

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

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

MAY 15 2011
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CASE NO 15702

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

OXY USA WTP Limited Partnership

ATTORNEY

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STATEMENT OF THE CASE

OXY seeks an order (1) creating a 320 acre non standard spacing and proration unit comprised of the S/2 N/2 of Section 9, and the S/2 N/2 of Section 10, Township 19 South Range 29 East, NMPM, Eddy County New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage OXY proposes to dedicate the above-referenced spacing and proration unit as the project area for two proposed wells the proposed **Turkey Track 9-10 State No 22H Well** and the proposed **Turkey Track 9-10 State No 32H Well**, to

be simultaneously drilled and completed in the Bone Spring formation. These two stacked horizontal wells will be pad drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 8 to a standard bottom hole location in SE/4 NE/4 (Unit H) of Section 10. The completed interval for each well will remain within the 330 foot standard offset required by the Statewide Rules set forth in 19 15 15 NMAC.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
India Isbell, Landman	Approx 15 minutes	Approx 10
Tasos Boulis, Reservoir Engineer	Approx 10 minutes	Approx 5

PROCEDURAL MATTERS

None at this time

Respectfully submitted

HOLLAND & HART LLP



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