

**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:**

M.J.
CASE NO. 12582

**APPLICATION OF YATES PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

**OIL CONSERVATION DIV.
01 JUN 23 PM 3:45**

PREHEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart and Campbell & Carr as required by Oil Conservation Division rules and procedure.

APPEARANCES OF PARTIES

APPLICANT

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118
Attention: Robert Bullock
(505) 748-1471

ATTORNEY

William F. Carr, Esq.
Holland & Hart and Campbell & Carr.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OPPOSITION OR OTHER PARTY

None

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 seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in Section 13, Township 15 South, Range 34 East: S/2 to form a standard gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated Morton-Morrow Gas Pool; SW/4 to form a standard gas spacing and proration unit for all formations and/or pools developed on 160-acre spacing within that vertical extent; the N/2 SW/4 to form a standard spacing and proration unit for all formations and/or pools developed on 80-acre within that vertical extent which includes but is not necessarily limited to the Undesignated Morton-Wolfcamp Pool; and NE/4 SW/4 form a standard 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing and proration units which includes but is not necessarily limited to the Undesignated Grassland-Wolfcamp Pool. Said units are to be dedicated to the Chevy AWW State Com Well No. 1 to be drilled at a standard location 1650 feet from the South and West lines of said Section 13 to a depth sufficient to test all formations from the surface to the base of the Morrow formation. 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.

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

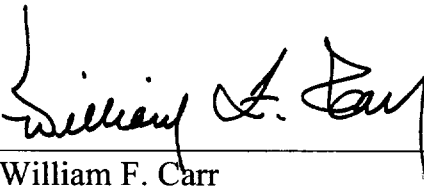
WITNESSES (Name and expertise)	ESTIMATED TIME	EXHIBITS
Bill Owen (Landman)	15 Minutes	Approximately 6
Eric Cummins (Geologist)	10 Minutes	Approximately 4

OPPOSITION

WITNESSES (Name and expertise)	ESTIMATED TIME	EXHIBITS
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PROCEDURAL MATTERS

None at this time.



William F. Carr
Attorney for YATES PETROLEUM CORPORATION