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 AGAVE ENERGY COMPANY FOR AUTHORITY TO INJECT, EDDY COUNTY, NEW MEXICO

Case No. 14601

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AGAVE ENERGY COMPANY'S PRE-HEARING STATEMENT

Agave Energy Company ("Agave Energy") submits its Pre-Hearing Statement as required by the Oil Conservation Division.

APPEARANCES

Agave Energy is the applicant in this case. Its business address is 105 S. Fourth Street, Artesia, New Mexico 88210. It is represented by the undersigned counsel.

STATEMENT OF THE CASE

Agave Energy's application seeks an order authorizing it to inject acid gas and carbon dioxide (CO₂) from the Dagger Draw Processing Plant into its Metropolis Disposal #001 well (API No. 30-015-31905). The well is located in Section 36, Township 18 South, Range 25 East in Eddy County, approximately eight (8) miles southwest of Artesia, New Mexico. Agave Energy requests approval to recomplete the Metropolis Disposal #001 well and to inject acid gas and CO₂ into the basal Devonian, Fusselman, and Montoya formations in an injection interval from 9,930 feet to 10,500 feet. Agave Energy further requests approval of a maximum daily injection rate of 205 barrels and a maximum injection pressure of 3,300 psi.

PROPOSED EVIDENCE

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WITNESSES	EST. TIME	<u>EXHIBITS</u>
Jennifer Knowlton (Engineer)	15 min.	Approx. 2
Ivan Villa (Engineer)	15 min.	Approx. 1
Alberto Gutierrez (Geologist)	30 min.	Approx. 2

PROCEDURAL MATTERS

Agave Energy is not aware of any procedural matters to be resolved prior to the hearing.

HINKLE, HENSLEY, SHANOR & MARTIN, LLP

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Counsel for Agave Energy Company