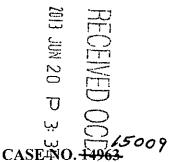
STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.



PRE-HEARING STATEMENT

This pre-hearing statement is submitted by OXY USA WTP Limited Partnership ("OXY") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

OXY USA WTP Limited Partnership

Michael H. Feldewert Adam G. Rankin Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421

OPPONENT

ATTORNEY

STATEMENT OF THE CASE

OXY seeks an order (1) creating a non-standard 160-acrc spacing and proration unit comprised of the S/2 S/2 of Section 5, Township 23 South, Range 28 West, NMPM, Eddy County, New Mexico; and (2) pooling the mineral estate in the Bone Spring formation, Undesignated Culebra Bluff, South Bone Spring Pool, underlying this acreage. OXY proposes to initially dedicate this spacing and proration unit as the project area for its proposed

Swearingen A Fee Com 3H Well which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) to a standard bottom hole location in the SW/4 SW/4 (Unit M) of Section 5. The completed interval for this well will comply with the 330-foot standard setbacks required by Division rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Wesley Robertson, Landman	Approx. 10 minutes	Approx. 5
Kirk Sparkman, Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

Michael H. Feldewert Adam G. Rankin Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

ATTORNEYS FOR OXY USA WTP LIMITED PARTNERSHIP