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.

JAN 02 2018 AND SO P

CASE NO. 20186

OXY'S PRE-HEARING STATEMENT

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

Conservation Division.

APPEARANCES

APPLICANT

OXY USA Inc.

ATTORNEY

Michael H. Feldewert, Esq. Adam G. Rankin, Esq. Jordan L. Kessler, Esq. Julia Broggi, Esq. Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile *Attorneys for OXY USA Inc.*

STATEMENT OF THE CASE

OXY seeks an order pooling all uncommitted interest owners in the Morrow and Strawn formations involving the Loving; Morrow, North Gas Pool (80695) and the North Loving Strawn Gas Pool (80710), to form a 320-acre spacing unit comprised of the N/2 of Section 4, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. This spacing unit will be dedicated to the **Loving Fed Com Well No. 1 Well**, an existing vertical well located at a standard gas well location 1980 feet from the North line and 2235 feet from the West line (Unit F) of Section

4. This well was initially completed in the Atoka formation (N. Loving Atoka Pool) and will now be dually completed in the Morrow and Strawn formations. Oxy has modified its broader pooling request under the filed application to accommodate the development plans proposed by Novo Oil & Gas in the Wolfcamp formation.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and ExpertiseESTIMATED TIMEEXHIBITSCourtney Carr, LandmanVia AffidavitApprox. 5

PROCEDURAL MATTERS

Oxy has filed a separate administrative application with the Division for approval of downhole commingling of the production from the Morrow and Strawn formations.

Respectfully submitted,

HOLLAND & HARF LLP Ì

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