

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:

APPLICATION OF HARVEY E. YATES  
COMPANY FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 13,999

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Harvey E. Yates Company  
P.O. Box 1933  
Roswell, New Mexico 87504

Attention: Vernon Dyer  
(505) 623-6601

APPLICANT'S ATTORNEY

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1, 2, E/2NW/4 and NE/4 (the N/2) of Section 18, Township 18 South, Range 32 East, NMPM, to form: (i) a standard 321.89-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Northwest Young-Morrow Gas Pool; and (ii) a standard 161.89-acre gas spacing and proration unit for all pools or formations developed on 160-acre spacing within that vertical extent. The unit is to be dedicated to the Walker 18 Fed. Com. Well No. 1, to be drilled at an orthodox location in Lot 2 of Section 18. 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

WVST 9/10/07

supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Vernon Dyer  
(landman)

15 minutes

Approx. 6

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

**PROCEDURAL MATTERS**

-None-

Respectfully submitted,



James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Harvey E. Yates Company