

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:

RECEIVED

CASE NO. 10,556

SEP 14 1992

APPLICATION OF CHI ENERGY, INC.
FOR SPECIAL POOL RULES, EDDY
COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Mewbourne Oil Company as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Chi Energy, Inc.

ATTORNEY

W. Thomas Kellahin

OTHER PARTY

Mewbourne Oil Company
Suite 1020
550 West Texas
Midland, Texas 78701
(915) 682-3715
Attention: D. Paul Haden

ATTORNEY

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

STATEMENT OF CASE

APPLICANT

OTHER PARTY

Mewbourne Oil Company owns interests in the Old Millman Ranch-Bone Springs Pool, and is therefore an interested party.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OTHER PARTY

WITNESSES

EST. TIME

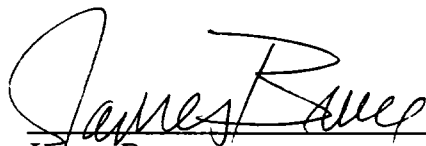
EXHIBITS

Mewbourne Oil Company does not anticipate presenting any witnesses.

PROCEDURAL MATTERS

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



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

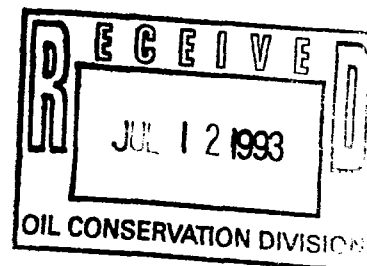
Attorneys for Santa Fe Energy Operating Partners,
L.P.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was hand-delivered to W. Thomas Kellahin, Esq., 117 North Guadalupe, Santa Fe, New Mexico 87501, this 14th day of September, 1992.



James Bruce



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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
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CONSIDERING:

CASE NO. 10556(Reopened)

IN THE MATTER OF CASE 10556 BEING REOPENED
PURSUANT TO ORDER R-9759,
OLD MILLMAN RANCH-BONE SPRINGS POOL,
EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by CHI ENERGY
INC. as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Chi Energy Inc.
P. O. Box 1799
Midland, Texas 79702-1799
Attn: Bill Bergman
(915) 685-5001

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

OPPOSITION OR OTHER PARTY

ATTORNEY

Mewbourne Oil Company

James Bruce

STATEMENT OF CASE

APPLICANT

Chi Energy Inc was the original applicant and obtained Order R-9759 which established temporary special rules for the Oil Millman Ranch-Bone Springs Pool including a provision for 20,000 to 1 GOR.

Based upon subsequent data, Chi Energy Inc. now seeks to have this pool designated as an "associated" oil and gas pool subject to Division Order R-5353 including 160-acre gas well spacing and 80-acre oil well spacing.

PROPOSED EVIDENCE

APPLICANT

| WITNESSES | EST. TIME | EXHIBITS |
|---------------------|-----------|------------|
| Mike Feagan (PE) | 20 Min | 6 exhibits |
| Mike Hays (geology) | 20 Min. | 4 exhibits |

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

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

CASE NO. 10556

APPLICATION OF CHI ENERGY, INC. FOR
SPECIAL POOL RULES, EDDY COUNTY,
NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by CHI ENERGY,
INC. as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

CHI ENERGY, INC.
P.O. Box 1799
Midland, TX 79702
ATTN: William Bergman

ATTORNEY

W. Thomas Kellahin
KELLAHIN & KELLAHIN
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OTHER PARTY

Mewbourne Oil Company

ATTORNEY

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Pre-Hearing Statement
Case No. 10556
Page 2

STATEMENT OF CASE

APPLICANT

Chi Energy, Inc., Applicant, seek an order promulgating special rules for the Old Millman Ranch-Bone Spring Pool including a provision for a limiting gas-oil ratio of 20,000 cubic feet of gas per barrel of oil. Said pool currently compresses portions of Sections 4, 5 and 8, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico

OPPOSITION OR OTHER PARTY

SEE OTHER PARTY FILING

PROPOSED EVIDENCE

APPLICANT

| WITNESSES | EST. TIME | EXHIBITS |
|--|------------|--------------------------------|
| William R. Bergman OR ALTERNATE GEOLOGIST | 10 Min. | Structure Map |
| Robert Lee Petroleum Engineer | 15-20 Min. | Isopach Map |
| | | Cross Section |
| | | Sample Analysis |
| | | Approx. 2-3 Addit. Exhibits |

OPPOSITION OR OTHER PARTY

| WITNESSES | EST. TIME | EXHIBITS |
|------------------------|-----------|----------|
| SEE OTHER PARTY FILING | | |

Pre-Hearing Statement
Case No. 10556
Page 3

PROCEDURAL MATTERS

None.

KELLAHIN and KELLAHIN

By: 

W. Thomas Kellahin

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ATTORNEYS FOR CHI ENERGY, INC.

PHST911.623

STATE OF NEW MEXICO
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Midland, TX 79702
ATTN: William Bergman

ATTORNEY

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KELLAHIN & KELLAHIN
P.O. Box 2265
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(505) 982-4285

OTHER PARTY

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Pre-Hearing Statement
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Page 3

PROCEDURAL MATTERS

None.

KELLAHIN and KELLAHIN

By: 

W. Thomas Kellahin

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ATTORNEYS FOR CHI ENERGY, INC.

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Pre-Hearing Statement
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PROCEDURAL MATTERS

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KELLAHIN and KELLAHIN

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

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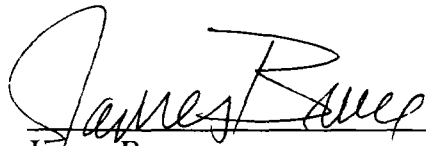
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Attorneys for Santa Fe Energy Operating Partners,
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James Bruce

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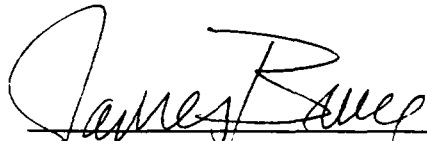
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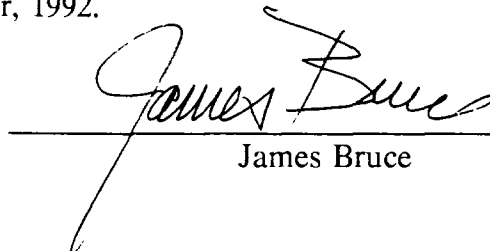


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