

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

2009 AUG 27 AM 11 40

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

CASE NO. 13333

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

PRE-HEARING STATEMENT

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

*WVJ
8/31/09*

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 Orbison State Exploratory Unit for all formations from the surface to the base of the Mississippian formation in an area comprising 1280.00 acres, more or less, of State of New Mexico lands in Sections 11 and 14 of Township 12 South, Range 34 East, NMPM which is located approximately 5 miles northwest of Tatum, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

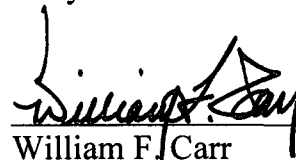
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

Yates Petroleum Corporation will present this case by Affidavit.

A handwritten signature in black ink, appearing to read "William F. Carr", is written over a horizontal line.

William F. Carr

Attorney for Yates Petroleum Corporation