

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

**APPLICATIONS OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 23071-23073

OXY'S CONSOLIDATED PRE-HEARING STATEMENT

OXY USA Inc. ("Oxy") (OGRID No. 16696) submits the following Prehearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

OXY USA Inc.

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In **Case No. 23071**, OXY seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Sections 12 and 13, Township 22 South, Range 31 East (NMPM), Eddy County New Mexico. OXY seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Top Spot 12-13 Fed Com 1H**, the **Top Spot 12-13 Fed Com 11H** and the **Top Spot 12-13 Fed Com 21H** wells to be drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 13 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 12.

In **Case No. 23072**, OXY seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 12 and 13, Township 22 South, Range 31 East (NMPM), Eddy County New Mexico. OXY seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- **Top Spot 12-13 Fed Com 31H** and the **Top Spot 12-13 Fed Com 311H** to be drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 13 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 12;
- **Top Spot 12-13 Fed Com 32H** to be drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 13 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12; and the
- **Top Spot 12-13 Fed Com 312H** to be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 13 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 12.

The completed interval of the **Top Spot 12-13 Fed Com 311H** well is expected to remain with 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

In **Case No. 23073**, OXY seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 12 and 13, Township 22 South, Range 31 East (NMPM), Eddy County New Mexico. OXY seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- **Top Spot 12-13 Fed Com 34H** to be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 13 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 12.
- **Top Spot 12-13 Fed Com 313H** and **Top Spot 12-13 Fed Com 35H** to be drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 13 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 12.

The completed interval of the **Top Spot 12-13 Fed Com 313H** well is expected to remain with 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing units. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Courtney Carr, Land Negotiator	Affidavit	Approx. 5
Daniel Burnett, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

OXY requests that these cases be consolidated for purposes of hearing. OXY anticipates presenting these consolidated cases by affidavit, if unopposed.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 147512

QUESTIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 147512
	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>