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

MAR 3 1 1995

IN THE MATTER OF THE APPLICATION OF NEARBURG EXPLORATION COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Oil Conservation Division

CASE NO. 11232

PREHEARING STATEMENT

This prehearing statement is submitted by YATES PETROLEUM CORPORATION, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Nearburg Producing Company

W. Thomas Kellahin Kellahin & Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504-2265

(505)982-4285

OPPOSITION

ATTORNEY

Yates Petroleum Corporation

Ernest L. Carroll Losee, Carson, Haas & Carroll, P.A. P. O. Box 1720 Artesia, NM 88211-1720

(505)746-3505

STATEMENT OF CASE

APPLICANT

Nearburg Producing Company seeks an order pooling all mineral interests from the surface to the base of the Cisco-Canyon formation underlying the NE/4 of Section 24, T19S, R25E, NMPM, Eddy County New Mexico, forming a standard 160-acre spacing and proration unit to be dedicated to its Fairchild 24 Well No. 2.

OPPOSITION

Yates Petroleum Corporation opposes this application, having filed for an order pooling NE/4 of Section 24, T19S, R25E, NMPM, Eddy County New Mexico, forming a standard 160-acre spacing and proration unit to be dedicated to its Fairchild No. 2 Well and requesting that it be named as operator.

PROPOSED EVIDENCE

YATES PETROLEUM CORPORATION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Doug Hurlbut, Landman	20	3
Geologist	30	6
Engineer	20	3

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: Carroll
P. O. Box 1720

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Attorneys for Yates Petroleum Corp.

I hereby certify that I caused to be mailed a true and correct copy of the foregoing to all counsel of record this March 30, 1995.

Ernest L. Carroll