

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

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

2012 JUN 18 P 2:46

**APPLICATION OF YATES PETROLEUM CORPORATION,
YATES DRILLING COMPANY, ABO PETROLEUM
CORPORATION AND MYCO INDUSTRIES, INC. FOR AN
ORDER DIRECTING PRIDE ENERGY COMPANY TO PLUG
AND ABANDON THE STATE "X" WELL NO. 1, LEA
COUNTY, NEW MEXICO**

Case No. 13940

PRE-HEARING STATEMENT

Yates Petroleum Corporation, Yates Drilling Company, now known as Oxy Y-1 Company, ABO Petroleum Corporation and MYCO Industries, Inc. (collectively "Yates") submit their Pre-Hearing Statement.

APPEARANCES

Yates is the applicant in this case. Its business address is 105 S. Fourth Street, Artesia, New Mexico 88210-2118. Yates is now represented by the undersigned counsel.

Pride Energy Company ("Pride") is represented by James Bruce.

STATEMENT OF THE CASE

Yates' application seeks an order requiring Pride to (i) plug and abandon the State "X" Well No. 1 (API No. 30-025-01838) in accordance with Division rules, (ii) clean up the well site, and (iii) remove itself from the property. The State "X" No. 1 well is located 1,980 feet from the North line and 660 feet from the West line (Unit E) of Section 12, Township 12 South, Range 34 East, NMPM, in Lea County, approximately 12 miles west-northwest of Tatum.

PROPOSED EVIDENCE

In lieu of presenting testimony and documentary exhibits, Yates will submit a written stipulation in which Yates and Pride agree and stipulate to all factual matters and to the relief requested by Yates in its application, and jointly request the Division to enter an order granting the relief requested by Yates.

PROCEDURAL MATTERS

There are no procedural matters to be resolved prior to the hearing

HINKLE, HENSLEY, SHANOR &
MARTIN, LLP


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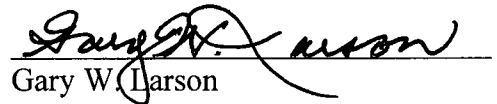
*Counsel for Yates Petroleum Corporation, Yates
Drilling Company, ABO Petroleum Corporation
and MYCO Industries, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of June, 2012, I sent a true and correct copy of the foregoing ***Pre-Hearing Statement*** via email to:

James Bruce, Esq.
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Counsel for Pride Energy Company


Gary W. Larson