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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:

CASE NO. 12447

APPLICATION OF OXY USA INC. TO RESCIND ORDER R-4949 WHICH ADOPTED SPECIAL RULES FOR THE NORTH BURTON FLATS-WOLFCAMP GAS POOL EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

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

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

OXY USA Inc. P. O. Box 27470 Houston, Texas 77227 Attn: Rick Foppiano 713-215-7317 W. Thomas Kellahin, Esq. Kellahin & Kellahin P. O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285 NMOCD Case 12447 Pre-Hearing Statement -Page 2-

STATEMENT OF THE CASE

OXY USA, Inc. seeks an order rescinding the special pool order (R-4949) for the North Burton Flats-Wolfcamp Gas Pool so that all existing and future wells and their respective spacing and proration units which are now subject to this order will be governed by the provisions of Division General Rules including Rule 104. The current boundaries of the pool includes all or portions of Sections 3,4,9,10,11,12,14,15,16,19,20,21,23,28 through 33, T20S, R28E, NMPM.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

EST. TIME EXHIBITS

Richard Foppiano (PE)

40 min. @ 8 exhibits

PROCEDURAL MATTERS

None anticipated at this time.

KELLAHIN AND KELLAHIN By:

W. Thomas Kellahin P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285