

**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:

CASE NO. 11339

APPLICATION OF YATES PETROLEUM
CORPORATION FOR DIRECTIONAL DRILLING
AND AN UNORTHODOX BOTTOMHOLE LOCATION,
EDDY COUNTY, NEW MEXICO.

RECEIVED

AUG 15 1995

Oil Conservation Division

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr & Berge, P.A., as required
by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Yates Petroleum Corporation
c/o Janet Richardson
105 South Fourth Street
Artesia, New Mexico 88210
(505) 748-1471 _____
name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr & Berge, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421 _____

OPPOSITION OR OTHER PARTY

name, address, phone and
contact person

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Yates Petroleum Corporation, applicant in the above-captioned cause, seeks authority to drill its Zinnia Federal Unit Well No. 1 from a unorthodox surface location 1980 feet from the North line and 910 feet from the West line (Unit E) of Section 27, Township 20 South, Range 29 East, to an unorthodox bottomhole gas well location within 50 feet of a point 1980 feet from the North line and 2405 feet from the East line (Unit G) of Section 27, to test the Strawn and Morrow formations, Undesignated East Burton Flat-Strawn Gas Pool and Wildcat Morrow. The N/2 of Section 27 is to be dedicated to this well forming a standard 320-acre gas spacing and proration unit for both formations.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT


WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Janet Richardson, Landman	20 Min.	Approximately 6
Brent May, Geologist	10 Min.	Approximately 3

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)



Signature