

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

**APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

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CASE NO. 15776

**APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15777

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FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
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CASE NO. 15778

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FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15779

OXY'S CONSOLIDATED PRE-HEARING STATEMENT

This consolidated pre-hearing statement is submitted by OXY USA WTP Limited Partnership ("OXY") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

OXY USA WTP Limited Partnership

ATTORNEY

Michael H. Feldewert
Jordan L. Kessler
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421

STATEMENT OF THE CASE

Under these consolidated applications, OXY seeks orders creating four non-standard spacing and proration units and pooling all uncommitted interests in the Bone Spring formation underlying these units for the following acreage and proposed wells in Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico:

- (1) a 312.88-acre non-standard spacing and proration unit comprised of the N/2 N/2 of Section 7 and the N/2 N/2 of Section 8, to be dedicated to its proposed **Turkey Track 8-7 State No. 21H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 9 to a standard bottom hole location in NW/4 NW/4 (Lot 1) of Section 7;
- (2) a 312.82-acre non-standard spacing and proration unit comprised of the S/2 N/2 of Section 7 and the S/2 N/2 of Section 8, to be dedicated to its proposed **Turkey Track 8-7 State No. 22H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 9 to a standard bottom hole location in SW/4 NW/4 (Lot 2) of Section 7;
- (3) a 312.78-acre non-standard spacing and proration unit comprised of the N/2 S/2 of Section 7 and the N/2 S/2 of Section 8, to be dedicated to its proposed **Turkey Track 8-7**

State No. 23H Well, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 9 to a standard bottom hole location in NW/4 SW/4 (Lot 3) of Section 7; and

(4) a 312.72-acre non-standard spacing and proration unit comprised of the S/2 S/2 of Section 7 and the S/2 S/2 of Section 8, to be dedicated to its proposed **Turkey Track 8-7**

State No. 24H Well, which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 9 to a standard bottom hole location in SW/4 SW/4 (Lot 4) of Section 7.

The completed interval for each of these proposed wells will remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

APPLICANT'S PROPOSED EVIDENCE

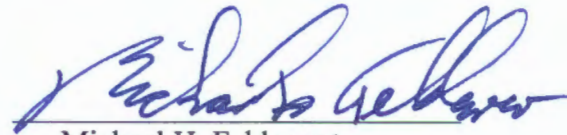
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
India Isbell, Landman	Approx. 15 minutes	Approx. 7
Chet Babin, Reservoir Engineer	Approx. 15 minutes	Approx. 5

PROCEDURAL MATTERS

Oxy intends to consolidate these matters for hearing.

Respectfully submitted,

HOLLAND & HART LLP

A handwritten signature in blue ink, appearing to read "Michael H. Feldewert", written over a horizontal line.

Michael H. Feldewert

Jordan L. Kessler

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