

**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. 13706**

**APPLICATION OF YATES PETROLEUM  
CORPORATION FOR APPROVAL OF A PILOT  
PROJECT INCLUDING AN EXCEPTION FROM  
RULE 4 OF THE SPECIAL RULES AND  
REGULATIONS FOR THE PECOS SLOPE-  
PENNSYLVANIAN POOL FOR PURPOSES OF  
ESTABLISHING A PROGRAM TO DETERMINE  
PROPER WELL DENSITY AND WELL LOCATION  
REQUIREMENTS IN PENNSYLVANIAN WELLS,  
CHAVES COUNTY, NEW MEXICO.**

**2006 MAY 2 PM 3 56**

**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: David Boneau  
105 South Fourth Street  
Artesia, New Mexico 88210-2118  
(505) 748-1471

**ATTORNEY**

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

**APPLICANT**

Applicant in the above-styled cause seeks an order authorizing a pilot infill drilling

program in the Pecos Slope Pennsylvanian Pool and an exception to Special Rules and Regulations for said pool to allow four wells to be drilled an a spacing unit with two wells in the same quarter section. Yates specifically seeks authorization to drill the George QJ Federal Well No. 12, to be located 990 from the South line and 660 feet from the West line of Section 26, Township 6 South, Range 25 East, NMPM, and the George QJ Fed Com Well No. 13, to be located 990 feet from the North line and 660 feet from the West line, Section 35, Township 6 South, Range 25 East, NMPM, Chaves County, New Mexico. Said wells are located approximately 21 miles northeast of Roswell, New Mexico.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Dr. David Boneau	Approx. 20 Minutes	Approx. 8

**PROCEDURAL MATTERS**

Yates Petroleum Corporation has none at this time.

  
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Ocean Munds-Dry  
Attorney for Yates Petroleum Corporation