

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

**APPLICATION OF OXY USA INC.
TO POOL ADDITIONAL INTEREST
OWNERS UNDER THE TERMS OF
ORDER NO. R-20734, EDDY COUNTY
NEW MEXICO**

**APPLICATION OF OXY USA INC.
TO POOL ADDITIONAL INTEREST
OWNERS UNDER THE TERMS OF
ORDER NO. R-20733, EDDY COUNTY
NEW MEXICO**

**CASE NOS. 21094 & 21095
(ORDER NOS. R-20734 & R-20733)**

OXY'S PRE-HEARING STATEMENT

OXY USA Inc. ("Oxy") (OGRID No. 16696) submits the following Prehearing 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. 21094**, Division Order No. R-20734, entered on July 31, 2019, created a 640-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Oxy as the operator of the Unit. Order No. R-20734 further pooled the uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring Pool (Pool Code 96473)) in the Unit and dedicated the Unit to the initial **Salt Flat CC "20-29" Federal Com No. 35H** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the SE/4 SE/4 (Unit P) of Section 29.

Since the entry of Order No. R-20734, Oxy has determined that there are additional mineral interest owners in the Unit that require pooling because Oxy has been unable to obtain voluntary joinder. Oxy seeks to pool the additional working interest owner pursuant to the terms of Order No. R-20734.

In **Case No. 21095**, Division Order No. R-20733, entered on July 31, 2019, created a 640-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Oxy as the operator of the Unit. Order No. R-20733 further pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) in the Unit and dedicated the Unit to the following initial wells:

- The **Salt Flat CC "20-29" Federal Com No. 34H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the SW/4 SE/4 (Unit O) of Section 29.

- The Salt Flat CC “20-29” Federal Com No. 36H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the SE/4 SE/4 (Unit P) of Section 29.
- The Salt Flat CC “20-29” Federal Com No. 38H Well, 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 SW/4 SE/4 (Unit O) of Section 29.

Since the entry of Order No. R-20733, Oxy has determined that there are additional mineral interest owners in the Unit that require pooling because Oxy has been unable to obtain voluntary joinder. Oxy seeks to pool the additional working interest owner pursuant to the terms of Order No. R-20733.

APPLICANT’S PROPOSED EVIDENCE

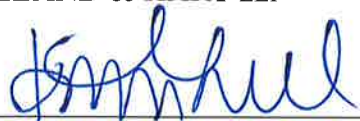
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Peter R. Van Liew – Land Negotiator	Affidavit	Approx. 4

PROCEDURAL MATTERS

Oxy requests that Case Nos. 21094 and 21095 be consolidated for purposes of hearing. Oxy anticipates presenting these consolidated cases by affidavit, if unopposed.

Respectfully submitted,

HOLLAND & HART LLP

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