

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

**APPLICATION OF CHEVRON U.S.A. INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 25432

CHEVRON U.S.A. INC.'s 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, Jr.
Yarithza Peña
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. 25432, Chevron seeks an order from the Division pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of W/2 of Sections 16 and 21, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico, in the Purple Sage Wolfcamp Gas Pool (Code 98220). This spacing unit will be dedicated to the following wells: **Weller 21 16 Federal Com 462H** and **Weller 21 16 Federal Com 463H** wells to be horizontally drilled from proposed surface hole locations in the NE/4 SW/4 (Unit K) of Section 21, to proposed bottom hole locations in the NW/4 NW/4 (Unit D) of Section 16; and the **Weller 21 16 Federal Com 464H** and **Weller 21 16 Federal Com 465H** wells to be horizontally drilled from proposed surface hole locations in the NE/4 SW/4 (Unit K) of Section 21, to proposed bottom hole locations in the NE/4 NW/4 (Unit C) of Section 16. The wells will comply with the Division's setback requirements for the Purple Sage Wolfcamp pool. Also to be

considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Chevron U.S.A. Inc. as operator of the wells, and a 200% charge for risk involved in drilling said wells. The unit is located approximately 10 miles southwest of Malaga, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Katie Halley	Approx. 10 minutes	Approx. 7
Geologist: Eric Surratt	Approx. 10 minutes	Approx. 5

PROCEDURAL ISSUES

If there are no objections to this matter, Chevron intends to present it by affidavit.

Respectfully submitted,

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

By: Deana M. Bennett

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Oil Conservation Division
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QUESTIONS

Action 490836

QUESTIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 490836
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	2
Testimony time (in minutes)	Not answered.