

**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:**

**CASE NO. 11567**

**APPLICATION OF CONOCO, INC. TO  
EXTEND THE VERTICAL LIMITS FOR THE  
WARREN SAN ANDRES POOL, TO RENAME  
SAID POOL AND FOR THE PROMULGATION  
OF SPECIAL RULES AND REGULATIONS THEREFOR,  
LEA COUNTY, NEW MEXICO.**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by CONOCO INC. as required by the Oil Conservation Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

CONOCO INC.  
10 Desta Drive, Suite 100W  
Midland, Texas 79705-4500  
Attn: Jerry Hoover  
(915) 686-6548

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

**STATEMENT OF CASE**

**APPLICANT:**

Conoco Inc. is the operator of the Warren Unit which includes all of the acreage in this pool.

Conoco seeks to:(a) combine two formations into on pool: the Grayburg and the San Andres; (b) establish a depth allowable for the new pool set at 200 BOPD; and (c) establish a limiting GOR of 10,000 to 1.

The Grayburg formation and the San Andres in this pool constitute a single porosity section without evidence of any sealing barrier between the two formations The Grayburg and the San Andres formations are often combined into one pool.

The combination of these two formations together along with a special oil allowable an GOR will result in a more efficient and economic recovery of the hydrocarbons thereby maximizing recovery and prevent waste and protecting correlative rights.

**PROPOSED EVIDENCE**

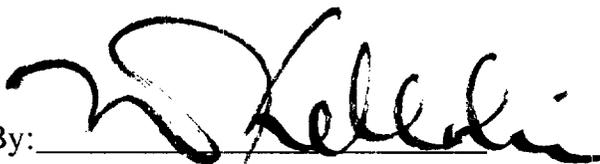
APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Dave Nelson (geologist)	30-min.	6
Mark McClellan (petroleum engineer)	30-min.	13

**PROCEDURAL MATTERS**

NONE.

KELLAHIN AND KELLAHIN

By: 

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