

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. 10062 and 10063

APPLICATION OF

OXY USA Inc.

RECEIVED

AUG 16 1990

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This prehearing statement is submitted by Ernest L. Padilla, Esq.
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

Santa Fe Exploration
P. O. Box 1136
Roswell, NM 88202
(505) 623-2733

name, address, phone and
contact person

Ernest L. Padilla
Padilla & Snyder
P. O. Box 2523
Santa Fe, NM 87504
(505) 988-7577

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.)

Santa Fe Exploration Company is a working interest owner in W/2 SW/4, Section 3, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, which lies on the eastern flank of the proposed unit. Santa Fe Exploration has consistently expressed some form of accommodation to OXY's proposed waterflood project, but does not desire to participate in the project due to high operating costs which are necessary for such a project. Santa Fe Exploration believes that exclusion of the W/2 SW/4 will not impair the project.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES
(Name and expertise)

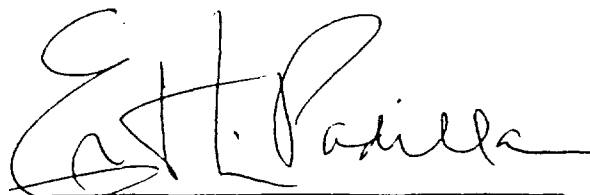
EST. TIME

EXHIBITS

Santa Fe Exploration Company has not yet fully evaluated what land, technical, or other witnesses it will use.

PROCEDURAL MATTERS

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

A handwritten signature in black ink, appearing to read "Est. L. Padilla", is written over a horizontal line.

Signature