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. 10219

APPLICATION OF HANLEY PETROLEUM, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

#### PRE-HEARING STATEMENT

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

#### APPEARANCE OF PARTIES

APPLICANT (name, address, phone and contact person)

ATTORNEY

Hanley Petroleum Inc. 415 W. Wall, Ste. 1500 Midland, TX 79701 Attn: Jim Rogers (915) 684-8051

W. Thomas Kellahin KELLAHIN, KELLAHIN & AUBREY P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

OPPOSITION OR OTHER PARTY (name, address, phone and contact person)

ATTORNEY

Santa Fe Energy Operating Partners, L.P.

James Bruce
Hinkle, Cox, Eaton, Coffield
& Hensley
500 Marquette, N.W.
Albuquerque, NM 87102
(505) 768-1500

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OIL CONSERVATION DIV. SANTA FE Pre-hearing Statement NMOCD Case No. 10219 Page 2

#### 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.)

Hanley Petroleum Inc. seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 8, T18S, R33E, and in the following manner: the W/2NW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated South Corbin-Wolfcamp Pool; and the SW/4NW/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 West Corbin-Delaware Pool, Undesignated Central Corbin-Queen Pool, Undesignated West Corbin-San Andres Pool, and Undesignated Corbin-Bone Spring Pool. units are to be dedicated to a single well to be drilled at a standard oil well location on said Section 8.

Hanley has sought the voluntary agreement of the owners of the non-consenting working interests for the formation of appropriate spacing and proration units, and has been unable to obtain voluntary agreement.

Hanley Petroleum Inc. is the majority working interest owner in the spacing unit and seeks to be designated operator.

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# PROPOSED EVIDENCE

# APPLICANT

WITNESSES (name and expertise)	EST. TIME	EXHIBITS
OPPOSITION		
WITNESSES (name and expertise)	EST. TIME	EXHIBITS
Jim Rogers (landman)	30 Min.	Surface ownership map Tabulation of
L.D. Robbins or Brett Bracken (geologist)	30 Min.	interest owners and percentages Operating Agreement AFE
Bill Huck (petroleum engineer)	30 Min.	Geologic maps Production maps

# PROCEDURAL MATTERS

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

KELLAHIN, KELLAHIN & AUBREY

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 OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARINGS CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE ENERGY OPERATING PARTNERS, L.P. FOR OPERATING PARTNERS, L.P. FOR COMPULSORY POOLING, LEA COUNTY, Case No. 10,211 NEW MEXICO.

APPLICATION OF HANLEY PETROLEUM, INC. FOR COMPULSORY POOLING, LEA COUNTY, Case No. 10,219 NEW MEXICO.

# CONSOLIDATED 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

#### **PARTIES**

#### ATTORNEY

- (1) Santa Fe Energy Operating
  Partners, L.P.

  550 West Texas, Suite 1330
  Midland, Texas 79701

  (015) (07, 2551)

  Cames Bruce
  Hinkle, Cox, Eaton,
  Coffield & Hensley
  500 Marquette, N.W. (915) 687-3551Attention: Larry Murphy Albuquerque, N.M. 87102
  - Coffield & Hensley Suite 800 (505) 768-1500
- (2) Hanley Petroleum, Inc. W. Thomas Kellahin (Hanley has filed its own Pre-Hearing Statements.)

# STATEMENT OF CASE

### SANTA FE:

Santa Fe seeks an order pooling all interests in all pools and formations spaced on 80 acres from the surface to the base of the Wolfcamp formation underlying the WiNWi of Section 8, Township 18 South, Range 33 East, N.M.P.M., in Eddy Applicant seeks to drill a well at a standard location, to be named the operator of the well, and to have a 200% risk penalty imposed on the non-consenting interest owner. Santa Fe has not been able to come to terms with Hanley despite seeking to obtain a voluntary agreement. 50%

Pre-hearing Statement NMOCD Case Nos. 10,211 and 10,219 Page 2

of the working interest is committed to the well, with Santa Fe as the agreed operator.

# **HANLEY:**

See Hanley's Pre-Hearing Statements.

# PROPOSED EVIDENCE

# SANTA FE:

	WITNESS	EST. TIME	EXHIBITS	
1.	Larry Murphy (Landman)	25 minutes	(a) (b) (c) (d) (e)	Land Plat Correspondence AFE Notice Letter Lists of wells operated in New Mexico
2.	John Thoma (Geologist)	35 minutes	(a) (b) (c) (d)	Structure Map Porosity isopach Cross-section Well logs
3.	Darryl Roberts (Petroleum Engineer	30 minutes	(a)	AFE
4.	(Reservoir Engineer	20 minutes		

#### **HANLEY:**

WITNESS EST.

EST. TIME EXHIBITS

See Hanley's Pre-Hearing Statements.

# PROCEDURAL MATTERS

The subpoena issues in this case remain unresolved.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &

HENSLEY

James Bruce

500 Marquette, N.W.

Swite 800

Albuquerque, New Mexico 87102

**(**505) 768-1500

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

# CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing pleading was mailed this 25 kday of January, 1991 to W. Thomas Kellahin, P. O. Box 2265, Santa Fe, New Mexico 87504.

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. 10219

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APPLICATION OF HANLEY PETROLEUM INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

# PRE-HEARING STATEMENT

This Prehearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

# APPEARANCES OF PARTIES

APPLICANT	ATTORNEY
Hanley Petroleum Inc.	W. Thomas Kellahin
	Kellahin, Kellahin & AubreyPost Office Box 2265
	Santa Fe, New Mexico 87504
( )	(505) 982-4285
name, address, phone and contact person	
OPPOSITION OR OTHER PARTY	ATTORNEY
Harvey E. Yates Company	William F. Carr
c/o Melissa Randall	Campbell & Black, P.A.
Post Office Box 1933	Post Office Box 2208
Roswell, New Mexico 88202	Santa Fe, New Mexico 87504
(505) 623-6601	(505) 988-4421
name, address, phone and contact person	
Santa Fe Energy Operating	James Bruce
	Hinkle, Cox, Eaton, Coffield & Hensley 500 Marquette, NW
	Albuquerque, New Mexico 87102
Telephone:	Telephone: (505) 768-1500

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# STATEMENT OF CASE

**APPLICANT** 

# 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.)

Appear and present a statement in support of Santa Fe Energy Operating Partners, L.P.

Pre-hearing Statement NMOCD Case No. 10219 Page 3

# PROPOSED EVIDENCE

**APPLICANT** 

WITNESSES (Name and expertise)

EST. TIME

**EXHIBITS** 

**OPPOSITION** 

WITNESSES (Name and expertise)

EST. TIME

**EXHIBITS** 

None

PROCEDURAL MATTERS

Signature