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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. 10629

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THE APPLICATION OF SANTA FE ENERGY OPERATING PARTNERS, LP FOR COMPULSORY POOLING AND AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO

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DECL

ENTRY OF APPEARANCE

OIL' CONSERVATION DIVISION

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 prepaid to 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 ______ day of December, 1992.

W. Thomas Kellahin

ent1211A.092

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.

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

Case No. 10,629

ALLEN D.

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

OPPOSITION OR OTHER PARTY

Yates Petroleum Corporation

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

ATTORNEY

ATTORNEY

William F. Carr Post Office Box 2208 Santa Fe, NM 87504-2208 (505) 988-4421 Pre-Hearing Statement NMOCD Case Nos. 10,629 and 10,628 Page 2

STATEMENT OF CASE

APPLICANT

Santa Fe Energy seeks to pool the W_2^1 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

Pre-Hearing Statement NMOCD Case Nos. 10,629 and 10,628 Page 3

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	 Area map Morrow isopach Morrow cross- section Upper Penn isopach Upper Penn cross- section Upper Penn Structure map
(c)	Darrell Roberts	25 minutes	 AFE AFE comparison data Topographic map map and photo- graphs of well location

Pre-Hearing Statement NMOCD Case Nos. 10,629 and 10,628 Page 4

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

James Bruce Fost 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 //// day of December, 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 DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 10629

APPLICATION OF SANTA FE ENERGY OPERATING PARTNERS, L.P., 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

ATTORNEY

Post Office Box 2068

Santa Fe Energy Operating Partners, L.P.

name, address, phone and contact person

OPPOSITION OR OTHER PARTY

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_____

James Bruce, Esq._____ Hinkle, Cox, Eaton, Coffield & Hensley

Santa Fe, New Mexico 87504_____

Pre-hearing Statement NMOCD Case No. 10629 Page 2

STATEMENT OF CASE

APPLICANT

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(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.)

Yates Petroleum Corporation,

Pre-hearing Statement NMOCD Case No. 10629 Page 3

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

PROCEDURAL MATTERS

Yates will request that this case be consolidated with Case No. 10628 for the purposes of hearing.

illiant L. San Signature

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

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OIL CONSERVATION DIVISION

CASE NO. 10629

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby

enters its appearance in the above referenced case on behalf of Yates Petroleum

Corporation.

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Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.,

Bv: `

WILLLAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM CORPORATION

CERTIFICATE OF MAILING

I hereby certify that I have caused to be mailed a true and correct copy of our foregoing Entry of Appearance to James Bruce, Hinkle, Cox, Eaton, Coffield & Hensley, Post Office Box 2068, Santa Fe, New Mexico 87504-2068 on this _____ day of December, 1992.

William F. Carr

ENTRY OF APPEARANCE, Page 2