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

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

CASE NOS. 25597 & 25598

# OXY'S CONSOLIDATED PRE-HEARING STATEMENT

OXY USA, Inc ("OXY" or "Applicant") (OGRID No. 16696), the applicant in the above-referenced matters, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

### **APPEARANCES**

| APPLICANT | 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 21 South, Range 32 East, NMPM, Lea County, New Mexico, as follows:

• Under Case No. 25597, OXY seeks to pool all uncommitted record title owners in the Bone Spring formation ([Bilbrey Basin]; Bone Spring [5695]) underlying a standard

1,002.32-acre, more or less, horizontal well spacing unit comprised of Lots 1-4 and the E/2 W/2 (W/2 equivalent) of irregular Sections 19, 30 and 31, and dedicate the unit to the Regal Lager 31 19 Federal Com 1H (API No. 30-025-54950) and Regal Lager 31 19 Federal Com 21H (API No. 30-025-54423), both to be horizontally drilled from surface locations in the SE/4 SW/4 (Unit N) of irregular Section 31, with first take points in Lot 4 (SW/4 SW/4 equivalent) of irregular Section 31 and last take points in Lot 1 (NW/4 NW/4 equivalent) of irregular Section 19; and the Regal Lager 31 19 Federal Com 2H (API No. 30-025-54825) and Regal Lager 31 19 Federal Com 22H (API No. 30-025-54424), both to be horizontally drilled from surface locations in the SE/4 SW/4 (Unit N) of irregular Section 31, with first take points in the SE/4 SW/4 (Unit N) of irregular Section 31 and last take points in the NE/4 NW/4 (Unit C) of Section 19. The completed interval of the Regal Lager 31 19 Federal Com 1H 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 spacing unit under 19.15.16.15.B(1)(b) NMAC.

Under Case No. 25598, OXY seeks to pool all uncommitted record title owners in the Bone Spring formation, ([Bilbrey Basin]; Bone Spring [5695]) underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the E/2 of irregular Sections 19, 30 and 31, and initially dedicate the unit to the Regal Lager 31\_19 Federal Com 3H (API No. 30-025-54898) and Regal Lager 31\_19 Federal Com 23H (API No. 30-025-54341), both to be horizontally drilled from a surface location in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 6, T22S-R32E, with first take points in the SW/4 SE/4 (Unit O) of irregular Section 31, T21S-R32E, and last take points in the

NW/4 NE/4 (Unit B) of irregular Section 19, T21S-R32E; and the Regal Lager 31\_19 Federal Com 4H (API No. 30-025-54339) and Regal Lager 31\_19 Federal Com 24H (API No. 30-025-54342), both to be horizontally drilled from surface locations in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 6, T22S-R32E, with first take points in the SE/4 SE/4 (Unit P) of irregular Section 31, T21S-R32E, and last take points in the NE/4 NE/4 (Unit A) of irregular Section 19, T21S-R32E. The completed interval of the Regal Lager 31\_19 Federal Com 3H 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 spacing unit under 19.15.16.15.B(1)(b) NMAC.

The completed interval for the oil wells will comply with statewide setbacks for oil wells.

Applicant has sought and been unable to obtain the signatory approval on the federal communization agreements from all the record title owners in the subject spacing units.

# APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME          | EXHIBITS  |
|----------------------------|-------------------------|-----------|
| Courtney Carr, Landman     | Self-Affirmed Statement | Approx. 4 |
| Jared Rountree, Geologist  | Self-Affirmed Statement | Approx. 3 |

## 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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ATTORNEYS FOR OXY USA, INC

# **CERTIFICATE OF SERVICE**

I hereby certify that on October 2, 2025, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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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 511678

### **QUESTIONS**

| Operator:             | OGRID:                                   |
|-----------------------|--|
| OXY USA INC           | 16696                                    |
| P.O. Box 4294         | Action Number:                           |
| Houston, TX 772104294 | 511678                                   |
|                       | 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. |  |