

**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:**

ml. P/B

CASE NO. 13055

**APPLICATION OF YATES PETROLEUM CORPORATION
FOR COMPULSORY POOLING, CHAVES 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

Mr. Chuck Moran
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118
(505) 748.1471

ATTORNEY

William F. Carr, Esq.
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Post Office Box 2208
Santa Fe, New Mexico 87504
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STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests in all formations from the surface to the basement in the following described spacing and proration units located in the W/2 of Section 11, Township 6 South, Range 26 East, N.M.P.M., Chaves County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing; the SW/4 for all formations and/or pools developed on 160-acre spacing which includes but is not limited to the Pecos Slope-Abo Gas Pool; and the SW/4 SW/4 for all formations and/or pools

Pre-Hearing Statement
NMOCD Case No. 13055
Page 2

developed on 40-acre spacing. Said units are to be dedicated to its Stern "BCS" Com Well No. 1 to be drilled at a standard gas well location 660 feet from the South and West Lines (Unit M) of said Section 11. 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 approximately 8.5 miles West of Dougherty, New Mexico.

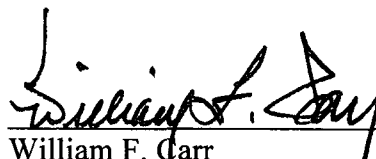
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Chuck Moran (Land)	Approx. 15 Minutes	Approx. 6
Tim Miller (Geology)	Approx. 15 Minutes	Approx. 7

PROCEDURAL MATTERS

Yates Petroleum Corporation has none at this time.



William F. Carr
Attorney for Yates Petroleum Corporation