

**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. 20548

OXY'S PRE-HEARING STATEMENT

OXY USA Inc. ("OXY") (OGRID No. 16696), the applicant in the above-referenced matter, submits this Pre-Hearing 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

OXY seeks order pooling all uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring East Pool (96473)) underlying a standard 560-acre, more or less, horizontal well spacing unit comprised of the S/2 N/2 and the N/2 S/2 of Section 15, and the SE/4 NW/4, the S/2 NE/4, the NE/4 SW/4, and the N/2 SE/4 of Section 16, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the following proposed initial wells:

- The **Refried Beans CC “15-16” State Com No. 12H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 15 to a bottom-hole location in the SE/4 NW/4 (Unit F) of Section 16.
- The **Refried Beans CC “15-16” State Com No. 13H Well**, which will be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 15 to a bottom-hole location in the NE/4 SW/4 (Unit K) of Section 16.

The completed interval for the **Refried Beans CC “15-16” State Com No. 13H Well** will remain within 330 feet of the S/2 N/2 of Section 15, and the SE/4 NW/4 and the S/2 NE/4 of Section 16 to allow inclusion of these proximity tracts in a standard 560-acre horizontal well spacing comprised of S/2 N/2 and the N/2 S/2 of Section 15, and the SE/4 NW/4, the S/2 NE/4, the NE/4 SW/4, and the N/2 SE/4 of Section 16.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jeremy Murphrey, Landman	Approx. 10	Approx. 6
Tony Troutman, Geologist	Approx. 15	Approx. 4

PROCEDURAL MATTERS

If uncontested, OXY will present these cases by affidavit.

Respectfully submitted,

HOLLAND & HART LLP



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