

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

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

APPLICATION OF YATES PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO

CASE NO. 14060

PRE- HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Lucky Briggs
Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210-2118
(505) 748-1471

ATTORNEY

Ocean Munds-Dry
Holland & Hart LLP
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Santa Fe, New Mexico 87504
(505) 988-4421

cust 1-16-08

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the following described spacing and proration units located in the E/2 of Section 2, Township 8 South, Range 26 East, N.M.P.M., Chaves County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent including the North Foor Ranch-Pre-Permian Gas Pool and the Undesignated South Leslie Spring-Wolfcamp Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent including the Pecos Slope-Abo Gas Pool; and the NW/4 NE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent. Said unit is to be

dedicated to its Value BCV State Com Well No. 2 which has been drilled at a location 660 feet from the North line and 1980 feet from the East line of Section 2, Township 8 South, Range 26 East, NMPM, Chaves County, New Mexico to an approximate depth of 5,675 feet to test any and all formations from the surface to the base of the Wolfcamp formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 23 miles east of Roswell, New Mexico.

PROPOSED EVIDENCE

<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Lucky Briggs Petroleum Landman	30	10

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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