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. 11990

OL CONSERVATION DV. 98 JUL 17 PM 2: 33

APPLICATION OF YATES PETROLEUM CORPORATION FOR DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

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

OPPOSITION OR OTHER PARTY

ATTORNEY

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

ATTORNEY

name, address, phone and contact person

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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 case seeks authority to downhole commingle Atoka, Morrow and Mississippian production with the wellbore of its existing Morton Unit Well No. 1 located 770 feet from the North line and 2150 feet from the East line (Unit B) of Section 5, Township 15 South, Range 33 East.

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.)

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PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Robert Bullock, Landman	10 Min.	Approximately 2
Morris Keith, Engineering	10 Min.	Approximately 3

OPPOSITION

WITNESSES (Name and expertise) EST. TIME

EXHIBITS

PROCEDURAL MATTERS

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

Dieling F. Ear Signature