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

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MAR 1 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. 13222

APPLICATION OF YATES PETROLEUM CORPORATION
FOR POOL CREATION AND THE ADOPTION OF SPECIAL
POOL RULES AND REGULATIONS, LEA 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

Yates Petroleum Corporation
Attention: Randy Patterson
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
(505) 988-4421

STATEMENT OF CASE

APPLICANT

Applicant, in the above-styled cause seeks creation of a new pool comprised of the N/2 of Section 36, Township 21 South, Range 21 East, NMPM, as a result of the discovery of hydrocarbons in the Abo formation in its Duvel "BCD" State Com Well No. 1 located 710 feet from the North line and 1980 feet from the West line of said Section 36. Applicant also seeks the adoption of Special Pool Rules and Regulations for the pool including provisions for 320-acre gas spacing and proration units. This pool is located approximately 26 miles south of Hope, New Mexico.

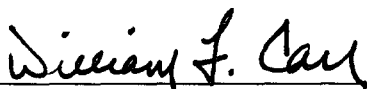
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
John Humphrey (Geology)	Approx. 15 Minutes	Approx. 2
David Boneau (Petroleum Engineer)	Approx. 20 Minutes	Approx. 7

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.



William F. Carr
Attorney for Yates Petroleum Corporation