

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

**APPLICATION OF OXY USA, INC. TO REOPEN CASE NO. 8352 TO CONTRACT
THE WEST BRAVO DOME CARBON DIOXIDE GAS AREA TO EXCLUDE
ACREAGE IN THE BRAVO DOME CARBON DIOXIDE GAS UNIT AND ADOPTION
OF PERMANENT SPECIAL POOL RULES AND REGULATIONS FOR THE
ACREAGE EXCLUDED FROM THE WEST BRAVO DOME CARBON DIOXIDE GAS
AREA INCLUDING PROVISIONS FOR 160-ACRE SPACING UNITS, HARDING
COUNTY, NEW MEXICO.**

CASE NO. 8352 (REOPENED)

**OXY USA, INC.'S RESPONSE AND OBJECTION
TO SUBPOENA DUCES TECUM**

OXY USA, Inc. ("OXY"), by and through its counsel, Holland & Hart, LLP, hereby responds to the Subpoena Duces Tecum issued to it by the New Mexico Oil Conservation Division ("OCD") on the application of Russell Heimann et al., Reliant Exploration and Production, LLC and T. E. Mitchell & Son, Inc (hereinafter collectively referred to as the "Bravo Dome Mineral and Surface Owners"). Further, OXY moves the OCD for an order of protection respecting this Subpoena Duces Tecum. In support of its motion, OXY states as follows:

Request No. 1: All data, plats/maps, information, logs, pressure tests and pressure charts, logs from surface to total depth, cross sections, and any literature, historical reports and all other documents reviewed or accumulated with respect to filing the subject Application, including information that does not or may not support the Application.

Response: OXY objects to this request on the grounds that it is vague, irrelevant, overly broad, unreasonable and unduly burdensome and is unlikely to lead to the discovery of admissible evidence. In preparing the application filed in this case, OXY reviewed documents that contain information on the wells in the Bravo Dome Carbon Dioxide Unit ("the Unit") that is available in the public record. As to these records, OXY objects because the request would require OXY to produce documents that are in the public records of the OCD where they are available for review by the Bravo Dome Mineral and Surface Owners.

Information from nine Tubb cores was studied. OXY selected one core from each of three groups as representative for that grouping in the slides previously presented. These

RECEIVED
OCD
2010 NOV - 8

cores show over 85% of the total Tubb Interval and are representative of the entire interval at that location. These cores are identified in the exhibits that have been previously produced and all cores have been donated to and are available through the Oklahoma Petroleum Information Center.

Request No. 2: All documents, data, plats, cross sections, maps and any other exhibits, things or evidence that you expect will be or may be offered or relied on or displayed at the Division hearing in support of the Subject Application.

Response: All responsive documents have been produced.

Request No. 3: With reference to Paragraph 12 of the Subject Application and concerning each carbon dioxide well referenced as located in the Bravo Dome Temporary Spacing Area and the Bravo Dome Unit 640-acre area, provide the referenced performance data and production history and also for each well all open-hole and cased hole logs to total depth, all daily drilling reports through completion, all pressure charts and flow rates, and all completion reports.

Response: OXY objects to this request on the grounds that it is vague, irrelevant, overly broad, unreasonable, unduly burdensome. In preparing the application filed in this case, OXY reviewed documents that are in the public records of the OCD where they are available for review by the Bravo Dome Mineral and Surface Owners.

OXY reviewed performance data and production histories from wells in the eastern portion of the Bravo Dome Carbon Dioxide Gas Unit that had similar geologic conditions determined from log analysis and were located in areas with a similar environment of deposition. These wells are identified on **Exhibit A** attached hereto. Information from these wells was used to evaluate seven wells in the Temporary Spacing Area. These wells are identified on **Exhibit B** attached hereto. Slides explaining this analysis were previously produced.

All information, including logs and production data, can be found in the public records of the OCD. OXY further states that:

Open-hole and Cased-hole logs are filed with completion reports. If both open hole and cased hole logs exist, both are on file with the OCD.

Daily Drilling Reports: OXY objects to the request to produce daily drilling reports. The information contained in the reports on the first 2000 feet drilled is irrelevant to any issue raised by this application. Any relevant information is contained in the completion reports which are on file with the OCD.

Production data for each well is on GoTech downloaded from ONGARD and current within 60 days of being reported to the OCD.

Pressure charts and flow rates: Initial potential test data, including pressure and rate, is reported on Forms C-103 and C-104. Monthly rates are reported and available from the public record.

Request No. 4: With reference to paragraph 7 of the Subject Application and the lands described at that paragraph and denominated West Bravo Dome Carbon Dioxide Area, provide each carbon dioxide well the same documents described in Section 3 above.

Response: OXY objects to this request for the same reasons it objects to Request No. 3 which objection OXY restates and fully incorporates by reference. Further, OXY has no information in its possession, custody or control on the “West Bravo Dome Carbon Dioxide Gas Area” created by the Oil Conservation in Division Order No. R-7737 other than the information previously provided in its response to Request No. 3 on wells in the Bravo Dome Carbon Dioxide Gas Unit. All other wells in the “West Bravo Dome Carbon Dioxide Gas Area” are in the West Bravo Dome Carbon Dioxide Unit which is operated by Hess Corporation.

Request No. 5: Provide the complete well files and underlying leases applicable thereto and include all logs to total depth, pressure charts, observed flow rates, and drilling plan and completion reports concerning the Bravo Dome Unit 2031 Well (#021 (API 30-021-20425) and Bravo Dome Well 2031 Well #111 (API 30-021- 20426).

Response: The correct names of these wells are the Bravo Dome Carbon Dioxide Gas Unit 1831G No. 021 (API 30-021-20425) and Bravo Dome Carbon Dioxide Gas Unit 1831G No. 111(API 30-021- 20426).

OXY objects to the production of these documents for the documents sought on these wells are in the public records of the OCD. OXY has no other responsive documents.

Request No. 6. Provide copies of slides, graphics, handouts, displays, narratives, pamphlets and all other materials, whether in computer, electronic, paper or other form which have been prepared for internal or external forums, seminars or other presentations comparing the benefits and costs of drilling wells on 160 acre spacing units in the Bravo Dome Temporary Spacing Area.

Response: OXY has no documents that are responsive to this request other than the PowerPoint slides that were previously presented to the “Bravo Dome Mineral and Surface Owners.

Request No. 7: Any study or analysis of reservoir pressure in the Bravo Dome Temporary Spacing Area.

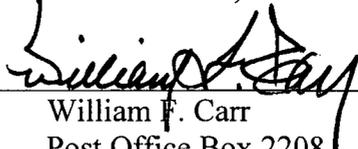
Response: [Other than the geological data referenced in Response Nos. 1 and 3,] OXY has no documents that are responsive to this Request.

Request No. 8: All documents which relate to any study or analysis of optimal well spacing for ensuring the greatest ultimate recovery of carbon dioxide produced from wells drilled in the Bravo Dome Temporary Spacing Area.

Response: OXY has no documents that are responsive to this request other than the PowerPoint slides that were previously presented to the "Bravo Dome Mineral and Surface Owners.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

Attorneys for OXY USA. Inc.

EXHIBIT A

INDIVIDUAL WELLS USED IN RECOVERY CALCULATIONS
EASTERN PRODUCING AREA

The wells on this list have a long production history and are representative of similar Hnet and Phi*Hnet for wells in the area that is the subject of this case. Representative of a similar environmental deposition. Information was used to calculate estimated ultimate recovery, original gas in place and recovery efficiency.

WELL NUMBER

1933041G	2133101J
1933091J	2133111K
1933171J	2133131F
1933181J	2133141G
1933191G	2133151F
2032031F	2133181G
2033081F	2133191G
2033091G	2133231K
2033141G	2133241G
2033151G	2134191F
2033181G	2134291K
2132241F	2233021C
2132251G	2233261F
2133031G	2233291G
2133041G	2233311J
2133051G	2233321K
2133061G	2233341G
2133071G	2233351F
2133081G	2234151F
2133091F	

OXY USA Inc.
Bravo Dome Unit
OCD Case No. 8352

EXHIBIT B

WELLS EVALUATED IN THE TEMPORARY SPACING AREA

160 VS 640 AREA

See hearing exhibits

WELL NUMBER

1830-011G

1830-021F

1830-121G

1830-241J

1831-131G

1831-161F

1831-301G