

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

2004 SEP 10 AM 11 42

**IN THE MATTER OF THE HEARING CALLED BY THE  
OIL CONSERVATION COMMISSION FOR THE  
PURPOSE OF CONSIDERING:**

**CASE NO. 13341**

**APPLICATION OF YATES PETROLEUM  
CORPORATION FOR COMPULSORY POOLING AND  
APPROVAL OF AN UNORTHODOX GAS WELL  
LOCATION, LEA COUNTY, NEW MEXICO.**

**PRE-HEARING STATEMENT**

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.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

*Handwritten initials/signature*

**STATEMENT OF CASE**

**APPLICANT**

Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Mississippian in the following described spacing and proration units located in the E/2 of Section 35, Township 15 South, Range 36 East, N.M.P.M., Lea County, New Mexico for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Big Dog-Mississippian Gas Pool. Said units are

to dedicated to Applicant's proposed Kochia "AAM" Well No. 1 to be re-entered and re-completed in the Mississippian formation at an unorthodox gas well location 990 feet from the South line and 2310 feet from the East line (Unit O) of said Section 35. Also to be considered will be the cost of drilling and completing said well, the allocation of the cost thereof, actual operating costs and charges for supervision, the designation of Yates Petroleum Corporation as operator of the well, and a charge for risk involved in drilling said well. Said area is located approximately 4.5 miles east of Lovington, New Mexico.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Charles Moran (Land)	Approx. 15 Minutes	Approx. 5
Tim Miller (Geology)	Approx. 10 Minutes	Approx. 1

**PROCEDURAL MATTERS**

Yates Petroleum Corporation has none at this time.

  
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William F. Carr  
Attorney for Yates Petroleum Corporation