

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

**APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR
AUTHORIZATION TO APPROVE A PILOT PRESSURE MAINTENANCE PROJECT
IN THE BENSON; BONE SPRING POOL THROUGH ITS SMOKEY BITS STATE
COM NO. 2H WELL, EDDY COUNTY, NEW MEXICO.**

CASE NO. 16038

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by OXY USA WTP Limited Partnership ("OXY") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

OXY USA WTP Limited Partnership

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
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STATEMENT OF THE CASE

OXY seeks an order authorizing a pilot pressure maintenance project in the Benson; Bone Spring Pool (Pool Code 5200) within the Second Bone Spring Sand formation to inject produced water through its **Smokey Bits State Com No. 2H well** (API No. 30-015-40196), with a surface location 1,575 feet from the North line and 75 feet from the West line (Unit E) of Section 36, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico. The maximum proposed daily injection rate will be 6,000 barrels per day with an average daily injection rate of 1,500 barrels per day. The proposed injection will occur within the Second Bone

Spring formation at a depth of approximately 8,532 feet to 8,624 feet deep. The proposed project area is approximately 640 acres in size, consisting of said Section 36. The applicant requests administrative approval to convert future wells with the project area to injection pursuant to 19.15.26.8.F.3 NMAC. Applicant also requests authorization to set injection packers in the proposed injection well and all future injection wells within the project area more than 100 feet above the uppermost injection perforation. The maximum surface injection pressure will be 1,706 psi.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Lauren Guest, Land	Approx. 30 minutes	Approx. 6
Michael Harty, Geology	Approx. 20 minutes	Approx. 4
Kelley Montgomery, Petroleum Engineer	Approx. 30 minutes	Approx. 4
Shunhua Liu, Petroleum Engineer	Approx. 15 minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

A handwritten signature in black ink, appearing to read 'M. Feldewert', is positioned above a horizontal line.

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