

**CASE 10757:** Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 27, Township 21 South, Range 24 East, and in the following manner: all of Section 27 forming a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within said vertical extent; the S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be re-entered at a previously approved unorthodox location 1140 feet from the South line and 1350 feet from the West line of said Section 27. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles north of Walt Spring.

**CASE 10758:** Application of Mewbourne Oil Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant seeks authorization to deepen its Cedar Breaks 2 State Well No. 1 currently completed in the Bone Spring formation at a location 2130 feet from the North line and 1980 feet from the East line (Unit G) of Section 2, Township 18 South, Range 30 East, to test the Strawn formation (undesignated Cedar Lake-Strawn Pool). The NE/4 of Section 2 will be dedicated to the well. Said unit is located approximately 4 miles southeast of Loco Hill.

**CASE 10687:** (Continued from June 17, 1993, Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from 500 feet below the top of the San Andres formation to the base of the Morrow formation underlying the following described areas in Section 17, Township 18 South, Range 28 East, and in the following manner: the E/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent; and the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said unit is to be dedicated to its Illinois Camp "17" State Well No. 2, to be drilled at a standard location within said E/2 proration unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles north of Illinois Camp.

**CASE 10688:** (Continued from June 17, 1993, Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Abo formation to the base of the Morrow formation underlying the following described areas in Section 31, Township 17 South, Range 28 East, and in the following manner: the S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent; the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the SW/4 SE/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Chalk Bluff "31" State Well No. 1, to be drilled at a standard location within said S/2 proration unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 1 mile southwest of the Baylor Triangulation Station.

**CASE 10759:** Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 9, Township 24 South, Range 25 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to its Mosley Canyon 9 State Com Well No. 1, to be drilled at an orthodox location within said N/2 proration unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said well is located approximately 4 miles north of White City.

**DOCKET: EXAMINER HEARING - THURSDAY - JULY 29, 1993  
8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO**

Dockets Nos. 23-93 and 24-93 are tentatively set for August 12, 1993 and August 26, 1993. Applications for hearing must be filed at least 23 days in advance of hearing date.

The following cases will be heard before Michael E. Stogner, Examiner or David R. Catanach, Alternate Examiner:

**CASE 10774:** Application of Santa Fe Energy Operating Partners, L. P. for a unit agreement, Lea County, New Mexico. Applicant seeks approval of the Thistle Unit Agreement for an area comprising 4,880 acres, more or less, of Federal and State lands in Sections 20, 21, 22, 27, 28, 29, 32, 33, and 34, Township 23 South, Range 33 East, which is centered approximately 4 miles north of mile marker 27 and State Highway 128.

**CASE 10775:** Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox infill gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant seeks approval of an unorthodox well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 1, Township 24 South, Range 28 East, Malaga-Atoka Gas Pool. Further, the applicant seeks an exception to Division General Rule 104.c(2) to allow the existing 320-acre gas spacing and proration unit comprising the S/2 of said Section 1 to be simultaneously dedicated in the Malaga-Atoka Gas Pool to the proposed well and to the existing Malaga Federal 1 Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1. Said unit is located approximately 2 miles northeast of Malaga, New Mexico.

**CASE 10767:** (Continued from July 15, 1993, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Cisco/Canyon formation underlying all of Section 5, Township 22 South, Range 24 East, forming a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within said vertical extent. Said unit is to be dedicated to its reentry of the Discovery Operating Walt Canyon 5 Fed Well No. 1 at a standard location in said Section 5. Also to be considered will be the cost of reentering and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in reentering and completing said well. Said well is located approximately 2 miles south of the Tepee.

**CASE 10768:** (Readvertised)

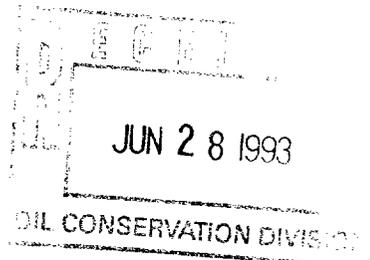
Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Cisco/Canyon formation underlying all of Section 8, Township 22 South, Range 24 East, forming a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within said vertical extent. Said unit is to be dedicated to a well drilled at an orthodox location in said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said well is located approximately 3 miles south of the Tepee.

 (Continued from July 1, 1993, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 9, Township 24 South, Range 25 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to its Mosley Canyon 9 State Com Well No. 1, to be drilled at an orthodox location within said N/2 proration unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said well is located approximately 4 miles north of White City.

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 NO. 10,759

APPLICATION OF SANTA FE ENERGY OPERATING  
PARTNERS, L.P. FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Santa Fe Energy Operating Partners, L.P.  
as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Santa Fe Energy Operating  
Partners, L.P.  
Suite 1330  
500 West Texas  
Midland, Texas 79701  
(915) 686-6631  
Attention: C. Smith

ATTORNEY

James Bruce  
Hinkle, Cox, Eaton, Coffield & Hensley  
Post Office Box 2068  
Santa Fe, New Mexico 87504-2068  
(505) 982-4554

OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant seeks to force pool 320 acres of land for a Morrow test well. There are interest owners who have not yet committed their interests to the well.

OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Curtis Smith (Landman)	10 minutes	(a) Land Plat (b) Correspondence (c) AFE (d) COPAS Procedure (e) Affidavit of Notice
David White (Geologist)	10 minutes	(a) Isopach (b) Production Map (c) Cross-section

OTHER PARTY

WITNESSES	EST. TIME	EXHIBITS
-----------	-----------	----------

PROCEDURAL MATTERS

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce  
Post Office Box 2068  
Santa Fe, New Mexico 87504-2068  
(505) 982-4554

Attorneys for Santa Fe Energy Operating  
Partners, L.P.