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March 31, 1993

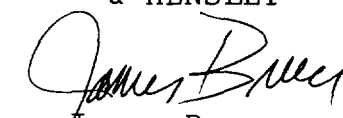
David B. Catanach
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Dear Mr. Catanach:

Enclosed are an original and two copies of Pre-Hearing Statements for Case No. 10,666 (Application of Santa Fe Energy Operating Partners, L.P. for Compulsory Pooling, a Non-Standard Gas Spacing and Proration Unit, and an Unorthodox Gas Well Location, Eddy County, New Mexico) and Case No. 10,692 (Application of Pogo Producing Company for Special Pool Rules, Eddy County, New Mexico).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

JB:frs
Enclosures

VIA HAND DELIVERY

JGB5\93661.c

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. 10,666

APPLICATION OF SANTA FE ENERGY OPERATING
PARTNERS, L.P. FOR COMPULSORY POOLING, A
NON-STANDARD GAS SPACING AND PRORATION
UNIT, AND AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

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

APPEARANCE OF PARTIES

APPLICANT

Santa Fe Energy Operating
Partners, L.P.
Suite 1330
500 West Texas
Midland, Texas 79701
(915) 687-3551
Attention: Curtis D. Smith

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant's proposed well will be drilled to test the Morrow formation. Under the McMillan-Morrow Gas Pool rules, wells are spaced on 640 acres with wells to be drilled no closer than 1,650 feet to a section line. A Morrow well in the NW¼ of the section has drained the W½ of the section, and thus applicant requests a non-standard unit consisting of the E½. Interests in the section are uniform, and thus there is no adverse effect on correlative rights. Applicant's proposed location, 1980' FSL and 660' FEL, is standard for a 320 acre unit. Applicant's location is based on geology and a desire to move away from the existing well in the NW¼.

The compulsory pooling portion of the application will be dismissed.

OPPOSITION

PROPOSED EVIDENCE

APPLICANT

	WITNESSES	EST. TIME	EXHIBITS
1.	Curtis Smith (Landman)	10 minutes	(a) Land plat (b) McMillan-Morrow Pool Rules (c) Affidavit Regarding Notice
2.	Gene Davis (Geologist)	5 minutes	(a) Morrow isopach

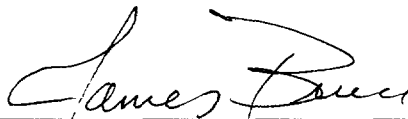
OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

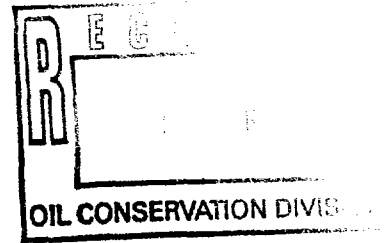
A handwritten signature in black ink, appearing to read "James Bruce", is written over a horizontal line.

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

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

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

IN THE MATTER OF THE APPLICATION
OF SANTA FE ENERGY OPERATING
PARTNERS, L.P. FOR COMPULSORY
POOLING, AN UNORTHODOX GAS WELL
LOCATION AND A NON-STANDARD GAS
SPACING AND PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.



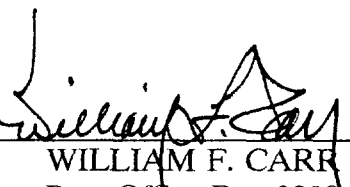
CASE NO. 10666

ENTRY OF APPEARANCE

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

Respectfully submitted,

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

By: 
WILLIAM F. CARR

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

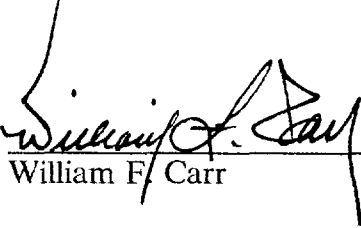
ATTORNEYS FOR ENRON OIL
& GAS COMPANY

CERTIFICATE OF MAILING

I hereby certify that I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to:

James Bruce, Esq.
Hinkle, Cox, Eaton, Coffield & Hensley
Post Office Box 2068
Santa Fe, New Mexico 87504

on this 1st day of April, 1993.



William F. Carr