

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

**APPLICATION OF CHEVRON U.S.A. INC. FOR  
COMPULSORY POOLING, AND NOTICE OF  
PARTIALLY OVERLAPPING UNIT,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23498**

**PRE-HEARING STATEMENT**

Chevron U.S.A. Inc. ("Chevron") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

**Chevron U.S.A. Inc.**

**ATTORNEY**

Deana M. Bennett  
Earl E. DeBrine  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
P. O. Box 2168  
Albuquerque, New Mexico 87103-  
2168  
(505) 848-1800

**OTHER PARTIES**

**None**

**ATTORNEY**

**STATEMENT OF CASE**

**APPLICANT:**

In Case No. 23498, Chevron seeks an order from the Division pooling all uncommitted mineral interest owners within a 320-acre Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 18 and 19, Township 26 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

The unit will be dedicated to the **SD 18 19 Federal Com 425H** and **SD 18 19 Federal Com 426H** wells, to be horizontally drilled. The completed interval for the **SD 18 19 Federal Com 425H** well is expected to be less than 330 feet from the adjoining tracts. Chevron intends to submit a non-standard location application for administrative approval. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chevron U.S.A Inc. as operator of the wells, a 200% charge for the risk involved in drilling and completing the wells. Said area is located approximately 25 miles west of Jal, New Mexico.

## **PROPOSED EVIDENCE**

### **APPLICANT:**

<b>WITNESS</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Landman: Katie Halley	Approx. 10 minutes	Approx. 4
Geologist: Kimberle Davis	Approx. 10 minutes	Approx. 4

## **PROCEDURAL ISSUES**

To date, no party has entered an appearance nor is there any expected opposition to this case and Chevron intends to present this case by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: /s/ Deana M. Bennett

Deana M. Bennett  
Earl E. DeBrine  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
[Deana.Bennett@modrall.com](mailto:Deana.Bennett@modrall.com)

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS  
  
Action 210949

QUESTIONS

Operator:  CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID:  4323
	Action Number:  210949
	Action Type:  [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.