(ase File 12423

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

CASE NO. 12393

APPLICATION OF SANTA FE SNYDER CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by SANTA FE SNYDER CORPORATION as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

Santa Fe Snyder Corporation 550 W. Texas Avenue, Ste 1330 Midland, Texas 79701 (915) 686-6712

attn: Steve Smith

W. Thomas Kellahin **KELLAHIN & KELLAHIN** P.O. Box 2265 Santa Fe, NM 87504 (505) 982-4285

OPPONENT

ATTORNEY

Southwestern Energy Production Company

James Bruce, Esq. P. O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

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STATEMENT OF THE CASE

Santa Fe Snyder Corporation seeks a compulsory pooling order for the N/2 of Section 17, T23S, R34E, Lea County, New Mexico as a 320-acre gas spacing unit for its Paloma Blanco "17" Federal Well No. 1 which is to be located at a standard well location in Unit E of this section.

Santa Fe Snyder Corporation controls 75% of this section and was the first working interest owner to propose a well in this section. The only party to be pooled is Southwestern Energy Production Company who controls the remaining 25% of this section.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Steve Smith (landman)	30 min.	@ 8 exhibits
Steve Hulke (geology)	30 Min.	@ 3 exhibits

PROCEDURAL MATTERS

KELLAHIN AND KELLAHIN

W. Thomas Kellahin