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:

IN THE MATTER OF THE APPLICATION OF SHELL EXPLORATION & PRODUCTION CO. FOR APPROVAL OF A SALT WATER DISPOSAL WELL, GUADALUPE COUNTY, NEW MEXICO.

CASE NO. 14616

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

ATTORNEY

Shell Exploration & Production Co. Attn: Michael Bergstrom 4582 South Ulster Street Parkway Suite 1400 Denver, Colorado 80237 William F. Carr Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

STATEMENT OF CASE

APPLICANT

Shell Exploration & Production Co. seeks approval to utilize its Latigo Ranch 3-5 Well (API No. 30-019-20137) located 1831 feet from the South line and 1768 feet from the West line (Unit K) of Section 5, Township 10 North, Range 23 East, NMPM, to inject up to 8,640 barrels of water per day, at maximum pressure of 8,900 psi, into the Cuervo Hills Pennsylvanian formation, Webb Ranch Pool, in the perforated interval from 12,792 feet to 14,410 feet.

PROPOSED EVIDENCE

APPLICANT

WITNESSES ESTIMATED TIME **EXHIBITS** (Name and Expertise)

Michael Bergestron Approx. 2 20 minutes Senior Regulatory

Advisor

Andrew James 10 minutes Approx. 2

PROCEDURAL MATTERS

Shell has none at this time.

Attorney for Shell Exploration & Production

Co.