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FAX COVER SHEET

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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:

APPLICATION OF YATES PETROLEUM CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION, EDDY
COUNTY, NEW MEXICO.

Case No. 12,185

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Santa Fe Snyder Corporation as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Yates Petroleum Corporation

APPLICANT'S ATTORNEY

William F. Carr

OPPONENT

Santa Fe Snyder Corporation
Suite 1330
550 West Texas
Midland, Texas 79701
Attention: Steven J. Smith
(915) 686-6712

OPPONENT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
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STATEMENT OF THE CASE

APPLICANT

OPPONENT

Applicant seeks an unorthodox gas well location for a well 660 feet FNL and FEL of Section 5, Township 17 South, Range 27 East, NMPM, to test the Morrow formation. The N½ of Section 5 will be dedicated to the proposed well.

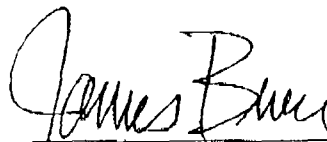
Santa Fe Snyder Corporation ("Santa Fe") owns an interest in the S½ of Section 33, Township 16 South, Range 27 East, NMPM, and the unorthodox location encroaches upon Santa Fe's acreage.

PROPOSED EVIDENCEAPPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Steven J. Smith (landman)	10 min.	Approx. 2
Michael Hayes (geologist)	15 min.	Approx. 5
Brad Cross (engineer)	20 min.	Approx. 5

PROCEDURAL MATTERS

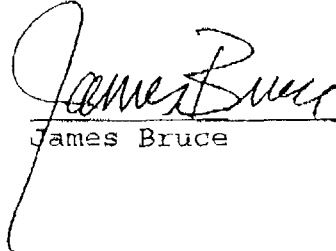
James Bruce
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Attorney for Santa Fe Snyder
Corporation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Pre-Hearing Statement was served upon the following counsel of record via facsimile transmission this 4th day of June, 1999:

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