

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

CASE NO. 13719

**APPLICATION OF OCCIDENTAL PERMIAN
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Occidental Permian Limited Partnership
Attn: David Evans
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ATTORNEY

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STATEMENT OF CASE

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 24, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Illinois Camp-Morrow Gas Pool, the Undesignated Red Lake-Atoka Gas Pool and the Undesignated Chalk Bluff-Wolfcamp Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre

spacing; and the SE/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Chalk Bluff- Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Peso State Well No. 1 to be drilled at a standard gas well location 1980 feet from the North line and 1530 feet from the West line (Unit F) of said Section 24. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 8 miles southeast of Artesia, New Mexico.

PROPOSED EVIDENCE

APPLICANT

| WITNESSES (Name and Expertise) | ESTIMATED TIME | EXHIBITS |
|--|-----------------------|-----------------|
| David Evans (Land) | Approx. 10 Minutes | Approx. 6 |

PROCEDURAL MATTERS

OXY USA WTP Limited Partnership has none at this time.



William F. Carr

Attorney for OXY USA WTP Limited Partnership