

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

APPLICATION OF OXY USA INC.  
FOR A NON-STANDARD SPACING AND  
PRORATION UNIT, AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

RECEIVED OCD  
2018 JAN 18 P 4: 0  
CASE NO. 15956

OXY'S PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

OXY USA Inc.

ATTORNEY

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STATEMENT OF THE CASE

OXY seeks an order (1) creating a 320-acre, more or less, non-standard spacing and proration unit comprised of the W/2 E/2 of Section 36, and W/2 E/2 of Section 25, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. The spacing unit will be the project area for its proposed **Corral Canyon "36-25" Fed Com No. 24H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 1, Township 25 South, Range 29 East to a standard bottom hole location in NW/4 NE/4 (Unit B) of Section 25, Township 24

South, Range 29 East. The completed interval for this well will remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Jeremy Murphrey, Landman	Approx. 20 minutes	Approx. 15
Tony Troutman	Approx. 15 minutes	Approx. 5

**PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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**ATTORNEYS FOR OXY USA INC.**