

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

2006 SEP 21 PM 2 28

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

CASE NO. 23775

**APPLICATION OF OXY USA WTP LIMITED
PARTNERSHIP FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

Occidental Permian Limited Partnership
Attn: David Evans
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(713) 366-5303

ATTORNEY

William F. Carr, Esq.
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STATEMENT OF CASE

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in the E/2 of Section 13, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Red Lake Atoka-Morrow Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing, the W/2 SE/4 for all formations and/pools developed on 80-acre spacing, and the

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SW/4 SE/4 for all formations and/or pools developed on 40-acre spacing. OXY proposes to dedicate the above-referenced spacing or proration units to its Whiptail State Com Well No. 1 to be drilled at a standard gas well location 950 feet from the South line and 1900 feet from the East line (Unit O) of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 12 miles southeast of Artesia, New Mexico.

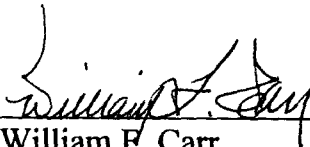
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
David Evans (Land)	Approx. 10 Minutes	Approx. 6

PROCEDURAL MATTERS

OXY USA WTP Limited Partnership has none at this time.



William F. Carr

Attorney for OXY USA WTP Limited Partnership