

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

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10628

THE APPLICATION OF YATES  
PETROLEUM CORPORATION FOR  
COMPULSORY POOLING AND AN  
UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO

ENTRY OF APPEARANCE

COMES NOW, W. THOMAS KELLAHIN of Kellahin and  
Kellahin, and enters the firm's appearance on behalf of  
MARATHON OIL COMPANY in the above captioned matter.

KELLAHIN and KELLAHIN

By: 

W. Thomas Kellahin  
Post Office Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285  
ATTORNEYS FOR MARATHON OIL  
COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of  
the foregoing Entry of Appearance was both sent by  
facsimile transmission and by U.S. Mail, postage pre-  
paid to William F. Carr, Esq., (Fax No. 505/983-6043)  
Campbell, Carr, Berge and Sheridan, P.O. Box 2208,  
Santa Fe, New Mexico 87504 and James Bruce, Esq., (Fax  
No. 505/982-8623) The Hinkle Law Firm, P.O. Box 2068,  
Santa Fe, New Mexico 87504 and was hand-delivered to  
William J. LeMay, Oil Conservation Division, 310 Old  
Santa Fe Trail, Room 219, Santa Fe, NM 87501 on this  
11 day of December, 1992.

  
W. Thomas Kellahin

**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. 10628

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR COMPULSORY POOLING AND  
AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,  
as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Yates Petroleum Corporation \_\_\_\_\_  
c/o Robert Bullock \_\_\_\_\_  
105 South Fourth Street \_\_\_\_\_  
Artesia, New Mexico 88210 \_\_\_\_\_  
(505) 748-1471 \_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq. \_\_\_\_\_  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_  
(505) 988-4421 \_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

name, address, phone and  
contact person

**ATTORNEY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATEMENT OF CASE**

**APPLICANT**

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Yates Petroleum Corporation, applicant in the above-captioned cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described area in Section 27, Township 21 South, Range 24 East, and in the following manner: the entire section 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, which presently includes only the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin-Morrow Gas Pool, and the W/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 units are to be dedicated to the plugged and abandoned Pan American Petroleum Corp. Pardue Federal Gas Com Well No. 1 located at an unorthodox gas well location 1140 feet from the South line and 1350 feet from the West line (Unit N) of Section 27. Also to be considered will be the cost of re-entering and recompleting 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 re-entering and recompleting said well.

**OPPOSITION OR OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

APPLICANT

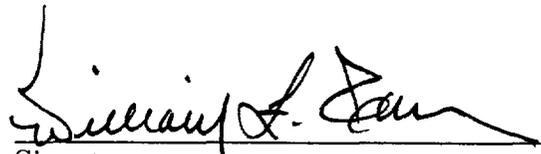
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Robert Bullock, Landman	10 Min.	Approximately 5
Brent May, Geologist	20 Min.	Approximately 7
David Boneau, Engineer	20 Min.	Approximately 5

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

Yates will request that this case be consolidated with Case No. 10629 for the purposes of hearing.

  
Signature

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

IN THE MATTER OF THE APPLICATION  
OF SANTA FE ENERGY OPERATING  
PARTNERS, L.P. FOR COMPULSORY  
POOLING AND AN UNORTHODOX GAS  
WELL LOCATION, EDDY COUNTY,  
NEW MEXICO.

Case No. 10,629

IN THE MATTER OF THE APPLICATION  
OF YATES PETROLEUM CORPORATION  
FOR COMPULSORY POOLING AND AN  
UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

Case No. 10,628

RECEIVED  
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CONSERVATION DIVISION

**PRE-HEARING STATEMENT**

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

**APPEARANCES OF PARTIES**

**APPLICANT**

Santa Fe Energy Operating  
Partners, L.P.  
550 West Texas, Suite 1330  
Midland, Texas 79701

Attn: Gary Green  
(915) 687-3551

**ATTORNEY**

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

**OPPOSITION OR OTHER PARTY**

Yates Petroleum Corporation

**ATTORNEY**

William F. Carr  
Post Office Box 2208  
Santa Fe, NM 87504-2208  
(505) 988-4421

**STATEMENT OF CASE**

**APPLICANT**

Santa Fe Energy seeks to pool the W $\frac{1}{2}$  of Section 27 for a Morrow test well, and all of Section 27 for an Upper Penn well. The proposed well is to be drilled at an unorthodox location, based upon both topographical and geological reasons.

**OPPOSITION OR OTHER PARTY**

**PROPOSED EVIDENCE**

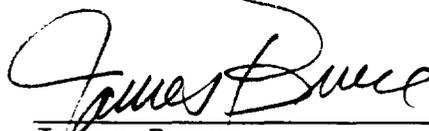
**APPLICANT**

WITNESSES	EST. TIME	EXHIBITS
(a) Gary Green (Landman)	10 minutes	(1) Land Plat (2) Correspondence (3) Notice letters
(b) Gene Davis (Geologist)	30 minutes	(1) Area map (2) Morrow isopach (3) Morrow cross-section (4) Upper Penn isopach (5) Upper Penn cross-section (6) Upper Penn Structure map
(c) Darrell Roberts	25 minutes	(1) AFE (2) AFE comparison data (3) Topographic map map and photographs of well location

**PROCEDURAL MATTERS**

The Division issued a subpoena, requested by Santa Fe Energy, ordering Yates to turn over certain well data, which Yates has refused to do. Yates has filed a Motion to Quash Subpoena, which is opposed by Santa Fe. Santa Fe requests that Yates be ordered to turn over the requested data, or that it be barred from using at hearing any exhibits or testimony which is based on or relies on the requested data.

HINKLE, COX, EATON,  
COFFIELD & HENSLEY



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

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

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement of Santa Fe Energy Operating Partners, L.P. was hand delivered to William F. Carr, Esq., 110 North Guadalupe, Suite 1, Santa Fe, New Mexico 87501, this 11<sup>th</sup> day of December, 1992.



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James Bruce