

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 SALT WATER
DISPOSAL, EDDY COUNTY, NEW MEXICO.

CASE NO. 11848

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) 686-6709
Attn: Don Rogers

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant operates the Jones Canyon "4" Fed. Well No. 2, located in the S½ of Section 4, Township 22 South, Range 24 East. The well has been drilled to the Cisco/Canyon formations (Indian Basin-Upper Pennsylvanian Associated Pool). Applicant proposes to (1) re-enter the well and deepen it to the Montoya formation, (2) complete the well in the Cisco/Canyon formations, and (3) install a downhole separator system. Applicant will then produce oil, gas, and water from the Cisco/Canyon formations, separate the bulk of the water therefrom, and dispose of the produced water into the Devonian and Montoya formations.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

(Geologist)

10 min.

- (a) Structure map
of the Cisco-
Canyon
- (b) Production map
- (c) D e v o n i a n
structure map
- (d) Devonian cross-
section

Don Rogers
(Engineer)

20 min.

- (a) C-108
- (b) W e l l b o r e
schematic
- (c) Notice affidavit

OPPONENT

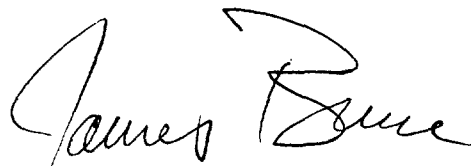
WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-



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Attorney for Santa Fe Energy
Resources, Inc.