

Midland Division
Exploration Production

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COMMISSION HEARING

February 23, 1995

CASE NO. 11211: Prorated Gas Allowables for the

April through September, 1995 Period

POOL: EUMONT YATES 7 RIVERS QUEEN

STATEMENT OF SUPPORT FOR OCD PROPOSED EUMONT ALLOWABLE

BY

CONOCO INC.

Conoco Inc. fully supports the proposed monthly acreage allocation factor of 38,000 MCF for the Eumont Yates 7 Rivers Queen Gas Pool for the April through September, 1995 Period. This level provides sufficient economic incentive for continuing current development and remedial programs while maintaining an adequate ceiling on production to prevent overdevelopment or undue acceleration.

Since mid-1993, Conoco Inc. has, with selective new development and remedial work, increased its total daily Eumont gas production from 9.3 MMCFG to 24.3 MMCFG. This represents a 260% increase. During this period Conoco has drilled 19 new Eumont wells and worked over 32 existing wellbores.

During the upcoming proration period, Conoco plans to continue its current program of developing new reserves and more efficiently draining currently developed locations with additional drilling and remedial work. Conoco recognizes the critical role of the Division over the last few years in promoting such significant increases in the recovery efficiency of Eumont gas reserves through its approval of realistic allowables.

Jerry W. Hoover

Sr. Conservation Coordinator