

3/28/97

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

**IN THE MATTER OF THE APPLICATION OF :
BASS ENTERPRISES PRODUCTION CO. AND :
SANTA FE ENERGY COMPANY FOR RESCISSION :
OF ORDER NSL-3745, EDDY COUNTY, NEW MEXICO : CASE NO. 11713**

**IN THE MATTER OF THE APPLICATION OF :
BASS ENTERPRISES PRODUCTION CO. TO DRILL :
AND FOR SIMULTANEOUS DEDICATION OR, IN THE :
ALTERNATIVE, SIMULTANEOUS DEDICATION AND :
FOR UNORTHODOX GAS WELL LOCATION, :
EDDY COUNTY, NEW MEXICO : Case No. 11758**

PREHEARING STATEMENT

This prehearing statement is submitted by BASS ENTERPRISES PRODUCTION CO. as required by the Oil Conservation Division. A Motion to Consolidate the captioned two cases has been filed by Bass, and a consolidated prehearing statement is presented for filing in both cases.

APPEARANCES OF PARTIES

APPLICANT

Bass Enterprises Production Co.
and Santa Fe Energy Co.

Ernest L. Carroll
James E. Haas
Losee, Carson, Haas &
Carroll, P. A.
P.O. Box 1720
Artesia, NM 88211-1720

OPPOSITION

Mewbourne Oil Company

William F. Carr
Campbell, Carr, Berge & Sheridan
P.O. Box 2208
Santa Fe, NM 87504-2208

STATEMENT OF THE CASE

Bass and Santa Fe have filed an Application to Rescind Order NSL-3745, which order granted Mewbourne's administrative application for an unorthodox gas well location for its Scanlon Draw "35" State No. 1 Well 660' from the south line and 1980' from the west line of Section 35, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Bass has filed an Application for Simultaneous Dedication and in the Alternative, Unorthodox Well Location, to drill its Turkey Track 2 State No. 2 Well and dedicate it to the existing 320-acre unit of the E/2 of Section 2, Township 19 South, Range 28 East, N.M.P.M., or, in the alternative, in the event Order NSL-3745 is not rescinded, that it be

allowed to drill at an unorthodox location corresponding to Mewbourne's location.

PROPOSED EVIDENCE

At this time Bass does not anticipate presenting witnesses or evidence in either case, in consideration of the previous technical evidence and testimony presented in 11713 by Bass. However, counsel will attend and, in the event opposition is presented at the hearing date, Bass reserves the right to rebut any such opposition with testimony and evidence.

Respectfully submitted,

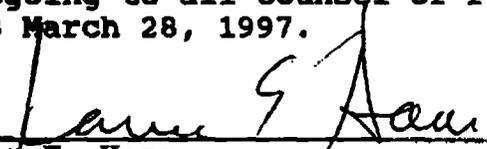
LOSEE, CARSON, HAAS & CARROLL, P.A.

By:  _____

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Attorneys for Bass Enterprises Production Co.
and Santa Fe Energy Company

I hereby certify that I caused to be mailed a true and correct copy of the foregoing to all counsel of record this March 28, 1997.



James E. Haas