

**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. 11347

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AMENDMENT OF DIVISION
ORDER NO. R-10349 FOR EXPANSION OF THE QUINCY
"AMQ" SAN ANDRES PRESSURE MAINTENANCE
PROJECT, FOR QUALIFICATION OF THIS PROJECT FOR THE
RECOVERED OIL TAX CREDIT PURSUANT TO THE
"NEW MEXICO OIL RECOVERY ACT", AND FOR
PRESSURE MAINTENANCE EXPANSION,
CHAVES COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr & Berge, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Yates Petroleum Corporation _____
c/o Pinson McWhorter _____
105 South Fourth Street _____
Artesia, New Mexico 88210 _____
(505) 748-1471 _____
name, address, phone and
contact person

William F. Carr, Esq. _____
Campbell, Carr & Berge, P.A.
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

OPPOSITION OR OTHER PARTY

ATTORNEY

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Yates Petroleum Corporation, applicant in the above-captioned cause, seeks amendment of Division Order No. R-10349, authorizing an expansion of its Quincy "AMQ" San Andres Pressure Maintenance Project to include the W/2 NE/4, N/2 NW/4, SW/4 NW/4, E/2 SW/4, and W/2 SE/4 of Section 12, Township 8 South, Range 27 East. The applicant further requests to expand said project to include its Quincy "AMQ" State Well No. 9 located 2310 feet from the North and East lines (Unit G) of said Section 12, as an injection well into the Southwest Acme-San Andres Pool through the perforated interval from approximately 2184 feet to 2229 feet. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5).

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

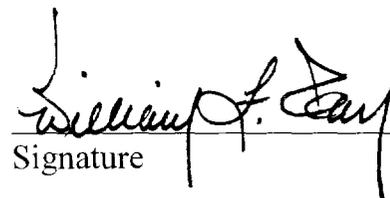
| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|--------------------------------------|-----------|-----------------|
| Pinson McWhorter, Petroleum Engineer | 20 Min. | Approximately 5 |

OPPOSITION

| WITNESSES (Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|----------|
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)


Signature