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

FEB 1 4 2003

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

Oil Conservation Division

APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 13007

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Mr. Randy Patterson Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2118 (505) 748.1471 William F. Carr, Esq. Holland & Hart LLP and Campbell & Carr Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988.4421

STATEMENT OF CASE

<u>APPLICANT</u>

Applicant seeks approval of the Otis State Exploratory Unit for an area comprising 3040 acres of State of New Mexico lands in Sections 8, 17, 19, 20, and 30 of Township 15 South, Range 34 East, NMPM which is located approximately 12 miles northwest of Lovington, New Mexico.

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PROPOSED EVIDENCE

APPLICANT

WITNESSES

ESTIMATED TIME

EXHIBITS

(Name and Expertise)

. ohn Amiet (Geology)

Approx. 20 Minutes

Approx. 8

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

William F. Carr

Attorney for Yates Petroleum Corporation

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