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:

CASE: 10088 RECEIVED

APPLICATION OF CIRCLE RIDGE PRODUCTION INC. FOR WATERFLOOD EXPANSION, CHAVES COUNTY, NEW MEXICO. SEP 5 1990

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Applicant as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Circle Ridge Production, Inc. c/o Peak Consulting Services P. O. Box 636 Hobbs, New Mexico 88240 Attention: Michael L. Pierce (505) 392-1915 Hinkle, Cox, Eaton, Coffield & Hensley James Bruce 500 Marquette, N.W. Suite 800 Albuquerque, N.M. 87102 (505) 768-1500

OPPOSITION OR OTHER PARTY

E. P. Caudill, Inc.

ATTORNEY

C. Barry Crutchfield 2nd Floor, Reed McCory Building Lovington, N.M. 88260 (505) 396-4927

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Applicant seeks authority to re-inject water produced from the Queen formation into said formation through the Rock Queen Unit Well Nos. 3 (Unit C, Section 26) and 9 (Unit I, Section 27), T13S, R31E. Pre-hearing Statement NMOCD Case No. 10088 Page 2

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESS (Name and expertise)	EST. TIME	EXHIBITS
Michael C. Pierce	20 minutes	(a) C-108 (b) C-103's on the

- subject wells.
- (c) Notice documents.

OPPOSITION

WITNESSES (Name and expertise) EST. TIME

EXHIBITS

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to the hearing)

Applicant objects to E.P. Caudill, Inc. presenting any evidence regarding trespass or surface damages. The Division lacks jurisdiction to hear those mat<u>ters</u>.

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James Bruce Attorney for Applicants 500 Marquette, N.W. Suite 800 Albuquerque, New Mexico 87102 (505) 768-1500

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was telecopied and mailed to C. Barry Crutchfield, 2nd Floor, Reed McCory Building, Lovington, New Mexico 88260 this <u>476</u> day of September, 1990.

Neg ame By James Bruce