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

CASE NO 15701

PRE-HEARING STATEMENT

This 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

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 (1) creating a 320 acre non-standard spacing and proration unit comprised of the N/2 N/2 of Section 9, and the N/2 N/2 of Section 10, Township 19 South, Range 29 East, NMPM Eddy County, New Mexico, and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage OXY proposes to dedicate the abovereferenced spacing and proration unit as the project area for its proposed **Turkey Track 9-10 State No 21H Well,** which will be horizontally drilled from a surface location in the SE/4 NE/4

ATTORNEY

(Unit H) of Section 8 to a standard bottom hole location in NE/4 NE/4 (Unit A) of Section 10 The completed interval for this well 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 10 minutes	Approx 7
Tasos Boulis, Reservoir Engineer	Approx 10 minutes	Approx 5

PROCEDURAL MATTERS

None at this time

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Respectfully submitted

HOLLAND & HART LLP

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ATTORNEYS FOR OXY USA INC