

**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:**

2006 JUN 15 PM 4:40  
**CASE NO. 13725**

**APPLICATION OF WJP EXPLORATION, LLC FOR  
COMPULSORY POOLING, 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**

WJP Exploration, LLC

**ATTORNEY**

James Bruce, Esq.  
Post Office Box 1056  
Santa Fe, NM 87504-1056  
(505) 982-2043

**OPPOSITION**

Yates Petroleum Corporation  
Attention: Chuck Moran  
105 South Fourth Street  
Artesia, NM 88210  
(505) 748-4349

**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 seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 16, Township 23 South, Range 24 East,

NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Undesignated South Bandana Point-Strawn Gas Pool, Undesignated Robina Draw-Atoka Gas Pool, and Undesignated Bandana Point-Strawn Morrow Pool. The unit is to be dedicated to the proposed Renata "16" State Well No. 1, to be drilled at an orthodox location in the NE/4 NE/4 of Section 16. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Preston Exploration, LLC as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPOSITION

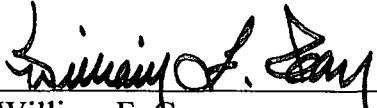
**PROPOSED EVIDENCE**

OPPOSITION

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Charles Moran Landman	Approx. 10 min.	Approx. 3

**PROCEDURAL MATTERS**

Yates Petroleum Corporation has none at this time.

  
\_\_\_\_\_  
William F. Carr  
Attorney for Yates Petroleum Corporation

**CERTIFICATE OF SERVICE**

I certify that on June 15, 2006 I served a copy of the foregoing document to the following by

- ☐ U.S. Mail, postage prepaid
- ☐ Hand Delivery
- ☒ Fax
- ☐ Electronic Service by LexisNexis File & Serve

James Bruce, Esq.  
Post Office Box 1056  
Santa Fe, NM 87504-1056  
(505) 982-2043  
(505) 982-2151 facsimile

  
\_\_\_\_\_  
William F. Carr

**BEFORE THE  
NEW MEXICO ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF WJP EXPLORATION, LLC  
FOR COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO.**

**CASE NO. 13725**

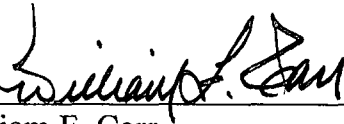
**2006 JUN 15 PM 4:38**

**ENTRY OF APPEARANCE**

HOLLAND & HART, LLP hereby enters its appearance in the above referenced case on behalf of Yates Petroleum Corporation.

Respectfully submitted,

HOLLAND & HART, LLP

By:   
William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87504

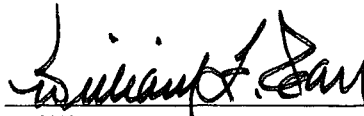
Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM  
CORPORATION

**CERTIFICATE OF SERVICE**

I hereby certify that on this 15th day of June 2006, I have caused to be fax-delivered a copy of our Entry of Appearance in the above-captioned case to the following:

James Bruce, Esq.  
P. O. Box 1056  
Santa Fe, New Mexico 87504-1056  
(505) 982-2151 facsimile

  
\_\_\_\_\_  
William F. Carr