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SANTA FE, NEW MEXICO 87501****MAILING ADDRESS****P.O. BOX 2523****SANTA FE, NEW MEXICO 87504-2523****Telephone (505) 988-7577 Facsimile (505) 988-7592****ERNEST L. PADILLA****FAX TRANSMITTAL COVERSHEET**

Date: 1/21/97
To: William J. Lemay, Director
From: Ernest L. Padilla
Fax No. (505) 827-7177-8177
Re: Application of Yates Energy Corporation for Compulsory Pool
Case 11706

5 Pages Transmitted Including Coversheet

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MESSAGE: See Attached Letter.

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PADILLA LAW FIRM, P.A.

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ERNEST L. PADILLA

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January 21, 1997

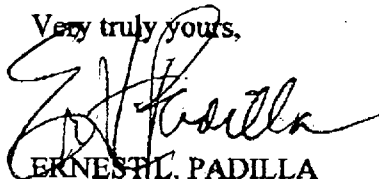
William J. Lemay, Director
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

**RE: APPLICATION OF YATES ENERGY
CORPORATION FOR COMPULSORY
POOL - CASE 11706**

Dear Mr. LeMay:

Enclosed is the pre-hearing report of Yates Energy Corporation in the above-referenced case.

Very truly yours,



ERNEST L. PADILLA

ELP/as

Enclosure

cc: Yates Energy Corporation

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

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

CASE NO. 11706

APPLICATION OF YATES ENERGY
CORPORATION FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

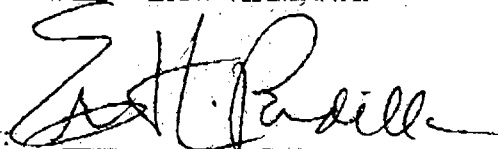
ENTRY OF APPEARANCE

The undersigned attorney hereby enters his appearance on behalf of Yates Energy
Corporation.

Respectfully submitted by:

PADILLA LAW FIRM, P.A.

By:



Ernest L. Padilla
P.O. Box 2523
Santa Fe, New Mexico 87504-2523
(505) 988-7577

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
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CONSIDERING:

CASE NO. 11706

APPLICATION OF YATES ENERGY
CORPORATION FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Yates Energy Corporation, by and through its undersigned counsel, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Yates Energy Corporation

ATTORNEY

Ernest L. Padilla
PADILLA LAW FIRM, P. A.
P. O. Box 2523
Santa Fe, New Mexico 87504
(505) 988-7577

OPPOSITION OF OTHER PARTY

Unknown

STATEMENT OF CASE

This case is a compulsory pooling case relating to rework and completion of the Gulf State No. 2 well in the NE/4 NW/4 of Section 18, Township 19 South, Range 35 East, Lea County, New Mexico.

PROPOSED EVIDENCE

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
<u>APPLICANT (DE NOVO)</u>		
Shari Hamilton, Petroleum Landman	20 minutes	Approximately four Exhibits, including landmap and correspondence seeking joinder.
Kirk Ross, Petroleum Engineer	15 minutes	Approximately 4 exhibits including AFE and risk factor assessments.

OPPOSITION

Unknown

PROCEDURAL MATTERS

None

PADILLA LAW FIRM, P. A.

By 

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