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OIL CONSERVATION DIVISION

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

**IN THE MATTER OF THE APPLICA- :
TION OF YATES PETROLEUM COR- :
PORATION FOR AN UNORTHODOX : CASE NO. 10542
WELL LOCATION, EDDY COUNTY, :
NEW MEXICO :**

PREHEARING STATEMENT

This prehearing statement is submitted by David R. Vandiver of Fisk & Vandiver, attorneys for Yates Petroleum Corporation, as required by the Oil Conservation Division.

APPEARANCES BY PARTIES

APPLICANT

(name, address, phone and contact person)

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

ATTORNEYS

Fisk & Vandiver
611 Mahone, Suite E
Artesia, New Mexico 88210-2075
(505) 746-9841
Attention: David R. Vandiver

OPPOSITION OR OTHER PARTY

(name, address, phone and contact person)

ATTORNEYS

STATEMENT OF CASE

APPLICANT

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

Yates Petroleum Corporation seeks an exception to the well location requirements of Rule 104 to permit the drilling of its proposed Federal "AB" Com. No. 11 Well at an unorthodox gas well location 1,980 feet from the north line and 1,650 feet from the west line of Section 30, Township 18 South, Range 25 East, N.M.P.M., Eddy County, to test all formations from the surface to the base of the Morrow formation which may be developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated Peñasco Draw San Andres – Yeso Associated Pool, Peñasco Draw – Permo Pennsylvanian Gas Pool, Undesignated Peñasco Draw – Atoka Gas Pool and Peñasco Draw – Morrow Gas Pool, and the dedication of Lots 1 and 2, NE/4, E/2 NW/4 (N/2) of said Section 30 to said well forming a standard 322.36 acre gas 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		EST. TIME	EXHIBITS
Name	Expertise		
Rob Bullock	Landman	10 minutes	Plat Affidavits of Mailing
D'nese Fly	Geologist	20 minutes	Isopach and Structure Map Cross Section

PROPOSED EVIDENCE

OPPOSITION


WITNESSES		EST. TIME	EXHIBITS
<u>Name</u>	<u>Expertise</u>		

PROCEDURAL MATTERS

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

None

YATES PETROLEUM CORPORATION

By: 
David R. Vandiver

FISK & VANDIVER

Seventh and Mahone, Suite E
Artesia, New Mexico 88210
(505) 746-9841

Attorneys for Applicant



LTR



Job separation sheet

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August 21, 1992

Energy, Minerals and Natural
Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: *NMOCD Case No. 10542*
Federal "AB" Com. No. 11 Well
Township 18 South, Range 25 East, NMPM
Section 30: N/2
Eddy County, New Mexico

m.s.

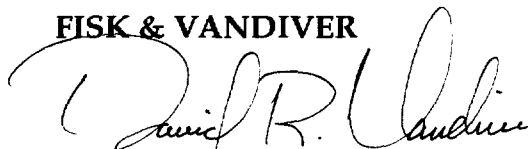
Gentlemen:

Please continue the referenced case which is set for hearing before an Examiner on September 3, 1992, until the Examiner Hearing of September 17, 1992.

Thank you.

Very truly yours,

FISK & VANDIVER



David R. Vandiver

DRV:pvw

cc: Mr. Mike Burch
Murchinson Oil and Gas, Inc.
Nearburg Exploration
Bravo Operating
Snow Oil & Gas, Inc.