

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

**APPLICATION OF OXY USA INC. FOR A
CLOSED LOOP GAS CAPTURE INJECTION
PILOT PROJECT, LEA COUNTY, NEW
MEXICO.**

CASE NO. 22087

OXY'S PRE-HEARING STATEMENT

OXY USA Inc. ("Oxy") (OGRID No. 16696) submits this Pre-Hearing Statement, pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

OXY USA Inc.

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Kaitlyn A. Luck
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043 Facsimile

OTHER PARTIES

None

APPLICANT'S STATEMENT OF THE CASE

Oxy seeks an order authorizing it to engage in a closed loop gas capture injection pilot project ("pilot project") in the Bone Spring formation Mesa Verde Bone Spring Pool (96229) within a 640-acre project area consisting of the E/2 of Sections 8 and 17, all within Township 24 South, Range 32 East, NMPM, Lea County, New Mexico, by occasionally injecting into the

following wells, each of which are located in the Bone Spring formation in Lea County, New Mexico:

- The Mesa Verde BS Unit 1H well (API No. 30-025-44101), with a surface location 271 feet FSL and 245 feet FEL (Unit P) in Section 17, and a bottom hole location 335 feet FNL and 992 feet FEL (Unit A) in Section 8;
- The Mesa Verde BS Unit 2H well (API No. 30-025-44196), with a surface location 240 feet FSL and 1,614 feet FEL (Unit O) in Section 17, and a bottom hole location 171 feet FNL and 1,275 feet FEL (Unit A) in Section 8;
- Mesa Verde BS Unit 3H well (API No. 30-025-44183), with a surface location 240 feet FSL and 1,644 feet FEL (Unit O) in Section 17, and a bottom hole location 197 feet FNL and 2,368 feet FEL (Unit B) in Section 8;
- Mesa Verde BS Unit 4H well (API No. 30-025-44064), with a surface location 280 feet FSL and 965 feet FEL (Unit P) in Section 17, and a bottom hole location 185 feet FNL and 512 feet FEL (Unit A) in Section 8;
- Mesa Verde BS Unit 5H well (API No. 30-025-44185), with a surface location 280 feet FSL and 995 feet FEL (Unit P) in Section 17, and a bottom hole location 196 feet FNL and 1,329 feet FEL (Unit B) in Section 8; and
- Mesa Verde BS Unit 6H well (API No. 30-025-44042), with a surface location 280 feet FSL and 2,624 feet FEL (Unit O) in Section 17, and a bottom hole location 206 feet FNL and 2,292 feet FEL (Unit B) in Section 8.

Oxy seeks authority to utilize these producing wells to occasionally inject produced gas into the Bone Spring formation at total vertical depths between approximately 9,240 feet to 11,860 feet along the horizontal portion of each wellbore at surface injection pressures of no more than 1,200 psi. The source of the produced gas will be the Bone Spring and Wolfcamp formations. The subject acreage is located approximately 30 miles west, northwest of Jal, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Stephen Janacek, Engineer	Affidavit and Live (~30 minutes)	Approx. 5
Michelle Wiechman, Geologist	Affidavit and Live (~15 minutes)	Approx. 2
Xueying Xie, Reservoir Engineer	Affidavit and Live (~30 minutes)	Approx. 2

PROCEDURAL MATTERS

Oxy intends to present this case by affidavit and through the presence of live witnesses at the hearing and intends to pre-file its affidavits and additional exhibits on August 3, 2021.

Respectfully submitted,

HOLLAND & HART LLP



Michael H. Feldewert
Adam G. Rankin
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR OXY USA INC.

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 38848

QUESTIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 38848
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witness	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>