

**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. 12676

**APPLICATION OF YATES PETROLEUM CORPORATION
FOR APPROVAL OF A UNIT AGREEMENT, EDDY
COUNTY, NEW MEXICO.**

OIL CONSERVATION DIVISION
JUN 11 10:59 AM '07

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Yates Petroleum Corporation
Attention: Randy Patterson
105 South Fourth Street
Artesia, New Mexico 88210-2118
(505) 748.1471

ATTORNEY

William F. Carr, Esq.
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Santa Fe, New Mexico 87504
(505) 988.4421

STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Luke Federal State Unit for an area comprising 2,560 acres of federal and state lands in Sections 2, 3, 9 and 10 of Township 21 South, Range 22 East, NMPM which is located approximately 18 miles southwest of Seven Rivers, New Mexico.

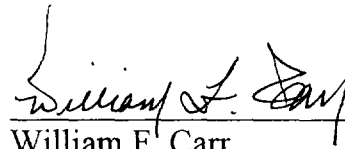
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
John Humphrey (Geologist)	Approx. 15 Minutes	8

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.



William F. Carr

Attorney for Yates Petroleum Corporation