

**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:**

**FIRST AMENDED APPLICATION OF RELIANT EXPLORATION & PRODUCTION  
LLC TO TERMINATE THE TEMPORARILY ABANDONED STATUS OF TWO CO2  
WELLBORES DRILLED BY OXY USA, INC. AND FOR COMPULSORY POOLING,  
HARDING COUNTY, NEW MEXICO.**

**CASE NO. 14412**

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Reliant Exploration & Production LLC

**ATTORNEY**

Earl E. DeBrine, Jr.  
Modrall, Sperling, Roehl, Harris & Sisk P.A.  
Post Office Box 2168  
Albuquerque, New Mexico 87103-2168  
Facsimile No. (505) 848-1891

W. Thomas Kellahin  
Kellahin & Kellahin  
706 Gonzales Road  
Santa Fe, New Mexico 87501-8744  
Facsimile No. (505) 982-2047

**OPPONENT**

OXY USA, INC.  
c/o Mark Hodge

**ATTORNEY**

William F. Carr, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

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## STATEMENT OF CASE

### APPLICANT:

Applicant seeks an order terminating the temporarily abandoned status of the following carbon dioxide wells in township 20 North, Range 31 East NMPM in Harding County, New Mexico: or alternatively, an order pooling two 640-acre spacing units comprised of all of Sections 2 and 11, Township 18 North, Range 31 East, NMPM, Harding County, New Mexico and designating Reliant operator of the wells.

### OPPONENT:

OXY USA, INC. opposes the application. OXY filed applications to drill the Bravo Dome Unit Wells No. 021 and 111 and, by mistake, proposed to dedicate to these wells 160-acre spacing and proration units instead of 640-acre units. The Oil Conservation Division approved these APD's. and the wells were drilled to total depth in 2007. OXY has shut in the wells pending resolution of these spacing issues and as approved plans to place the wells in temporarily abandoned status. Reliant owns mineral interests in the sections in which each of the subject wells is located. OXY has provided a Joint Operating Agreement to Reliant for its consideration. Although there have been extensive negotiations between the parties, no agreement has been reached for the development of these lands. Oxy seeks denial of this application because the relief sought does not resolve the problems with these wells and because the relief sought is contrary to the Oil and Gas Act and the rules of the Oil Conservation Division.


## PROPOSED EVIDENCE

### OPPONENT:

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Elizabeth Bush-Ivie Regulatory Engineer (May Call)	30 Minutes	Approx. 10

## PROCEDURAL MATTERS

None.

  
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William F. Carr  
Attorney for OXY USA, INC.

**CERTIFICATE OF SERVICE**

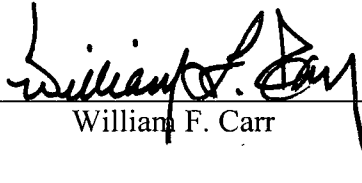
I certify that on April 22, 2010 I served a copy of the foregoing document to the following by

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