

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

**APPLICATION OF AMERIND OIL COMPANY, LTD.  
FOR COMPULSORY POOLING  
AND A NON-STANDARD PRORATION UNIT,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 11753**

**APPLICATION OF YATES PETROLEUM  
CORPORATION FOR COMPULSORY POOLING  
AND A NON-STANDARD PRORATION UNIT  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 11739**

**CONSOLIDATED**  
**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by AMERIND OIL COMPANY, LTD., as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT IN CASE 11753  
OPPONENT IN CASE 11739**

**ATTORNEY**

Amerind Oil Company, Ltd.  
415 West Wall Street  
Midland, Texas 79701  
(915) 682-8217  
attn: Bob Leibrock

W. Thomas Kellahin  
KELLAHIN & KELLAHIN  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

**OPPONENT IN CASE 11265  
APPLICANT IN CASE 11263**

**ATTORNEY**

Yates Petroleum Corporation

William F. Carr, Esq  
P. O. Box 2088  
Santa Fe, NM 87501  
(505) 988-4421

## STATEMENT OF CASE

Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying Lots 8 & 9 of Irregular Section 2, T16S, R35E, Amerind Oil Company, Ltd. needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

Amerind requests an order pooling the mineral interest of described in this spacing unit for the drilling of its State "AY" Com Well No. 1 at a standard well location in Lot 9 of Irregular Section 2 for potential production from the West Lovington-Strawn Pool upon terms and conditions which include:

- (1) Amerind Oil Company, Ltd. be named operator;
- (2) Approval of a non-standard oil proration and spacing unit consisting of Lots 8 and 9.
- (3) The order make provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;
- (4) In the event a working interest owner fails to elect to participate, then provision be made to recover out of production, the costs of the drilling, completing, equipping and operating the well, including a risk factor penalty of 200 %;
- (5) A provision for overhead rates and a method for adjusting those rates in accordance with COPAS accounting procedures;
- (6) For such other and further relief as may be proper.

**PROPOSED EVIDENCE**

**APPLICANT in Case 11753:**

**WITNESSES**

Robert C. Leibrock  
petroleum engineer

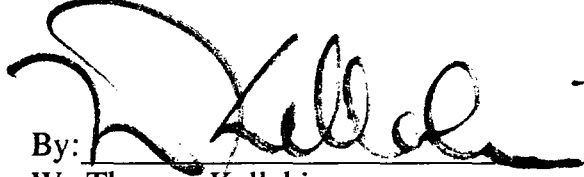
**EST. TIME EXHIBITS**

45 min. @ 12 exhibits

**PROCEDURAL MATTERS**

Consolidation of Cases 11753 and 11739.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285