

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

OIL CONSERVATION DIVISION

RECEIVED

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TELEPHONE
(505) 746-3505

TELECOPY
(505) 746-6316

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A. J. LOSEE
MARY LYNN BOGLE

September 3, 1993

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: In the Matter of the Application of Nearburg
Producing Company for Compulsory Pooling,
Eddy County, New Mexico; Case No. 10823

Dear Mr. LeMay:

Enclosed please find for filing in the above-referenced case the
Prehearing Statement of Yates Petroleum Corporation.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

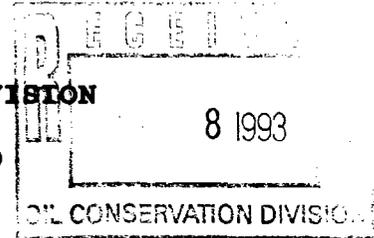


Ernest L. Carroll

ELC:kth
Enclosures

xc w/encl: Mr. James G. Bruce

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION OF :
NEARBURG PRODUCING COMPANY FOR : CASE NO. 10,823
COMPULSORY POOLING, EDDY COUNTY, :
NEW MEXICO :
_____ :

PREHEARING STATEMENT

This prehearing statement is submitted by YATES PETROLEUM CORPORATION, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Nearburg Producing Company

ATTORNEY

Jim Bruce,
Hinkle, Cox, Eaton, Coffield
& Hensley
P. O. Box 2068
Santa Fe, NM 87504-2068
(505)982-4554

OPPOSITION

Yates Petroleum Corporation

ATTORNEY

Ernest L. Carroll
Losee, Carson, Haas
& Carroll, P.A.
P. O. Drawer 239
Artesia, NM 88211-0239
(505)746-3505

STATEMENT OF CASE

APPLICANT

Nearburg Producing Company proposes to drill a well in the W/2 of Section 10, Township 22 South, Range 24 East, N.M.P.M., Eddy County, New Mexico, at an orthodox location 990' from the North line and 990' from the West line to a depth sufficient to test the Cisco/Canyon formation, seeking to dedicate the W/2 of Section 10 for all pools or formations spaced on 320 acres, including the undesignated Indian Basin-Upper Pennsylvanian Associated Pool.

OPPOSITION

Yates Petroleum Corporation opposes this application, having previously applied for a well on the N/2 of Section 10, and has communitized the N/2 for the Canyon.

Nearburg owns the entire South half of the section while Yates owns the entire North half. Force pooling is unnecessary and Nearburg's application is an abuse of the force pooling statute.

PROPOSED EVIDENCE

YATES PETROLEUM CORPORATION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Janet Richardson, Landman	15	3
Brent May, Geologist	20	6
David Boneau, Engineer	20	3

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: 
Ernest L. Carroll
P. O. Drawer 239
Artesia, New Mexico 88211-0239
(505)746-3505

Attorneys for Yates Petroleum Corp.

I hereby certify that I caused to be mailed a true and correct copy of the foregoing to all counsel of record this September 3, 1993.


Ernest L. Carroll

OIL CONSERVATION DIVISION LAW OFFICES

RECEIVED
LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A. J. LOSEE
MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 746-3505
TELECOPY
(505) 746-6316

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September 1, 1993

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: In the Matter of the Application of Nearburg
Producing Company for Compulsory Pooling,
Eddy County, New Mexico; Case No. 10,823

Dear Mr. LeMay:

I am enclosing herewith for filing in the above-referenced
matter, my Entry of Appearance on behalf of Yates Petroleum
Corporation.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:kth
Enclosures

xc w/encl: Mr. James G. Bruce

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
NEARBURG PRODUCING COMPANY FOR : CASE NO. 10,823
COMPULSORY POOLING, EDDY COUNTY, :
NEW MEXICO :
_____ :

ENTRY OF APPEARANCE

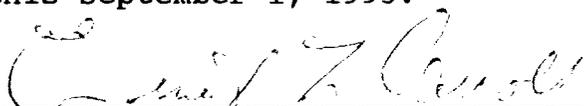
COMES NOW Losee, Carson, Haas & Carroll, P. A. (Ernest L. Carroll), and enters its appearance in the above-referenced matter on behalf of YATES PETROLEUM CORPORATION, thereby requesting notice of all settings and copies of all pleadings filed in said case.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: 
Ernest L. Carroll
P. O. Drawer 239
Artesia, New Mexico 88211-0239
(505)746-3505

Attorneys for Yates Petroleum Corporation

I hereby certify that I caused to be mailed a true and correct copy of the foregoing to all counsel of record this September 1, 1993.


Ernest L. Carroll

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 NEARBURG PRODUCING
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 10,823

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Nearburg Producing Company as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Nearburg Producing Company
Suite 8100
3300 North "A" Street
Midland, Texas 79705
(915) 686-8235
Attention: R. Shelton

ATTORNEY

James Bruce
Hinkle, Cox, Eaton, Coffield
& Hensley
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

OPPOSITION OR OTHER PARTY

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

ATTORNEY

Ernest L. Carroll
Losee, Carson, Haas & Carroll
Post Office Drawer 239
Artesia, New Mexico 88211-0239
(505) 746-3505

STATEMENT OF CASE

APPLICANT

Nearburg Producing Company seeks to pool the W½ of Section 10 - 22 South - 24 East for a well to be drilled to the Cisco/Canyon formation (Indian Basin-Upper Pennsylvanian Associated Pool), for which Applicant has received an approved APD from the Bureau of Land Management. Due to the structure in this area, the W½ of Section 10 is more prospective than the E½ of the section. Nearburg believes the pool in this section will be better developed with its proposed W½ unit, and the parties correlative rights will be better protected. Applicant's application conforms to the compulsory pooling statutes.

OPPOSITION

PROPOSED EVIDENCE

APPLICANT

	WITNESSES	EST. TIME	EXHIBITS
1.	Robert Shelton (Landman)	15 minutes	(a) Land plat. (b) Correspondence. (c) AFE. (d) Approved APD. (e) Notice Affidavit.
2.	Jerry Elger (Geologist)	20 minutes	(a) Structure map. (b) Isopachs. (c) Cross-section.

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

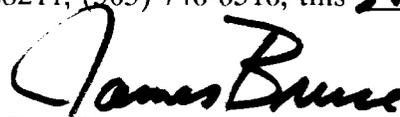


James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Nearburg Producing Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-hearing Statement was sent via facsimile transmission to Ernest L. Carroll, Esq., Losee, Carson, Haas & Carroll, 105 South Fourth, Artesia, New Mexico 88211, (505) 746-6316, this 3rd day of September, 1993.



James Bruce