

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. 13,908

APPLICATION OF OXY USA WTP, LIMITED )  
PARTNERSHIP, FOR AUTHORIZATION TO )  
SIMULTANEOUSLY DEDICATE A STANDARD )  
SPACING AND PRORATION UNIT IN THE )  
WOLFCAMP FORMATION TO A HORIZONTAL )  
WELL AND TWO VERTICAL WELLS, EDDY )  
COUNTY, NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, Jr., Technical Examiner  
DAVID K. BROOKS, Jr., Legal Examiner

August 9th, 2007

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, Jr., Technical Examiner, DAVID K. BROOKS, Jr., Legal Examiner, on Thursday, August 9th, 2007, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

STEVEN T. BRENNER, CCR  
(505) 989-9317

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## I N D E X

August 9th, 2007  
Examiner Hearing  
CASE NO. 13,908

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## A P P E A R A N C E S

## FOR THE DIVISION:

DAVID K. BROOKS, JR.  
Assistant General Counsel  
Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

## FOR THE APPLICANT:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR  
110 N. Guadalupe, Suite 1  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208  
By: WILLIAM F. CARR

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   8:25 a.m.:

3           EXAMINER JONES: And let's call Case 13,908,  
4   which is the Application of OXY USA WTP, Limited  
5   Partnership, for authorization to simultaneously dedicate a  
6   standard spacing and proration unit in the Wolfcamp  
7   formation to a horizontal well and two vertical wells, Eddy  
8   County, New Mexico.

9           Call for appearances.

10          MR. CARR: May it please the Examiner, my name is  
11   William F. Carr with the Santa Fe office of Holland and  
12   Hart. We represent OXY USA WTP, Limited Partnership, in  
13   this matter, and I have a statement.

14          EXAMINER JONES: Any other appearances?

15          Okay.

16          MR. CARR: Mr. Examiner, this case was originally  
17   heard by a Division Examiner on the 21st of June. At the  
18   end of the hearing the case was continued to allow OXY to  
19   identify affected persons in Section 16 of Township 20  
20   South, Range 28 East, which immediately offset the subject  
21   spacing unit to the west, the reason being that if the  
22   ownership was different in that tract, in that offsetting  
23   spacing unit, then the working interest owners in that  
24   section, or the operator, would have to also be notified.

25          OXY has reviewed the title data. OXY is the

1 operator of the Wolfcamp formation in Section 16, and in  
2 addition to that they are the only working interest owner  
3 in the Wolfcamp. COG owns some interests in shallower  
4 horizons, but not in the Wolfcamp. And since OXY is the  
5 operator and owns all working interest, we believe that the  
6 notice originally provided covered everything and that no  
7 further notice should be required, and we would request  
8 that the case be taken under advisement.

9 EXAMINER BROOKS: Yeah, that was a case that I  
10 heard, and I believe that should take care of the  
11 outstanding items, so Case Number 13,908 will be taken  
12 under advisement.

13 (Thereupon, these proceedings were concluded at  
14 8:27 a.m.)

15 \* \* \*

16  
17 I do hereby certify that the foregoing is  
18 a complete record of the proceedings in  
the Examiner hearing of Case No. 13908  
19 heard by me on Aug 9 2007  
20 David R. Brooks, Examiner  
Oil Conservation Division  
21  
22  
23  
24  
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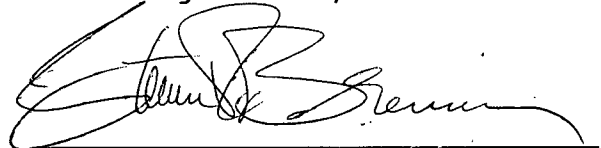
## CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )  
 ) SS.  
 COUNTY OF SANTA FE )

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL August 9th, 2007.



STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 16th, 2010