regarding the ways in which the contingency plan and did not meet regulatory requirements, and made recommendations to Anadarko for revising their submission to the Division.

The OCD Environmental Bureau has now received and reviewed Anadarko's revised contingency plan and has concluded that it now meets all applicable regulatory requirements. The OCD therefore does not oppose the granting of Anadarko's (revised) application (as currently submitted with the revised contingency plan and attachments).

DIVISION'S PROPOSED EVIDENCE

WITNESS:

Brad Jones, Environmental Engineer

ESTIMATED TIME:

15 Minutes

PROCEDURAL MATTERS

There is a potential notice issue in this case. Anadarko's original Application included a Contingency Plan as an Appendix (Appendix E). The notice sent to "affected parties" pursuant to OCD Rule 19.15.26.8 NMAC by Anadarko referred the parties to a website to view the full application as submitted to the OCD. However, the Contingency Plan has now been substantively revised and amended, even as recently as the date of the submission of this prehearing statement. As such, recipients of the notice were only provided with notice of what is now an outdated version of Anadarko's Application. Arguably, then, Anadarko should now re-issue notice since substantive changes have been made to one or more of the documents submitted as part of the Application packet.

Respectfully submitted

this 7th day of October, 2009 by

MIKAL ALTOMARE

Oil Conservation Division

Energy, Minerals and Natural

Resources Department

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Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was emailed to counsel for Anadarko Petroleum Corp., <u>William Carr</u> at <u>WCarr@HollandHart.com</u>, and <u>Linda Kuhn</u> at <u>Linda.Kuhn@Anadarko.com</u> this 7th day of October, 2009.

Mikal Altomare