STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION COMMISSION 35

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING, CHAVES COUNTY, NEW MEXICO

CASE NO. 14061

ENTRY OF APPEARANCE

Comes now Occidental Permian, Ltd. by and through the undersigned attorneys, Miller Stratvert P.A., (J. Scott Hall) and hereby enters its appearance in the above cause.

MILLER STRATVERT P.A.

By:

J. Scott Hall Attorneys for Occidental Permian, Ltd. Post Office Box 1986 Santa Fe, New Mexico 87504-1986 (505) 989-9614

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on the 3rd day of January, 2008, as follows:

William F. Carr, Esq. Holland & Hart P. O. Box 2208 Santa Fe, New Mexico 87501 (505) 983-6043/Facsimile

David K. Brooks, Esq. NM Energy Minerals & Natural Resources Dept. 1220 South St. Francis Drive Santa Fe, NM 87505 (505) 476-3462/Facsimile

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J. Scott Hall

(JEXB & WY)

STATE OF NEW MEXICO 2013 CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR FOR COMPULSORY POOLING CHAVES COUNTY, NEW MEXICO

CASE NO. 14061

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller Stratvert P.A. (J. Scott Hall) on behalf of Occidental Permian, Ltd. as required by the Oil Conservation Division.

APPEARANCES

<u>APPLICANT'S ATTORNEY</u>

APPLICANT

William F. Carr Holland & Hart P.O. Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421/(505) 983-6043(Fax)

OPPONENT'S ATTORNEY

OPPONENT

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Occidental Permian, Ltd.

Yates Petroleum Corporation

OTHER PARTY'S ATTORNEY

OTHER PARTY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the following described spacing and proration units located in the S/2 of Section 2, Township 12 South, Range 31 East, N.M.P.M., Chaves County, New Mexico: the

S/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent including the West Caprock-Atoka Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent; and the SE/4 SW/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent including the Northwest Caprock-Wolfcamp Pool. Said unit is to be dedicated to its Patsy State Unit Well No. 6 to be drilled at a location 990 feet from the South and 1650 feet from the West line of Section 2, Township 12 South, Range 31 East, NMPM, Chaves County, New Mexico to an approximate depth of 11,300 feet to test any and all formations from the surface to the top of the Mississippian formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 7 miles southwest of Caprock, New Mexico.

OPPOSITION OR OTHER PARTY

Occidental Permian LTD is the owner of certain working interests in the proposed spacing unit for the well that is the subject of the Compulsory Pooling Application in this matter. Occidental Permian LTD does not plan on presenting witness testimony at the January 10, 2008 hearing.

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME NO. OF EXHIBITS

OPPOSITION

WITNESSES EST. TIME NO. OF EXHIBITS

None.

PROCEDURAL MATTERS

None.

MILLER STRATVERT P.A.

Bv:

J. Scott Hall, Esq. Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614

Attorneys for Occidental Permian, Ltd.

Certificate of Service

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J. Scott Hall