

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

**APPLICATION OF OXY USA INC. FOR
AN ORDER ACKNOWLEDGING THE
OLIVE WON (DEEP) FEDERAL
EXPLORATORY UNIT, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 24335

OXY’S PRE-HEARING STATEMENT

OXY USA Inc. (“Oxy”) (OGRID No. 16696) submits this Pre-Hearing Statement, pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

OXY USA Inc.

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT’S STATEMENT OF CASE

Oxy seeks an order acknowledging the Olive Won (Deep) Federal Exploratory Unit (the “Olive Won Unit”). The Olive Won Unit will consist of approximately 2,240 acres, more or less of the following federal land situated in Eddy County, New Mexico:

Township 22 South, Range 31 East, N.M.P.M.

Section 24:	All
Section 25:	All
Section 26:	S/2
Section 35:	All

The unitized interval is all formations below the base of the Delaware Formation, defined at measured depth of 8,380 feet beneath the surface as seen on the gamma ray log in the Neff Federal #1 (API No. 30-015-25301), located in Section 25, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico.

OXY owns or controls more than 80% of the working interest in the Unit and, therefore, controls a sufficient percentage of the interest to provide effective control of unit operations. In addition, 100% of the working interest owners have executed the Unit Agreement and the Unit Operating Agreement that will govern unit operations.

OXY has met with the Bureau of Land Management and received a letter approving the unit area as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act.

The Unit Agreement, and the unitized operation and management of the Unit Area, are in the best interests of conservation, the prevention of waste and the protection of correlative rights.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Courtney Carr, Landman	Affidavit	Approx. 2
Daniel Burnett, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

OXY intends to present this case by affidavit, if unopposed.

Respectfully submitted,

HOLLAND & HART LLP



Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR OXY USA INC.

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 327989

QUESTIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 327989
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	<i>Not answered.</i>