

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

**APPLICATIONS OF OXY USA INC. FOR
APPROVAL OF AN OVERLAPPING
HORIZONTAL WELL SPACING UNIT AND
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NOS. 24404-24406

OXY'S CONSOLIDATED PRE-HEARING STATEMENT

OXY USA Inc. ("Oxy" or "Applicant"), the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

OXY USA Inc.
("Oxy")

ATTORNEY

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

APPLICANT'S STATEMENT OF CASE

Under these consolidated cases, Oxy seeks orders pooling all uncommitted interests in the Bone Spring formation (BILBREY BASIN; BONE SPRING) underlying the referenced acreage, all in Township 22 South, Range 31 East, as follows:

In Case No. 24404, Oxy seeks an order pooling all uncommitted interests underlying a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 W/2 of Sections 12 and 13. Oxy seeks to initially dedicate this

overlapping horizontal well spacing unit to the proposed **Top Spot 12_13 Fed 22H** and **Top Spot 12_13 Fed 23H** wells, both to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 13, with a first take point in the SE/4 SW/4 (Unit N) of Section 13, and the last take point in the NE/4 NW/4 (Unit C) of Section 12.

In **Case No. 24405**, Oxy seeks an order pooling all uncommitted interests underlying a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 12 and 13. Oxy seeks to initially dedicate this overlapping horizontal well spacing unit to the proposed **Top Spot 12_13 Fed Com 24H**, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 13, with a first take point in the SW/4 SE/4 (Unit O) of Section 13, and the last take point in the NW/4 NE/4 (Unit B) of Section 12; and the **Top Spot 12_13 Fed Com 25H** to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 13, with a first take point in the SW/4 SE/4 (Unit O) of Section 13, and the last take point in the NW/4 NE/4 (Unit B) of Section 12.

In **Case No. 24406**, Oxy seeks an order pooling all uncommitted interests underlying a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Sections 12 and 13. Oxy seeks to initially dedicate this overlapping horizontal well spacing unit to the proposed **Top Spot 12_13 Fed Com 26H** to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 13, with a first take point in the SE/4 SE/4 (Unit P) of Section 13, and the last take point in the NE/4 NE/4 (Unit A) of Section 12; and the **Top Spot 12_13 Fed Com 33H** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 13, with a first take point in the SE/4 SE/4 (Unit P) of Section 13, and the last take point in the NE/4 NE/4 (Unit A) of Section 12.

These horizontal well spacing units will overlap the following existing Bone Spring spacing unit:

- 320-acre horizontal well spacing unit comprised of the S/2 S/2 of Section 12, dedicated to OXY’s Federal 12 #14H (API: 30-015-40821).

The completed interval for each of the wells will comply with statewide setbacks for oil wells. Oxy has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject acreage.

APPLICANT’S PROPOSED EVIDENCE


WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Courtney Carr, Land Negotiator	Self-Affirmed Statement	Approx. 5
Jared Rountree, Geologist	Self-Affirmed Statement	Approx. 4

PROCEDURAL MATTERS

OXY requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
P.O. Box 2208
Santa Fe, NM 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 342592

QUESTIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 342592
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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