

STATE OF NEW MEXICO RECEIVED
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION PM 2 32

**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. 14061

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
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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the top of the Mississippian formation in the following described spacing and proration units located in the S/2 of Section 2, Township 12 South, Range 31 East, N.M.P.M., Chaves County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent including the West Caprock-Atoka Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent; and the SE/4 SW/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent including the Northwest Caprock-Wolfcamp Pool. Said unit is to be dedicated to its Patsy State Unit Well No. 6 to be drilled at a location 990 feet

from the South and 1650 feet from the West line of Section 2, Township 12 South, Range 31 East, NMPM, Chaves County, New Mexico to an approximate depth of 11,300 feet to test any and all formations from the surface to the top of the Mississippian 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 7 miles southwest of Caprock, 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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