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

APPLICATION OF OXY USA WTP Limited Partnership FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

CASE 12629

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by OXY USA WTP Limited Partnership as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

OXY USA WTP Limited Partnership 580 Westlake Park Blvd. Houston, Texas 77210 attn: Rick Foppiano 281-552-1303 ATTORNEY

W. Thomas Kellahin KELLAHIN & KELLAHIN Santa Fe, NM 87504 (505) 982-4285 Pre-Hearing Statement NMOCD CASE 12629 Page 2

STATEMENT OF THE CASE

In accordance with the provision of Division Rule 1207.A(1) OXY USA WTP Limited Partnership ("OXY") seeks the issuance of a compulsory pooling order for certain mineral interests from the surface to the base of the Morrow formation underlying the S/2 Section 2, T18S, R25E, Eddy County, New Mexico.

The well is the Trombone Well No. 1 to be drilled at a standard well location in Unit P of Section 2. The possible spacing units are the S/2, the SE/4 and the SE/4SE/4 of Section 2.

The parties to be pooled are: Kemp Lumber Company, a defunct New Mexico corporation and Billy James Van Winkle

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME EXHIBITS

By affidavit:

(1) Doug Hurlbut (landman)

(2) Gary Womack (petroleum engineer)

PROCEDURAL MATTERS

None

KELLAHIN AND KELLAHIN

By Thomas Kellahin