LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A. RECT (SD

ERNEST L. CARROLL JOEL M. CARSON JAMES E. HAAS A. J. LOSEE DEAN B. CROSS MARY LYNN BOGLE *

*LICENSED IN ARIZONA ONLY

300 YATES PETROLEUM BUILDING P. O. DRAWER 239 ARTESIA, NEW MEXICO 88211-0239

91 JUN 21 AM (605) 546-3505

OIL CONSERVED ON DIVISION

TELECOPY (505) 746-6316

June 19, 1991

Mr. William J. LeMay New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Re: Application of Conoco, Inc. for Approval of a Horizontal Directional Drilling Pilot Project and Unorthodox Surface Well Location in the North Dagger Draw Upper Pennsylvanian Pool, Eddy County, New Mexico, Case No. 10339

Dear Mr. LeMay:

I am enclosing herewith an original and three copies each of Yates Petroleum Corporation's Entry of Appearance and Prehearing Statement for filing in the above-referenced case.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

arson and

JMC:kth Enclosures

xc w/encl: Randy Patterson Conoco, Inc.

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

IN THE MATTER OF THE APPLICATION OF	:	
CONOCO, INC. FOR APPROVAL OF A HORIZONTAL	:	CASE NO. 10339
DIRECTIONAL DRILLING PILOT PROJECT AND	:	
UNORTHODOX SUFACE WELL LOCATION IN THE NORTH	:	RECEIVED
DAGGER DRAW UPPER PENNSYLVANIAN POOL, EDDY	:	RECEIVED
COUNTY, NEW MEXICO	:	
	:	JUN 21 1991

PRE-HEARING STATEMENT

This prehearing statement is submitted by Yates Petroleum Corporation as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

OIL CONSERVATION DIVISION

Conoco, Inc. 10 Desta Drive West Midland, TX 79705-4514

OTHER PARTY

ATTORNEY

Yates Petroleum Corporation 105 S. Fourth St. Artesia, New Mexico 88210 (505)748-1471 Joel M. Carson Losee, Carson, Haas & Carroll, P.A. P. O. Drawer 239 Artesia, New Mexico 88211-0239 (505)746-3505

STATEMENT OF THE CASE

OTHER PARTY

Yates intends to appear, but at this time does not object to Conoco's Application.

PROPOSED EVIDENCE

OTHER PARTY

None proposed at this time

WITNESSES	EST. TIME	EXHIBITS
(Name and expertise)		

None proposed at this time

YATES PETROLEUM CORPORATION

By: ÚL. 170 ۵

Joel M. Carson LOSEE, CARSON, HAAS & CARROLL, P.A. P.O. Drawer 239 Artesia, New Mexico 88211-0239 (505)746-3508

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

IN THE MATTER OF THE APPLICATION OF : CONOCO, INC. FOR APPROVAL OF A HORIZONTAL : DIRECTIONAL DRILLING PILOT PROJECT AND : UNORTHODOX SUFACE WELL LOCATION IN THE NORTH : DAGGER DRAW UPPER PENNSYLVANIAN POOL, EDDY : COUNTY, NEW MEXICO :

OIL CONSERVATION DIVISION

ENTRY OF APPEARANCE

COMES NOW Yates Petroleum Corporation, by and through Losee, Carson, Haas & Carroll, P. A. (Joel M. Carson), and enters its appearance in the above-referenced Application, thereby requesting copies of all filings with the Commission concerning said Application and advising of its intention to appear at the hearing before the Commission.

YATES PETROLEUM CORPORATION

By:

Joel M. Carson LOSEE, CARSON, HAAS & CARROLL, P.A. P.O. Drawer 239 Artesia New Mexico 88211-0239 (505)746-3508