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. 20552

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 ATTORNEY

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APPLICANT'S STATEMENT OF CASE

OXY seeks order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (98220)) underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the S/2 of Sections 15 and 16, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. OXY will dedicate this spacing unit to its proposed Whomping Willow CC "15-16" State Com No. 44H Well, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 15 to a bottom-hole location in the

SW/4 SW/4 (Unit M) of Section 16. The completed interval for the **Whomping Willow CC "15-16" State Com No. 44H Well** will remain within the standard setback as required by the Special Rules for the Purple Sage; Wolfcamp Pool.

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 this case by affidavit.

Respectfully submitted,

HOLLAND & HART/LLP

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