

**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. 13404**

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

2005 JAN 28 PM 4 07

**PRE-HEARING STATEMENT**

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

5015/1  
1/3/05

**APPEARANCES OF PARTIES**

**APPLICANT**

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

**ATTORNEY**

Ocean Munds-Dry, Esq.  
William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
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**STATEMENT OF CASE**

**APPLICANT**

Applicant seeks approval of the Faron State Exploratory Unit from the surface to the top of the Mississippian formation in an area comprising 6400.00 acres of State of New Mexico lands in Sections 3, 4, 5, 6, 8, 9, 10, 16, and 17, Township 9 South, Range 32 East, NMPM which is located approximately 10 miles northeast of Caprock, New Mexico.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES  
(Name and Expertise)

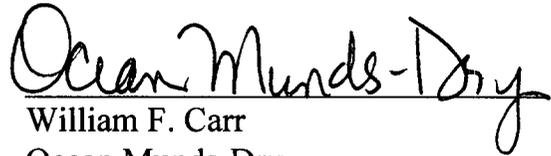
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

**PROCEDURAL MATTERS**

Pursuant to Division policy Yates Petroleum Corporation will present this case by Affidavit.



William F. Carr  
Ocean Munds-Dry  
Attorneys for Yates Petroleum Corporation