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

CASE NO. 12215

APPLICATION OF ANADARKO PETROLEUM CORPORATION FOR DOWNHOLE COMMINGLING EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Anadarko Petroleum Corporation, as required by the Oil Conservation Division.

APPEARANCE OF PARTIES		MUL 66	QL Q
APPLICANT	ATTORNEY	30	
Anadarko Petroleum Corporation P. O. Box 2497 Midland, Texas 79702 (915) 683-0537 attn: Harold Jamison	W. Thomas Kellahin KELLAHIN AND KELLAHIN P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285	PH 2: 50	CHISERVATION DIV.

STATEMENT OF CASE

Anadarko Petroleum Corporation ("Anadarko") is the operator of the E. W. Walden Well No 12, located in Unit F of Section 15, T22S, R37E, NMPM, Lea County, New Mexico.

Anadarko proposes to downhole commingle production from the Penrose Skelly-Grayburg Pool with production from the Southwest Eunice-San Andres Pool in this wellbore.

Anadarko seeks an exception from Division Rule 303.C(1)(a)(iii) which precluded the Division from administratively approving Anadarko's application because the total water volume produced is greater than the combined oil allowable.

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This well has subsurface equipment and surface facilities which will allow Anadarko to economically and efficiently produce the "excess" water without waste and without violating correlative rights.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES EST. TIME EXHIBITS

Richard Lauderdale (production engineer) 15-20 Min @ 6 exhibits

PROCEDURAL MATTERS

None anticipated at this time

KELLAHIN AND KELLAHIN

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