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**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. 12130

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AN UNORTHODOX
GAS WELL LOCATION TO ACCOMMODATE THE
REDUCTION OF ACREAGE FOR GEOLOGIC REASONS,
LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIV.
99 FEB 12 PM 3:01

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Yates Petroleum Corporation
c/o Randy Patterson
105 South Fourth Street
Artesia, New Mexico 88210
(505) 748-1471
name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OPPOSITION OR OTHER PARTY

name, address, phone and
contact person

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Yates Petroleum Corporation, applicant in the above-captioned case seeks authorization to rededicate the N/2 spacing and proration unit dedicated to its Sand Spring State Well No. 1 located 660 feet from the North line and 1980 feet from the west line (Unit C) of Section 11, Township 11 South, Range 34 East, in the Atoka and Morrow formations, Sand Spring-Atoka Gas Pool to a W/2 spacing and proration unit.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Eric Cummins, Geologist	20 Min.	Approximately 4
David Pearson, Engineer	20 Min.	Approximately 6

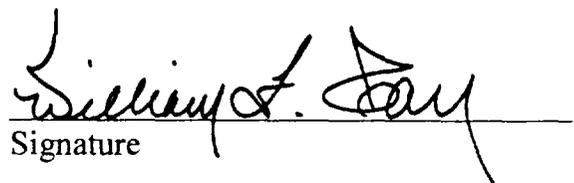
OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)

Yates will request that this case be consolidated for purposes of hearing with Case 12128.


Signature