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

APPLICATION OF OXY USA INC. FOR AN ORDER ACKNOWLEDGING THE DR PI (DEEP) FED UNIT, LEA COUNTY, NEW MEXICO.

CASE NO. 22637

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

Julia Broggi

Holland & Hart LLP Post Office Box 2208

Santa Fe, New Mexico 87504

(505) 988-4421

(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASES

Oxy seeks an order acknowledging the Dr Pi (Deep) Fed Unit ("Dr Pi Unit"). The Dr Pi Unit will consist of approximately 2,595.40 acres of the following federal land situated in Lea County, New Mexico:

Township 22 South, Range 32 East, N.M.P.M.

Section 7: All Section 8: All

Section 17: All

Section 18: All

The unitized interval is all formations below the base of the Delaware Formation, which is found at 8,647 feet measured depth in the Federal 8 Com (30-025-32709) well, located in Section 8, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. OXY is the designated operator under the Unit Agreement, which contains 100% federal lands. OXY is the sole record title owner and sole working interest owner in the Unit and, therefore, controls a sufficient percentage of the interest to provide effective control of 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

<u>APPLICANT'S PROPOSED EVIDENCE</u>

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Amber Delach, 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
Julia Broggi
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@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

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 95001

QUESTIONS

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	95001
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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