

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

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

OXY USA Inc.
IN THE MATTER OF THE APPLICATION
OF ~~COG OPERATING LLC~~ FOR DESIGNATION
OF A NON-STANDARD SPACING AND PRORATION
UNIT AND FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 15118

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by OXY USA Inc. (OXY) as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

OXY USA Inc.
PO BOX 4294
Houston, TX 77210-4294

ATTORNEY

Germaine R. Chappelle
Gallagher & Kennedy, PA
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STATEMENT OF THE CASE

OXY USA Inc. (OXY) seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the N/2 S/2 of Section 26, Township 23 South, Range 30 East,

NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Delaware formation underlying this acreage to form 160-acre project area in this formation.

OXY proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed FNR 26 Federal #2H well (API Well No. 30-015-41647) to be horizontally drilled from a surface location, 2060 feet from the South line and 330 feet from the West line to a bottom hole location 2060 feet from the South line and 350 feet from the East line of Section 26. The completed interval for this well will be within the 330-foot standard offset required by the rules.

INTEREST-OWNER'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mark Hodge, Senior Landman Consultant	Approx. 10 minutes	Approx. 5
Daniel A. Pratt, Senior Geological Advisor	Approx. 10 minutes	Approx. 5

PROCEDURAL MATTERS

None.

Respectfully submitted,

GALLAGHER & KENNEDY, P.A.



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