

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

**APPLICATION OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 20765 & 20766

OXY'S CONSOLIDATED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

OXY USA Inc.

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In Case No. 20765, OXY seeks an order pooling all uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring (50371)) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 8 and 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. OXY seeks to dedicate this spacing unit to the proposed initial **Oxbow CC 17-8 Fed Com #33H Well** (API No. 30-015-45085), which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 17 to a bottom-hole location in the NE/4 NW/4 (Unit C) of Section 8. The completed interval for the

Oxbow CC 17-8 Fed Com #33H Well will remain within 330 feet of the W/2 W/2 of Sections 8 and 17 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of W/2 of Sections 8 and 17.

In Case No. 20766, OXY seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool (98220)) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 8 and 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. OXY seeks to dedicate this spacing unit to the following proposed initial wells:

- The **Oxbow CC 17-8 Fed Com #31H Well** (API No. 30-015-45083) and the **Oxbow CC 17-8 Fed Com #32H Well** (API No. 30-015-45084), which will be horizontally drilled from surface locations in the SW/4 SW/4 (Unit M) of Section 17 to bottom-hole locations in the NW/4 NW/4 (Unit D) of Section 8.
- The **Oxbow CC 17-8 Fed Com #37H Well** (API No. pending), which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 17 to a bottom-hole location in the NE/4 NW/4 (Unit C) of Section 8.

APPLICANT'S PROPOSED EVIDENCE

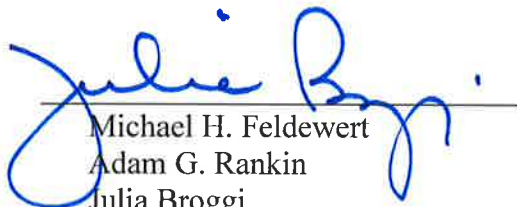
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jeremy D. Murphrey, Landman	By Affidavit	Approx. 6
Tony J. Troutman, Geologist	By Affidavit	Approx. 4

1320-PROCEDURAL MATTERS

OXY requests that Case Nos. 20765 and 20766 be consolidated for hearing purposes. If uncontested, OXY will present these cases by affidavits.

Respectfully submitted,

HOLLAND & HART LLP



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