

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

**APPLICATION OF OCCIDENTAL  
PERMIAN LIMITED PARTNERSHIP  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 25933 & 25994**

**OXY’S CONSOLIDATED PRE-HEARING STATEMENT**

Occidental Permian Limited Partnership (“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**

Occidental Permian Limited Partnership and  
OXY USA, Inc  
 (“OXY”)

**ATTORNEY**

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**APPLICANT’S STATEMENT OF THE CASE**

In these consolidated cases, OXY seeks orders pooling for the referenced acreage, all in Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, as follows:

- Under **Case No. 25933**, OXY seeks to pool all uncommitted interest owners in the Upper Wolfcamp formation (WC-025 G-08 S243217P;UPR WOLFCAMP (oil [98248]) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 20 and 29, and dedicate the unit to the **Mercury**

- 29\_20 Fed Com 31H** well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 29, with a first take point in the SW/4 SW/4 (Unit M) Section 29, and a last take point in the NW/4 NW/4 (Unit D) of Section 20; and **Mercury 29\_20 Fed Com 32H** and **Mercury 29\_20 Fed Com 33H** wells, both to be horizontally drilled from surface locations in the SW/4 SE/4 (Unit O) of Section 29, with first take points in the SE/4 SW/4 (Unit N) Section 29, and last take points in the NE/4 NW/4 (Unit C) of Section 20. The completed interval of the **Mercury 29\_20 Fed Com 32H** well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal well spacing unit under 19.15.16.15.B(1)(b) NMAC.
- Under **Case No. 25994**, OXY seeks to pool all uncommitted interest owners in the Lower Wolfcamp formation (WC-025 S233206C; LWR WOLFCAMP (gas) [98393]) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 20 and 29, and initially dedicate the unit to the **Mercury 29\_20 Fed Com 41H** and **Mercury 29\_20 Fed Com 42H** wells, both to be horizontally drilled from surface locations in the SW/4 SE/4 (Unit O) of Section 29, with first take points in the SW/4 SW/4 (Unit M) Section 29, and last take points in the NW/4 NW/4 (Unit D) of Section 20; and **Mercury 29\_20 Fed Com 44H** well, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 29, with a first take point in the SE/4 SW/4 (Unit N) Section 29, and a last take point in the NE/4 NW/4 (Unit C) of Section 20.

The completed interval for the wells will comply with statewide setbacks for oil and gas wells, respectively. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Leslie Mullin, Landman	Self-Affirmed Statement	Approx. 4
Kathryn Velasques, 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: 

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

QUESTIONS

Action 564877

**QUESTIONS**

Operator: OCCIDENTAL PERMIAN LTD P.O. Box 4294 Houston, TX 772104294	OGRID: 157984
	Action Number: 564877
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<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>