

**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. 13415

2005 FEB 11 AM 11 54

**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 Patsy State Exploratory Unit for all formations from the surface to the base of the Lower Mississippian formation in an area comprising 3,200 acres, more or less, of State of New Mexico lands in Section 35 of Township 11 South, Range 31 East, Sections 2, 10, 11, 14 and 15 of Township 12 South, Range 31 East, NMPM, which is located approximately 20 miles north of Maljamar, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

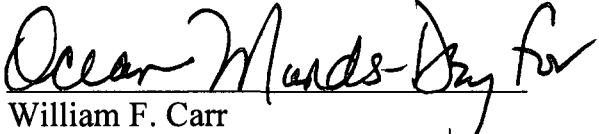
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

Pursuant to Division policy Yates Petroleum Corporation will present this case by Affidavit.


William F. Carr
Attorney for Yates Petroleum Corporation