

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

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OIL CONSERVATION DIV

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

ms.

CASE NO. 12443

**APPLICATION OF YATES PETROLEUM CORPORATION
FOR APPROVAL OF A UNIT AGREEMENT,
CHAVES 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
Attn: Dave Pearson or Randy Patterson
105 South Fourth Street
Artesia, New Mexico 88210
(505) 982-1935

ATTORNEY

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

STATEMENT OF CASE

APPLICANT

Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico. Applicant seeks approval of the Tres Canal State Exploratory Unit for an area comprising 3200 acres of State of New Mexico and fee lands in Sections 23, 25, 26, 27, 34, and 35 of Township 8 South, Range 33 East, NMPM which is located approximately 12 miles northwest of Crossroads, New Mexico.

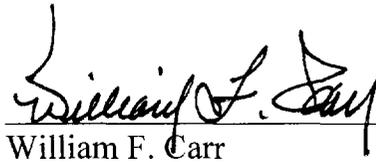
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Charles Moran (Petroleum Engineer)	15 Min.	Approx. 4
Reed Meek (Geologist)	15 Min.	Approx. 3

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

A handwritten signature in black ink, appearing to read "William F. Carr", is written over a horizontal line.

William F. Carr

Attorney for Yates Petroleum Corporation