

**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. 13559

**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. Chuck Moran
Yates Petroleum Corporation
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Artesia, New Mexico 88210-2118
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ATTORNEY

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2005 SEP 16 PM 2 45

WJD 9/16/05

STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Mortar State Exploratory Unit from the surface to the top of the PreCambrian formation in an area comprising 1600 acres of State of New Mexico

lands in Sections 23, 25 and 26 in Township 8 South, Range 27 East, NMPM which is located approximately 25 miles northeast of Roswell, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

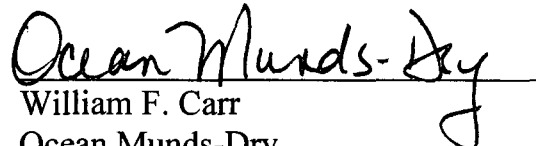
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

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


William F. Carr
Ocean Munds-Dry
Attorneys for Yates Petroleum Corporation