RO 10/20/99

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ALBUQUERQUE

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SANTA FE

150 WASHINGTON AVE., SUITE 300 POST OFFICE BOX 1996 SANTA FE, NM 87504-1986 TELEPHONE: (505) 989-9614 FACSIMILE: (505) 989-9857

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WILLIAM K. STRATVERT, COUNSEL PAUL W. ROBINSON, COUNSEL RALPH WM. RICHARDS, COUNSEL ROSS B. PERKAL, COUNSEL

October 15, 1998

Ms. Lori Wrotenbery, Director 2040 South Pacheco Post Office Box 6429 Santa Fe, N.M. 87505

Re: InRe: Application of Yates Petroleum Corporation

Dear Ms. Wrotenbery:

Enclosed please find Texaco Exploration and Production, Inc.'s Pre-Hearing Statement for filing.

Thank you.

Sincerely,

(m) blilm

CHERYL M WILSON Secretary to J. Scott Hall

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

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING AND AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO

Case No. 12057

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Miller, Stratvert & Torgerson, P.A. on behalf of

Texaco Exploration & Production Inc., as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

Yates Petroleum Corporation

Ernest L. Carroll, Esq. LOSEE, CARSON, HAAS & CARROLL 311 West Quay Avenue Artesia, New Mexico 88221 (505) 746-3505

OPPONENT'S ATTORNEY

OPPONENT

APPLICANT

Texaco Exploration and Production, Inc.

J. Scott Hall, Esq. Miller, Stratvert, Torgerson Post Office Box 1986 Santa Fe, N.M. 87504 (505) 989-9614

OTHER PARTY'S ATTORNEY

OTHER PARTY

STATEMENT OF THE CASE

APPLICANT

Yates Petroleum Corporation, seeks compulsory pooling of certain mineral interests underlying Section 14, Township 16 South, Range 32 East, NMPM and an unorthodox well location 1980' FSL and 1310' FWL to test all formations from the surface to the base of the Morrow formation, Undesignated Anderson Ranch-Morrow Gas Pool, Lea County New Mexico.

OPPONENT

Texaco Exploration and Production Inc. ("TEPI") will present testimony on, among other matters, the efforts of the applicant to obtain TEPI's voluntary participation in the proposed well.

PROPOSED EVIDENCE

WITNESSES Ron Lanning, Landman EST. TIME APPROX. #EXHIBITS 20 min. 5

PROCEDURAL MATTERS

MILLER, STRATVERT & TORGERSON, P.A.

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By__

J. Scott Hall

Attorneys for Texaco Exploration and Production, Inc. Post Office Box 1986 Santa Fe, New Mexico 87504-1986 (505) 989-9614

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was mailed to counsel of record on the $t \leq t$ day of October, 1998, as follows:

Ernest L. Carroll, Esq. LOSEE, CARSON, HAAS & CARROLL, P.A. Post Office Box 1720 Artesia, New Mexico 88211

Ron Lanning, Landman Texaco Exploration & Production, Inc. Post Office Box 3109 Midland, Texas 79702

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J. Scott Hall