

**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 PURPOSE OF CONSIDERING:**

**APPLICATION OF ENSTOR GRAMA RIDGE STORAGE AND TRANSPORTATION,
L.L.C. FOR THE ESTABLISHMENT OF PRESSURE LIMITATIONS FOR INJECTION
WELLS IN THE GRAMA RIDGE STORAGE AREA, LEA COUNTY, NEW MEXICO.**

CASE NO. 14518

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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

Daryl Gee
Enstor Grama Ridge Storage and
Transportation, L.L.C.
20333 State High 249, Suite 400
Houston, Texas 77070
(281) 379-7499

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
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WFC
8/21/12

STATEMENT OF CASE

APPLICANT

Applicant seeks an order approving the injection and storage and withdrawal of natural gas in the Grama Ridge Storage Area by and through the following wells:

- A. Grama Ridge Morrow Unit Well No. 001 (API No. 30-025- 21336) located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 3, Township 22 South, Range 34 East, NMPM;
- B. Grama Ridge Morrow Unit Well No. 002 (API No. 30-025-21717) located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 34, Township 21 South, Range 34 East, NMPM;
- C. Grama Ridge Morrow Unit Well No. 003 (API No. 30-025-21746) located 1980 feet from the South and East lines (Unit J) of Section 33, Township 21 South, Range 34 East, NMPM (Enstor plans to disconnect this well and use it as an observation well); and
- D. Grama Ridge Morrow Unit Well No. 004 (API No. 30-025-21334) located 2310 feet from the North and West lines (Unit F) of Section 4, Township 22 South, Range 34 East, NMPM; and

- E. Grama Ridge Federal 8817-JVP Well No. 1 (API No. 30-025-30686) located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 9, Township 22 South, Range 34 East, NMPM.

Applicant also seeks an order approving a surface injection pressure limit of 5000 pounds per square inch, guage (psig) for injection wells in the Grama Ridge Storage Area and authorizing an administrative procedure for the addition of injection wells to the Grama Ridge Storage Area without notice and hearing. The Grama Ridge Storage Area is located in Sections 33 and 34 of Township 21 South, Range 34 East and Sections 3, 4, 9 and 10 of Township 22 South, Range 34 East, N.M.P.M. which is located approximately 18 miles West of Eunice, New Mexico.

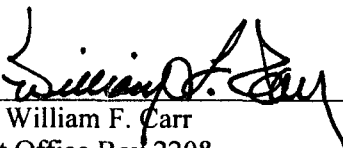
PROPOSED EVIDENCE

<u>WITNESSES</u> (Name and Expertise)	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Daryl Gee (Landman)	10 Minutes	Approximately 3
Vicki Devine (Geologist)	15 Minutes	Approximately 3
Paul Block (Reservoir Engineer)	10 Minutes	Approximately 4
Thomas F. Barron (Drilling Engineer) (May Call)		

PROCEDURAL MATTERS

Enstor Grama Ridge Storage and Transportation, L.L.C. has none at this time.

Respectfully submitted,
HOLLAND & HART LLP

By: 
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