

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

APR 12 30

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

CASE NO. 9939

APPLICATION OF

SANTA FE ENERGY OPERATING PARTNERS, L.P.
for Compulsory Pooling and Non-Standard
Proration Unit, Eddy County, New Mexico

CHEVRON USA INC.'S

PRE-HEARING STATEMENT

This prehearing statement is submitted by W. Thomas Kellahin
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Santa Fe Energy Operating
Partners, L. P.

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

Chevron USA Inc
Box 1150
Midland, Texas 79702

Attn Mr. Mickey F. Cohlma
(915) 687-7158

name, address, phone and
contact person

ATTORNEY

J. Randy Turner, Esq

Box 2706

Midland, Texas 79702

(915) 687-0011

ATTORNEY

W. Thomas Kellahin

P. O. Box 2265

Santa Fe, New Mexico 87501

(505) 982-4285

STATEMENT OF CASE

APPLICANT

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

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.)

In violation of Section 70-2-17(c), Applicant has resorted to compulsory pooling without first exhausted a good faith effort to reach voluntary agreement

Chevron objects to the compulsory pooling as being premature object to the orientation of the spacing unit and the proposed well location.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES
(Name and expertise)

EST. TIME

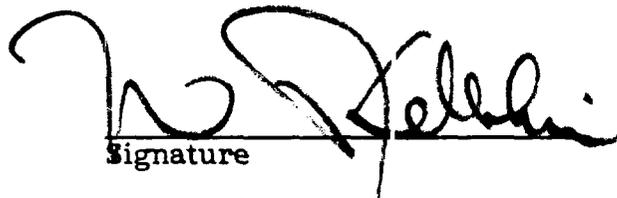
EXHIBITS

Mickey F. Cohlma (Landman)	20 Min	5
David Rittersbacher (geologist)	20 Min	3
Steve Tehuen (P. E.)	20 Min	3

PROCEDURAL MATTERS

(Please identify any procedural matters which
need to be resolved prior to the hearing)

Chevron's Motion to Dismiss pending action by the Division
Motion filed June 5, 1990.


Signature