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

RECEIVED

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING THE APPLICATION OF PACIFIC ENTERPRISES OIL COMPANY (USA) FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

MAR 1 4 1991

OIL CONSERVATION DIVISION

Case No. 10267

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted on behalf of Pacific Enterprises Oil Company (USA) as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

Applicant: Pacific Enterprises Oil Company (USA)

Contact

Person: John Lodge

Post Office Box 3083

Midland, Texas 79702-3083

(915) 684-3861

Attorney: W. Perry Pearce

Montgomery & Andrews, P.A.

Post Office Box 2307

Santa Fe, New Mexico 87504

(505) 982-3873

APPLICANT'S STATEMENT OF THE CASE

Applicant in this case seeks the pooling of mineral interests underlying portions of Section 4, Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico. Applicant will seek the pooling of acreage underlying this Section including the following:

All of said Section 4 forming a 639.52-acre gas spacing and proration unit in the Undesignated North Bell Lake Devonian Gas Pool which is spaced on 640 acres;

Lots 3 and 4, S/2NW/4 and SW/4W/2 equivalent to form a 320.16-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which includes, but is not necessarily limited to the Undesignated North Antelope Ridge-Wolfcamp Gas Pool, Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated North Bell Lake-Morrow Gas Pool and the Undesignated Antelope Ridge-Morrow Gas Pool;

the SW/4 to form 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 NE/4SW/4 to form 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 which presently includes but is not necessarily limited to the Undesignated Northwest Antelope Ridge-Bone Spring Pool.

Said units are to be dedicated to a single well to be drilled at a standard location in the NE/4SW/4 (Unit K) of said Section 4.

In addition to pooling these mineral interests, it is necessary for the Division to determine the reasonable costs of drilling and completing this well, the overhead and administrative costs which are reasonable for this well during drilling and operations and a reasonable charge for the risks involved in drilling said well to be applied to parties who do not participate drilling of this well. Applicant will seek to be named operator of this well.

Applicant has attempted to reach voluntary agreement with other interest owners underlying these lands but has been unable to do so.

APPLICANT'S PROPOSED EVIDENCE

Applicant in this case expects to call two witnesses and present fifteen or fewer exhibits. Applicant believes that the direct presentation of this case can be accomplished in approximately 30 minutes.

PROCEDURAL MATTERS

Applicant is not aware of any procedural matters which need to be resolved prior to the hearing of this case.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

W. Perry Pearce

Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

Attorneys for Pacific Enterprises
Oil Company (USA)

[WPP/120]

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

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING THE APPLICATION OF PACIFIC ENTERPRISES OIL COMPANY (USA) FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

APR 1 2 1991

OIL CONSERVATION DIV. SANTA FE

Case No. 10267

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted on behalf of Pacific Enterprises Oil Company (USA) as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

Applicant: Pacific Enterprises Oil Company, USA

Contact

Person: Jerry Johnson

(303) 629-8686

W. Perry Pearce Attorney:

Montgomery & Andrews, P.A.

Post Office Box 2307

Santa Fe, New Mexico 87504

(505) 982-3873

APPLICANT'S STATEMENT OF THE CASE

Applicant in this case seeks the pooling of mineral interests from the surface to the base of the Devonian formation underlying the following described acreage in Section 4, Township 23 South, Range 34 East, and in the following manner: All of said Section 4 forming a 639.52-acre gas spacing and proration unit in the Undesignated North Bell Lake-Devonian Gas Pool which is spaced on 640 acres; Lots 3 and 4, S/2 NW/4 and SW/4 (W/2 equivalent) to form a 320.16-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which includes, but is not necessarily limited to the Undesignated North Antelope Ridge-Wolfcamp Gas Pool, Undesignated Antelope Ridge-Atoka Gas

Pool, Undesignated North Bell Lake-Morrow Gas Pool and the Undesignated Antelope Ridge-Morrow Gas Pool; the SW/4 to form 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 NE/4 SW/4 to form 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 which presently includes but is not necessarily limited to the Undesignated Northwest Antelope Ridge-Bone Spring Pool. units are to be dedicated to a single well to be drilled at a standard location in the NE/4 SW/4 (Unit K) of said Section 4. 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.

APPLICANT'S PROPOSED EVIDENCE

Applicant will call two witnesses and present 10 or fewer exhibits. The direct presentation of this case will take between 30 and 45 minutes.

PROCEDURAL MATTERS

Applicant is not aware of any procedural matters which need to be resolved prior to the hearing of this case.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

W. Perry Pearge Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

Attorneys for Pacific Enterprises Oil Company (USA)

[WPP/157]

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED

IN THE MATTER OF THE APPLICATION OF PACIFIC ENTERPRISES OIL COMPANY (USA) FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

 $\begin{array}{c} \text{MAR} \ 1 \leftarrow 1991 \\ \\ \text{Oil conservation division} \end{array}$

CASE NO. 10267

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its appearance in the above referenced case on behalf of Enron Oil & Gas Company.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR ENRON OIL & GAS COMPANY

NEW MEXICO OIL CONSERVATION DIVISION

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OIL CONSERVATION DIVISION

APPLICATION OF PACIFIC ENTERPRISES OIL COMPANY (U.S.A.) FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 10267

ENTRY OF APPEARANCE

Hinkle, Cox, Eaton, Coffield & Hensley enter their appearance on behalf of Santa Fe Energy Operating Partners, L.P. in the above-captioned case. This pleading is submitted in lieu of a prehearing statement. Santa Fe Energy Operating Partners, L.P. will present no witnesses.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Ву

John R. Kulseth, Jr.
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 copy of the foregoing Entry of Appearance was hand-delivered to the following counsel of record for Pacific Enterprises Oil Company (U.S.A.) this day of April, 1991:

W. Perry Pearce Montgomery & Andrews 325 Paseo de Peralta Santa Fe, New Mexico 87501

John R. Kulseth, Jr