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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, LEA COUNTY, NEW MEXICO.

Case No. 12,145

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
Attention: Steven J. Smith
(915) 686-6712

APPLICANT'S ATTORNEY

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

OPPONENT

Robert E. Landreth

OPPONENT'S ATTORNEY

William F. Carr

STATEMENT OF THE CASE

APPLICANT

Applicant seeks to drill a well in the S½ §4-23S-34E, at an unorthodox location 660 feet FSL and FWL of Section 4 (approved by Administrative Order NSL-4241). The well will test the Morrow formation. One interest owner has not yet signed an operating agreement or farmed-out. Because of expiring leases, Applicant seeks to pool all formations spaced on 40, 160, and 320 acres.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

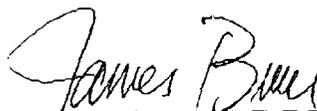
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Steven J. Smith (landman)	10 min.	(a) land plat (b) interest listing (c) correspondence (d) AFE (e) notice affidavit
Tom Tinney (geologist)	10 min.	(a) production map (b) isopach (c) cross-section

OPPONENT

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

-None-



James Bruce
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Santa Fe, New Mexico 87504
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Attorney for Santa Fe Energy Resources, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Pre-Hearing Statement was sent to William F. Carr via facsimile transmission (983-6043) this 31st day of March, 1999.



James Bruce