

**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 HEARING:**

**APPLICATION OF OXY USE WTP LP
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

ms.
CASE-13323

PRE-HEARING STATEMENT

OXY USE WTP LP submits this pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARANCES OF THE PARTIES

APPLICANT

**OXY USA WTP LP
P.O. Box 50250
Midland, Texas 79710
Attn: Rich Foppiano
713-366-5303**

ATTORNEY

**Thomas Kellahin, Esq.
P. O. Box 2265
Santa Fe, New Mexico 87504
505-982-4285**

OPPONENT

**Chuza Operating
P. O. Box 51010
Midland, Texas 79710
Attn: Jim Chandler**

ATTORNEY

**James Bruce, Esq.
505-982-2043
fax 505-982-2151**

STATEMENT OF THE CASE**APPLICANT:**

OXY USA WTP LP, in accordance with Section 70-1-17.C seeks a compulsory pooling order pooling all mineral interest from the top of the Wolfcamp to the base of the Morrow formation underlying a standard 320-acre spacing unit consisting of the W/2 of Irregular Section 19, T18S, R28E, Lea County, New Mexico for its Dymes State Com Well No. 1 to be drilled as an standard gas well location in Unit K of this section and the designation of the applicant as the operator plus the standard provisions of the Division's compulsory pooling order including a 200% risk factor penalty in accordance with Commission Order R-11992, effective August 15, 2003.

PROPOSED EVIDENCE**APPLICANT**

WITNESSES	EST. TIME	EST. EXHIBITS
David Evans (Landman)	15-20 min	about 10

PROCEDURAL MATTERS

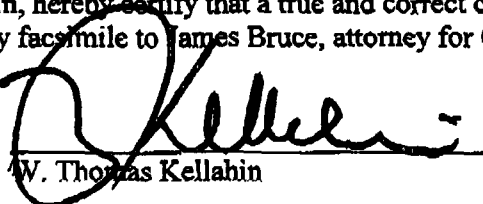
None at this time.

KELLAHIN & KELLAHIN

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CERTIFICATE OF SERVICE

I, W. Thomas Kellahin, hereby certify that a true and correct copy of the foregoing pre-hearing statement was sent by facsimile to James Bruce, attorney for Chuza Operating this 13th day of August, 2004.


W. Thomas Kellahin