

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

RECEIVED

**IN THE MATTER OF THE APPLICATION
OF YATES PETROLEUM CORPORATION
FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO.**

NOV 3 2003

CASE NO. 13182 Oil Conservation Division

APPLICANT'S PRE-HEARING STATEMENT

Applicant hereby submits this Pre-Hearing Statement as required by the rules of the New Mexico Oil Conservation Division.

APPEARANCES

APPLICANT

Yates Petroleum Corporation

ATTORNEY

Michael H. Feldewert, Esq.
Holland & Hart, LLP
P. O. Box 2208
Santa Fe, NM 87504-2208
505/988-4421

OPPONENT

None

OPPONENT'S ATTORNEY

None

APPLICANT'S STATEMENT OF CASE

Applicant seeks an order pooling all mineral interests in all formations from the surface to the Pre-Cambrian in the following described spacing and proration units located in Section 1, Township 7 South, Range 25 East, N.M.P.M., Chaves County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Cottonwood Ranch-Pennsylvanian Gas Pool and the Undesignated Five Mile Draw-Pennsylvanian Gas Pool; the NW/4 for all formations and/or pools developed on

160-acre spacing which includes but is not necessarily limited to the Pecos Slope Abo Gas Pool; and the SE/4 of the NW/4 (Unit F) for all formations and/or pools developed on 40-acre spacing, which includes but is not necessarily limited to the Undesignated Linda-San Andres Pool. Said units are to be dedicated to Applicant's proposed Yankee ANK Fed. Com. Well No. 2 to be drilled at a standard gas well location 1650 feet from the North and West Lines (Unit F) of said Section 1. Yates Petroleum Corporation seeks to be designated operator of the well and the imposition of a 200% risk penalty against the non-consenting interest owners pursuant to Division Rule 19.15.1.35. Said area is located approximately 25 miles Northeast of Roswell, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

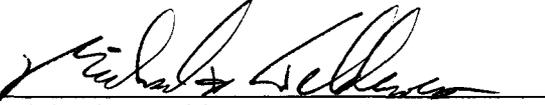
WITNESS (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Chuck Moran, Landman	Approx. 15 minutes	Approx. 6

PROCEDURAL MATTERS

None.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

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