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

IN THE MATTER OF THE APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR A NON-STANDARD OIL AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.



PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

ATTORNEY

OXY USA WTP Limited Partnership

Michael H. Feldewert Adam G. Rankin Holland & Hart, LLP Post Office Box 2208

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OTHER PARTIES

ATTORNEY

Nearburg Exploration Company, LLC and Nearburg Producing Company James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043 (505) 982-2151 Facsimile

STATEMENT OF THE CASE

OXY seeks an order: (1) creating a non-standard 180-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of Lot 4, Section 31, Township 18 South, Range 31 East, and Lots 4, 5, 6, and 7 in Section 6, Township 19 South, Range 31 East,

N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Samantha 31-6 Federal Com. No. 1H, to be horizontally drilled from a standard surface location 990 feet from the South line and 450 feet from the West line of Lot 4 of said Section 31 to a bottom-hole terminus at a location 330 feet from the South line and 660 feet from the West line of Lot 7 of said Section 6.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Colin Barnett, Landman	Approx. 30 minutes	Approx. 5
Alfredo Yaguarcuto, Petroleum Engineer	Approx. 30 minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP

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ATTORNEYS FOR OXY USA WTP LIMITED PARTNERSHIP

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 23rd day of February, 2012, via electronic mail to:

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