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 HEARING:

RECEIVED NOT SEP 13 AM 9 13

APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO **CASE 13999**

PRE-HEARING STATEMENT

XTO Energy Inc. submits this pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

ATTORNEY

Harvey E. Yates Company

James Bruce, Esq.

OPPONENT

ATTORNEY

XTO ENERGY, Inc. 810 Houston St. Suite 2000 Fort Worth, TX 76102 Attn: Steve Cobb 817-885-3305 Thomas Kellahin, Esq. 706 Gonzales Road Santa Fe, New Mexico 87501 505-982-4285

STATEMENT OF THE CASE

OPPONENT:

XTO Energy, Inc. is attempting to reach a voluntary agreement for the development of the spacing unit and believes that the case should be continued.

PROPOSED EVIDENCE

OPPONENT

WITNESSES

EST. TIME

EST. EXHIBITS

None at this time

PROCEDURAL MATTERS

None

KELLAHIN & KELLAHIN

W./Thomas Kellahin 706 Gonzales Road

Santa Fe, New Mexico 87501

Phone 505-982-4285

Fax 505-982-2047

E-mail: tkellahin@comcast.net