

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

MAR 21 1987

**APPLICATION OF AMERIND OIL COMPANY, LTD.
FOR COMPULSORY POOLING
AND A NON-STANDARD PRORATION UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 11753

**APPLICATION OF YATES PETROLEUM
CORPORATION FOR COMPULSORY POOLING
AND A NON-STANDARD PRORATION UNIT
LEA COUNTY, NEW MEXICO.**

CASE NO. 11739

**CONSOLIDATED
PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by AMERIND OIL COMPANY, LTD., as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT IN CASE 11753
OPPONENT IN CASE 11739

ATTORNEY

Amerind Oil Company, Ltd.
415 West Wall Street
Midland, Texas 79701
(915) 682-8217
attn: Bob Leibrock

W. Thomas Kellahin
KELLAHIN & KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

OPPONENT IN CASE 11265
APPLICANT IN CASE 11263

ATTORNEY

Yates Petroleum Corporation

William F. Carr, Esq
P. O. Box 2088
Santa Fe, NM 87501
(505) 988-4421

STATEMENT OF CASE

Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying Lots 8 & 9 of Irregular Section 2, T16S, R35E, Amerind Oil Company, Ltd. needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

Amerind requests an order pooling the mineral interest of described in this spacing unit for the drilling of its State "AY" Com Well No. 1 at a standard well location in Lot 9 of Irregular Section 2 for potential production from the West Lovington-Strawn Pool upon terms and conditions which include:

- (1) Amerind Oil Company, Ltd. be named operator;
- (2) Approval of a non-standard oil proration and spacing unit consisting of Lots 8 and 9.
- (3) The order make provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;
- (4) In the event a working interest owner fails to elect to participate, then provision be made to recover out of production, the costs of the drilling, completing, equipping and operating the well, including a risk factor penalty of 200 %;
- (5) A provision for overhead rates and a method for adjusting those rates in accordance with COPAS accounting procedures;
- (6) For such other and further relief as may be proper.

PROPOSED EVIDENCE

APPLICANT in Case 11753:

WITNESSES

Robert C. Leibrock
petroleum engineer

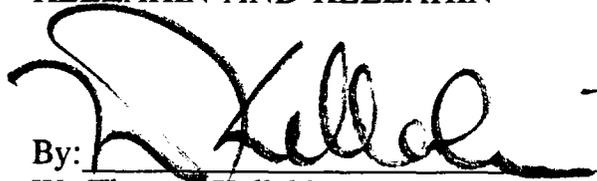
EST. TIME EXHIBITS

45 min. @ 12 exhibits

PROCEDURAL MATTERS

Consolidation of Cases 11753 and 11739.

KELLAHIN AND KELLAHIN

By: 

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