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OIL CONSERVATION DIVISION

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:

CASE NO. 10386

APPLICATION OF MCKAY OIL CORPORATION FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO

CASE NO. 10363

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

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by McKay Oil Corporation as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

McKay Oil Corporation
P.O. Box 2208
Roswell, NM 88202
ATTN: Mr. Roy McKay
(505) 623-4735

ATTORNEY

W. Thomas Kellahin
KELLAHIN, KELLAHIN & AUBREY
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

OPPOSITION

Yates Petroleum Corporation

ATTORNEY

William F. Carr
CAMPBELL & BLACK
P.O. Box 2208
Santa Fe, NM 87501
(505) 988-4421

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STATEMENT OF CASE

APPLICANT

McKay Oil Corporation, Applicant in the above-captioned cause, seeks an order pooling all mineral interests in the Undesignated South Dagger Draw-Upper Pennsylvanian, Associated Pool underlying the N/2 of Section 25, Township 20 South, Range 24 East, froming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

Further, McKay opposes the Yates Corporation Application because Yates has incorrectly located the well and misorientated the spacing unit.

OPPOSITION

N/A

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PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Roy McKay Owner	20 Min.	Approximately Six
Jim Schultz Landman	10 Min.	None
George Reddy Geologist	40 Min.	Approximately Six
Charles Sanders Petroleum Engineer	20 Min.	Approximately Four

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
N/A		

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285