

**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:**

CASE NO. 13718

**APPLICATION OF OCCIDENTAL PERMIAN
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

2006 MAY 30 AM 10 17

APPEARANCES OF PARTIES

APPLICANT

Occidental Permian Limited Partnership
Attn: David Evans
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ATTORNEY

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STATEMENT OF CASE

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 4, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Millman-Morrow Gas Pool and the Undesignated Millman-Strawn Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SW/4 NW/4 for all formations and/or

pools developed on 40-acre spacing which includes but is not limited to the Travis-Upper Pennsylvanian Pool and the Travis Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Senita State Well No. 1 to be drilled at a standard gas well location 1540 feet from the North line and 1070 feet from the West line (Unit E) of said Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles East of Lakewood, New Mexico.

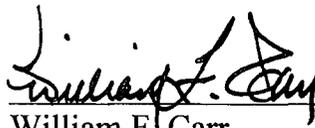
PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
David Evans (Land)	Approx. 10 Minutes	Approx. 6

PROCEDURAL MATTERS

OXY USA WTP Limited Partnership has none at this time.



William F. Carr

Attorney for OXY USA WTP Limited Partnership