

**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. 13698

**APPLICATION OF YATES PETROLEUM
CORPORATION FOR APPROVAL OF A UNIT
AGREEMENT, EDDY 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

Ms. Susan Vierra
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118
(505) 748-1471

ATTORNEY

Ocean Munds-Dry, Esq.
William F. Carr, Esq.
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Post Office Box 2208
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STATEMENT OF CASE

APPLICANT

Applicant seeks approval of the Manchester State Exploratory Unit from the surface to the base of the Morrow formation in an area comprising 2,240 acres of State of New Mexico lands in Sections 20, 29, 31, and 32 in Township 19 South, Range 23 East, NMPM, which is located approximately 20 miles west of Lakewood, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES
(Name and Expertise)

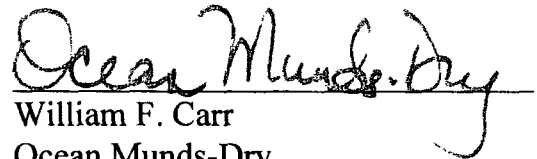
ESTIMATED TIME

EXHIBITS

BY AFFIDAVIT

PROCEDURAL MATTERS

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

A handwritten signature in cursive script, appearing to read "Ocean Munds-Dry", written over a horizontal line.

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