### 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.** 9952

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#### APPLICATION OF

OXY USA, INC. for Unorthodox gas well location and a non-standard gas proration and spacing unit, Eddy County N.M.

#### PRE-HEARING STATEMENT

This prehearing statement is submitted by W. Thomas Kellahin as required by the Oil Conservation Division.

#### APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

OXY USA INC P. O. Box 50250 Midland, Texas 79710

Attn: Mr. Richard Foppiano (915) 685-5913

> name, address, phone and contact person

OPPOSITION OR OTHER PARTY

No indication of opposition at the time of filing this statement

> name, address, phone and contact person

## ATTORNEY

W. Thomas Kellahin

P. O. Box 2265

Santa Fe, Nev Mexico 87501

(505) 982-4:285

Pre-hearing Statement NMOCD Case No. 9952 Page 2

#### STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Applicant seeks and E/2 spacing unit consisting of 327.27 acres (non-standard) with the well to be located in the NE/4 at an unorthodox well location 660 FNL and 1450 FEL

The unorthodox location is necessary in order for OXY to obtain its share of the gas reserves in the E/2 based upon geologic interpretations.

There are also topographical problems with standard well locations in the E/2.

Yates Energy as the offset operator has waived objection.

## OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.) Pre-hearing Statement NMOCD Case No. 9952 Page 3

## PROPOSED EVIDENCE

# APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Greg Hinterlong (geologist)	30 min.	locaticn map notices & waivers BLM letter topographical map structure map cross section map isopach map
Richard Foppiano (Petr. engineer)	lO Min.	

## OPPOSITION

WITNESSES (Name and expertise) EST. TIME

EXHIBIT'S

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PROCEDURAL MATTERS (Please identify any procedural matters which need to be resolved prior to the hearing)

Signature