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 NO. 15627

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

ATTORNEY

OXY USA Inc.

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

OXY seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying the 320-acre spacing and proration unit comprised of the N/2 of Section 21, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. OXY proposes to dedicate the above-referenced spacing and proration unit as the project area for its proposed Cedar Canyon 21 Federal Com No. 31H Well, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) to a standard bottom hole location in NW/4 NW/4

(Unit D) of Section 21. The completed interval for this well will comply with the 330-foot standard setbacks required by Division rules.

APPLICANT'S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Name and Expertise		
Jeremy Murphrey, Landman	Approx. 10 minutes	Approx. 5
Spencer Gunderson, Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

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