

RECEIVED

SEP 25 1992

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

OIL CONSERVATION DIV.
SANTA FE

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10565

**APPLICATION OF CONOCO INC. FOR
DIRECTIONAL DRILLING AND AN
UNORTHODOX BOTTOMHOLE GAS WELL
LOCATION, EDDY 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 West
Midland, Texas 79705
ATTN: Jerry Hoover

ATTORNEY

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

OPPOSITION OR OTHER PARTY

ATTORNEY

N/A

Pre-Hearing Statement
Case No. 10565
Page 2

STATEMENT OF CASE

APPLICANT

Conoco, Inc. ("Conoco") seeks approval to directionally drill its proposed Preston Federal Well No. 6, to be located at a surface location 990 from the North line and 460 feet from the East line (Unit H) of Section 35, Township 20 South, Range 24 East, in such a manner as to bottom the well in the Undesignated Cemetery-Morrow Gas Pool at an unorthodox gas well location in the NE/4NE/4 of said Section 35 and provided said wellbore is no closer than 660 feet from the North and East lines of said Section 35, the N/2 of the section to be dedicated forming a standard 320-acre gas spacing and proration unit for said pool.

OPPOSITION OR OTHER PARTY

N/A

Pre-Hearing Statement
Case No. 10565
Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Bill Hardie Geologist	20 Minutes	6 Exhibits
Jerry Hoover Petroleum Engineer	15 Minutes	6 Exhibits

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
SEE OPPOSITION FILING, IF ANY		

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin

P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285
ATTORNEYS FOR CONOCO, INC.