

**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. 13244

**APPLICATION OF YATES PETROLEUM CORPORATION
FOR APPROVAL OF A UNIT AGREEMENT, LEA COUNTY,
NEW MEXICO.**

RECEIVED

MAR 30 2004

PRE-HEARING STATEMENT

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Yates Petroleum Corporation
Attention: Randy Patterson
105 South Fourth Street
Artesia, New Mexico 88210-2118
(505) 748-1471

ATTORNEY

William F. Carr, Esq.
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Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks approval of the Lacy J State Exploratory Unit for an area comprising 7680.00 acres of State of New Mexico lands in Sections 3 through 10 and 15 through 18, Township 12, South, Range 34 East, which is located approximately 15 miles northwest of Tatum, New Mexico.

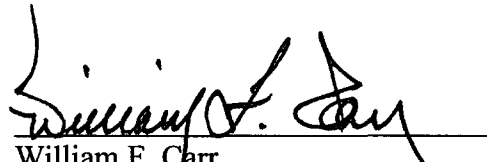
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
John Amiet (Geology)	Approx. 10 Minutes	Approx. 8

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.



William F. Carr
Attorney for Yates Petroleum Corporation