STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOUTE PROPROAIR TO STATE OF NEW MEXICO OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 13927

APPLICATION OF YATES PETROLEUM CORPORATION FOR A NON-STANDARD GAS SPACING UNIT, 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

ATTORNEY

Mr. Charles Moran Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2118 (505) 748.1471 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 approving a 160-acre non-standard gas spacing unit comprised of the SW/4 of Section 28, Township 20 South, Range 28 East, NMPM, to be dedicated to its Hedgerow BFH State Com Well No. 1, (API No. 30-015-33715) to be recompleted from the Morrow formation to the Strawn formation, Sadar-Strawn Gas pool (84412) at a standard gas well location 660 feet from the South line and 1136 feet from the West line of said Section 28.

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PROPOSED EVIDENCE

APPLICANT

WITNESS

ESTIMATED TIME

EXHIBITS

Charles Moran (Land)

15 Minutes

Approx. 5

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

William F. Carr

Attorney for Yates Petroleum Corporation