

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

RECEIVED

MAR 12 2004

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

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

CASE NO. 13230

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

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

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

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988.4421

STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Dice State Exploratory Unit for all formations from the top of the San Andres formation to an approximate depth of 6430 feet in the Pre-Cambrian formation in an area comprising 3840.00 acres, more or less, of State of New Mexico lands in Sections 10, 14, 15, 22, 23 and 27, Township 10 South, Range 26 East, located approximately 12 miles east of Roswell, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

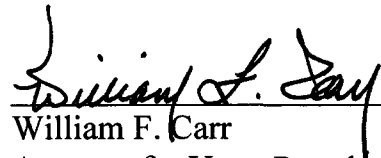
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

Yates Petroleum Corporation will present this case by Affidavit.



William F. Carr
Attorney for Yates Petroleum Corporation