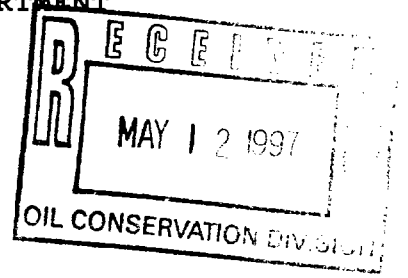


STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

APPLICATION OF SANTA FE ENERGY  
RESOURCES, INC. FOR COMPULSORY,  
POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 11743

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Santa Fe Energy  
Resources, Inc.  
Suite 1330  
550 West Texas  
Midland, Texas 79701  
(505) 686-6736  
Attn: Joe W. Hammond

APPLICANT'S ATTORNEY

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

OPPONENT

Bass Enterprises  
Production Co., et al.

OPPONENT'S ATTORNEY

James E. Haas  
Lossee, Carson, Haas &  
Carroll, P.A.  
P.O. Box 1720  
Artesia, New Mexico 88211  
(505) 746-3505

STATEMENT OF THE CASE

APPLICANT

Applicant seeks to drill a well in the N $\frac{1}{4}$  §17-22S-28E, at a standard location in the NE $\frac{1}{4}$ , to a depth sufficient to test the Morrow formation. The Bass interests have failed to commit their interests to the well. Therefore, Applicant seeks to pool all formations spaced on 160 and 320 acres.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

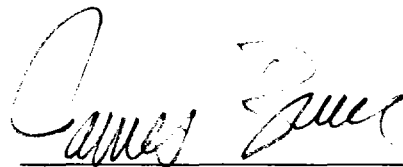
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Joe W. Hammond (landman)	10 min.	(a) land plat (b) correspondence (c) AFE (d) notice affidavit
Mike Dilli (geologist)	10 min.	(a) production map (b) isopach (c) cross-section

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

-None-

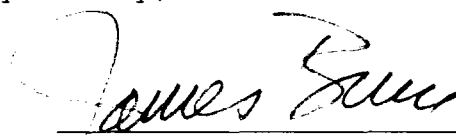


James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Santa Fe Energy  
Resources, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Pre-Hearing Statement was sent via facsimile transmission to James E. Haas, (505) 746-6316, on the 10th day of May, 1997.



James Bruce

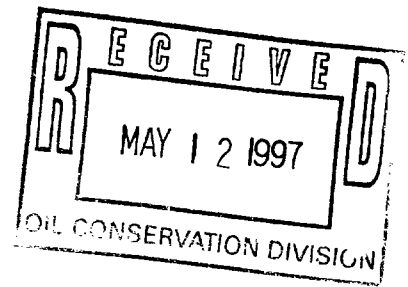
**JAMES BRUCE**

ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

SUITE B  
612 OLD SANTA FE TRAIL  
SANTA FE, NEW MEXICO 87501

(505) 982-2043  
(505) 982-2151 (FAX)



May 12, 1997

**Hand Delivered**

Florene Davidson  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and two copies of a Pre-Hearing Statement in Case 11,743 (Application of Santa Fe Energy Resources, Inc. for compulsory pooling).

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce