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:

77 90H 1002

CASE N**@** 13331

11 39

APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF A UNIT AGREEMENT, 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

ATTORNEY

Mr. Randy Patterson Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2118 (505) 748.1471 William F. Carr, Esq. Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988.4421

STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Elvis State Exploratory Unit for all formations from the surface to the base of the Mississippian formation in an area comprising 1280.00 acres, more or less, of State of New Mexico lands in Sections 22 and 27 of Township 10 South, Range 34 East, NMPM which is located approximately 8 miles south of Crossroads, New Mexico.

Pre-Hearing Statement NMOCD Case No. 13331 Page 2

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)

ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

Yates Petroleum Corporation will present this case by Affidavit.

William F. Carr

Attorney for Yates Petroleum Corporation

3272751_1.DOC