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

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

APPLICATION OF BOLD ENERGY, LP FOR APPROVAL OF AN APPLICATION FOR PERMIT TO DRILL AND TO ALLOW TWO OPERATORS IN A WELL UNIT, EDDY COUNTY, NEW MEXICO.

Case No. 13,877

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPI ICANT

BP Energy, LP Suite 500 415 West Wall Street Midland, Texas 79701 James Bruce

APPLICANT'S ATTORNEY

P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attention: Peggy Kerr

OPPONENT OXY USA WTP Limited Partnership OPPONENT'S ATTORNEY William F. Carr

STATEMENT OF THE CASE

APPLICANT

Applicant seeks approval of an application for permit to drill its OXY Checker State Well No. 2 in the W½ of Section 8, Township 19 South, Range 29 East, NMPM. The W½ of Section 8 will be simultaneously dedicated to the proposed well, located in the SW¼NW¼ of Section 8, to be operated by applicant, and to the existing OXY Checker State Well No. 1, located in the NW¼SW¼ of Section 8, operated by OXY USA WTP Limited Partnership.

OPPONENT

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JAMES BRUCE

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PROPOSED EVIDENCE

APPLICANT

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<u>WITNESSES</u>

Peggy Kerr (landman)

(geologist)

EST. TIME 15 min. EXHIBITS

Approx. 5

10 min.

Approx. 3

OPPONENT

<u>WITNESSES</u>

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

ectfully submitted, Resz Un

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Bold Energy, LP

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this -22 - 4 day of February, 2007 by facsimile transmission:

William F. Carr Holland & Hart LLP P.O. Box 2208 Santa Fe, New Mexico 87504 (505) 983-6043

Bun ames Bruce