STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OF CONSERVATION DIVISION

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

AMMENDED APPLICATION OF YATES PETROLEUM CORPORATION FOR THE ADOPTION OF SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO.

CASE NO.: 14338

PRE- HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Divison.

APPEARANCES OF PARTIES

<u>APPLICANT</u>

<u>ATTORNEY</u>

Yates Petroleum Corporation Mr. J.O. Barnett 105 South Fourth Street Artesia, New Mexico 83210 (505) 748-4349

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 adoption of Special Pool Rules and Regulations for the Llano-Upper Pennsylvanian Pool located in the NE/4 of Section 31 and the NW/4 of Section 32, Township 11 South, Range 35 East, NMPM, including provisions for 80-acre oil spacing and special well location requirements. Said pool area is located approximately 8 miles Northwest of Tatum, New Mexico.

PROPOSED EVIDENCE

WITNESSES

ESTIMATED TIME

EXHIBITS

J.O. Barnett Petroleum Engineer Approx. 15 minutes

5

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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