

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

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

APPLICATION OF YATES PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 14058

PRE- HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Lucky Briggs
Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210-2118
(505) 748-1471

ATTORNEY

Ocean Munds-Dry
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

(Handwritten signature)
6/3/08

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the following described spacing and proration units located in the SE/4 SE/4 of Section 30, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico: the SE/4 SE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent including the Undesignated East Livingston Ridge-Delaware Pool and the Undesignated Southeast Livingston Ridge-Delaware Pool . Said unit is to be dedicated to its Amazing BAZ Federal Well No. 3 to be drilled at a location 330 feet from the South and East lines of Section 30, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico to an approximate depth of

8,600 feet to test any and all formations from the surface to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 25 miles west of Eunice, New Mexico.

PROPOSED EVIDENCE

<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Lucky Briggs Petroleum Landman	30	10

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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