

**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:**

CASE NO. 11971

**APPLICATION OF YATES PETROLEUM CORPORATION
FOR SIMULTANEOUS DEDICATION, NON-STANDARD
PRORATION UNIT AND AN UNORTHODOX WELL
LOCATION, EDDY COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Nearburg Exploration Company, L.L.C., as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Yates Petroleum Corporation

ATTORNEY

William F. Carr, Esq.
P. O. Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OPPOSITION PARTIES

Nearburg Producing Company
330 North "A" Street Ste 3100
Midland, Texas 79705
Attn: Bob Shelton
(915) 686-8235

ATTORNEY

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KELLAHIN AND KELLAHIN
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STATEMENT OF CASE

OPPOSITION PARTY

Nearburg Exploration Company, L.L.C. ("Nearburg") is an owner of an oil and gas lease in the NE/4 of Section 12, T21S, R21E which is the western offset to Yates Petroleum Corporation's ("Yates") 240.64 acre non-standard proration unit in the W/2 of Section 7, T21S, R22E.

Nearburg requests that the Division deny Yates' attempt to have two Morrow gas wells in this spacing unit.

PROPOSED EVIDENCE

OPPOSITION PARTY:

WITNESSES	EST. TIME	EXHIBITS
Jerry Elger (petroleum geologist)	30 minutes	@ 4
Clyde Finley (petroleum engineer)	30 Minutes	@ 4

PROCEDURAL MATTERS

None

KELLAHIN AND KELLAHIN



By: _____
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