

**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:**

2006 SEP 21 PM 2:28
CASE NO. 13789

**APPLICATION OF OXY USA WTP LIMITED
PARTNERSHIP FOR 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.

APPEARANCES OF PARTIES

APPLICANT

Occidental Permian Limited Partnership
Attn: David Evans
Post Office Box 4294
Houston, TX 77210-4294
(713) 366-5303

ATTORNEY

William F. Carr, Esq.
Holland & Hart LLP
Post Office Box 2297
Santa Fe, New Mexico 87504-2208
(505) 988-4421

STATEMENT OF CASE

Applicant in the above-styled cause seeks an order pooling all mineral interests in the Morrow, Atoka and Strawn formations developed on 320-acre spacing and proration units in the W/2 of Section 35, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico which includes but is not necessarily limited to the North Illinois Camp-Morrow Gas Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Admiral Federal Well No. 1 that has been drilled at a standard gas well location 660 feet from the North line and 1310 feet from the West line (Unit D) of said Section 35. 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 eight miles southeast of Artesia, New Mexico.

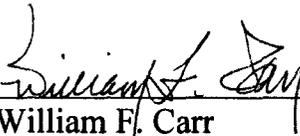
PROPOSED EVIDENCE

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