

**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 ORDER (1) DIRECTING
PRIDE ENERGY COMPANY TO REIMBURSE
YATES, (2) ETC., LEA COUNTY, NEW MEXICO.**

Case No. 13,531

AMENDED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Yates Petroleum Corporation

APPLICANT'S ATTORNEY

William F. Carr

OPPONENT

Pride Energy Company
P.O. Box
Tulsa, Oklahoma

OPPONENT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: John Pride
(918) 524-9200

STATEMENT OF THE CASE

APPLICANT

OPPONENT

This matter concerns the re-entry of the State X Well No. 1, located in Unit E of Section 12, Township 12 South, Range 34 East, NMPM. A re-entry was attempted under the Commission's pooling order, but downhole problems were encountered and operations ceased. The final order entered in the pooling case (R-12108-C) pooled Yates' interest,¹ and directed Pride to reimburse

¹ Actually, Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation, and Myco Industries, Inc.

Yates for certain costs incurred before pride assumed operations. Yates was a consenting party to Pride's re-entry operations, and pre-paid its estimated share of well costs. Yates seeks an accounting of costs.

The parties have exchanged cost data, and most cost issues on this matter have been resolved. The parties will submit the final issues to the Hearing Examiner.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
John Pride	20 min.	Approx. 5

OPPONENT

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

PROCEDURAL MATTERS

-None-

Respectfully submitted,



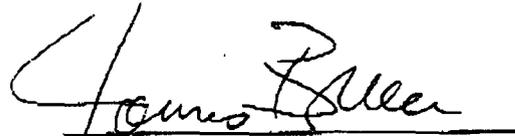
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Pride Energy Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 30th day of December, 2005 by facsimile transmission:

William F. Carr
Holland & Hart LLP
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 983-6043


James Bruce