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

STATEMENT OF THE CASE

OXY seeks an order (1) creating a non-standard, 160-acre spacing and proration unit comprised of the E/2W/2 of Section 17, Township 23 South, Range 28 East, NMPM, Eddy County and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. This non-standard unit will be dedicated to Oxy's proposed **Carter Farms A Fee Com 003H Well**, which will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) to a standard bottom hole location in the SE/4SW/4 (Unit N) of Section 17. The completed

120

interval for this well will remain within the 330-foot standard offset required by the Division's rules.

APPLICANT'S PROPOSED EVIDENCE

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

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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ATTORNEYS FOR OXY USA WTP LIMITED PARTNERSHIP