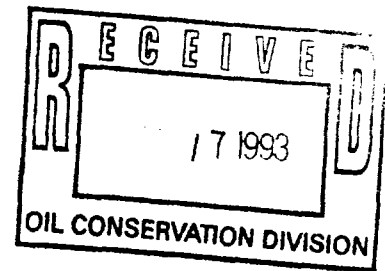


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September 16, 1993

William J. Lemay, Director
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Re: Application of Conoco, Inc.
Case No. 10830

Dear Mr. Lemay:

Enclosed please find a Pre-Hearing Statement in the
above referenced cause.

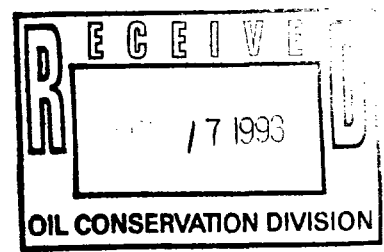
Thank you.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Ernest L. Padilla".

Ernest L. Padilla

ELP/mg
cc: John T. Hendrix
W. Thomas Kellahin
Enc.



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: The Application of
Conoco Inc., for a Temporary
Testing Allowable for its
Lockhart A-27 lease,
Paddock Oil Pool,
Lea County, New Mexico

CASE NO. 10830

PRE-HEARING STATEMENT

This prehearing statement is submitted by Ernest L. Padilla, Esq. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Conoco Inc.

ATTORNEY

W. Thomas Kellahin
Kellahin & Kellahin
P. O. Box 2265
Santa Fe, N.M. 87504
(505) 982-4285

OPPOSITION OR OTHER PARTY

John H. Hendrix Corporation
223 West Wall St. Suite 525
Midland, Texas 79701

ATTORNEY

Ernest L. Padilla
PADILLA & SNYDER
Post Office Box 2523
Santa Fe, N. M. 87504
(505) 988-7577

STATEMENT OF CASE

APPLICANT

(Concise statement of what is being sought with this application and the reasons therefore.)

Application for temporary testing allowable.

OPPOSITION OR OTHER PARTY

(Concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Appearance only at this time.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Unknown at this time.		

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Appearance only at this time.		

PROCEDURAL MATTERS

(Identify any procedural matters which
need to be resolved prior to the hearing.)

None



Ernest L. Padilla

Hearing Date: September 23, 1993

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

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DARREN T. GROCE
MOLLY MCINTOSH
MARCIA B. LINCOLN
SCOTT A. SHUART
DARREN L. BROOKS
CHRISTINE E. LALE
PAUL G. NASON
DARLA M. SILVA

*NOT LICENSED IN NEW MEXICO

September 17, 1993

Florene Davidson
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

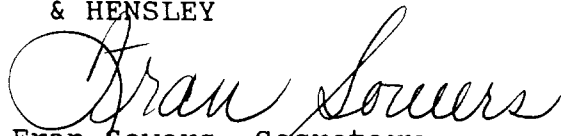
Re: Application of Conoco Inc. for Establishment of a
Temporary Special Testing Allowable, Lea County, New
Mexico, OCD Case No. 10,830

Dear Florene:

On behalf of our client, Exxon Corporation, please find
enclosed an original and two copies of a Pre-Hearing Statement for
filing in the above-referenced case. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


Fran Sowers, Secretary
to James Bruce

Enclosures

VIA HAND DELIVERY

JGB5\93H06.c

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:

APPLICATION OF CONOCO INC. FOR
ESTABLISHMENT OF A TEMPORARY
SPECIAL TESTING ALLOWABLE, LEA
COUNTY, NEW MEXICO.

17832

CASE NO. 10,830

PRE-HEARING STATEMENT

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

APPEARANCE OF PARTIES

APPLICANT

Conoco Inc.

ATTORNEY

W. Thomas Kellahin
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504-2265
(505) 982-4285

OPPOSITION OR OTHER PARTY

Exxon Corporation
Post Office Box 1600
Midland, Texas 79702
(915) 688-6174
Attention: William T. Duncan, Jr.

ATTORNEY

James Bruce
Hinkle, Cox, Eaton, Coffield
& Hensley
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

STATEMENT OF CASE

APPLICANT

OPPOSITION

Conoco has requested a special gas:oil ratio of 6000:1 for the N½ of § 27 - 21 South - 37 East (Paddock Pool), to allow wells thereon to produce at capacity for a 12 month period.

Exxon opposes Conoco's request. Exxon makes no assertion regarding the application from the standpoint of waste. However, if the Division determines no waste will occur if Conoco's request is granted, Exxon asserts that the correlative rights of offset lessees in the Pool will be adversely affected unless the GOR increase requested by Conoco is adopted for the entire Pool.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES

EST. TIME

EXHIBITS

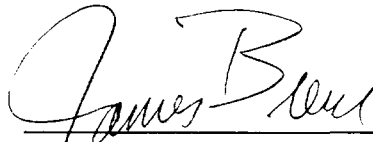
William T. Duncan, Jr.
(Engineer)

Possible witness

PROCEDURAL MATTERS

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

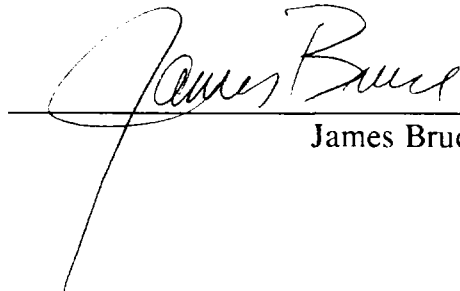
A handwritten signature in cursive script, appearing to read "James Bruce", written over a horizontal line.

James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Exxon Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was mailed to W. Thomas Kellahin, Esq., Kellahin & Kellahin, Post Office Box 2265, Santa Fe, New Mexico 87504-2265, and Thomas C. Lowry, Esq., Marathon Oil Company, Post Office Box 552, Midland, Texas 79702, this 17th day of September, 1993, by first-class mail, postage prepaid.

A handwritten signature in cursive script, appearing to read "James Bruce", written over a horizontal line.

James Bruce