

**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:**

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

**CASE NO. 14059**

2008 JAN 3 PM 2 33

RECEIVED

**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  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

**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 Precambrian formation in the following described spacing and proration units located in the S/2 of Section 14, Township 6 South, Range 26 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 Undesignated Bosque-Pennsylvanian Gas Pool and the Undesignated Crockett Draw-Wolfcamp Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent including the Undesignated Pecos Slope-Abo Gas Pool; and the NW/4 SE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent

(km89/81)

including the Undesignated Crockett Draw-Siluro Devonian Pool. Said unit is to be dedicated to its Cooker BCB Fed Com Well No. 3 to be drilled at a location 1680 feet from the South line and 1980 feet from the East line of Section 14, Township 6 South, Range 26 East, NMPM, Chaves County, New Mexico to an approximate depth of 5,965 feet to test any and all formations from the surface to the base of the Precambrian 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 30 miles northeast of Roswell, New Mexico.

### **PROPOSED EVIDENCE**

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

### **PROCEDURAL MATTERS**

Yates Petroleum Corporation has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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**ATTORNEY FOR  
YATES PETROLEUM CORPORATION**