

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

**APPLICATION OF CHEVRON U.S.A. INC.
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16132

**APPLICATION OF CHEVRON U.S.A. INC.
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16133

**APPLICATION OF TAP ROCK, LLC FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 16134

**APPLICATION OF TAP ROCK, LLC FOR
A NON-STANDARD SPACING AND PRORATION UNIT
AND COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO**

CASE NO. 16160

DOUGLAS MCLEOD'S PRE-HEARING STATEMENT

Douglas McLeod submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANTS

Cases 16160, 16134:
Tap Rock Resources, LLC

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OPPONENT

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OTHER PARTY

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STATEMENT OF CASE

In these matters, Tap Rock and Chevron have submitted competing development proposals as follows:

In Case No. 16134, Tap Rock Resources, LLC seeks an order approving a 320-acre standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the E/2 of Section 14, Township 24 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the E/2 of Section 14. The unit will be dedicated to the Double Diamond 24S31E1414 Well No. 238H, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the NE/4 NE/4, of Section 14.

In Case 16160, Tap Rock Resources, LLC seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 14, Township 24 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 14. The unit will be dedicated to the Double Diamond 24S31E1414 Well No. 158H, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the NE/4 NE/4, of Section 14.

In Case 16132, Chevron seeks an order (i) creating a 480-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 of Section 14 and the SE/4 of Section 11, Township 24 South, Range 31 East, NMPM, in Eddy County, and (ii) pooling all mineral interests in the Bone Spring formation. The project area is to be dedicated to applicant's SND 11 14 Fed Com 003 #4H well, which will be drilled from a surface location in Unit G in Section 11 to a bottom hole location in Unit O in Section 14, Township 24 South, Range 31 East, SND 11 14 Fed Com 003 #5H well, which will be drilled from a surface location in Unit G in Section 11 to a bottom hole location in Unit P in Section 14, Township 24 South, Range 31 East, and SND 11 14 Fed Com 003 #6H well, which will be drilled from a surface location in Unit G in Section 11 to a bottom hole location in Unit P in Section 14, Township 24 South, Range 31 East.

In Case 16133, Chevron seeks an order (i) creating a 480-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 of Section 14 and the SE/4 of Section 11, Township 24 South, Range 31 East, NMPM, in Eddy County, and (ii) pooling all mineral interests in the Wolfcamp formation. The project area is to be dedicated to applicant's SND 11 14 Fed Com 004 #4H well, which will be drilled from a surface location in Unit H in Section 11 to a bottom hole location in Unit O in Section 14, Township 24 South, Range 31 East, SND 11 14 Fed Com 004 #5H well, which will be drilled from a surface location in Unit H in Section 11 to a bottom hole location in Unit P in Section 14, Township 24 South, Range 31 East, and SND 11 14 Fed Com 004 #6H well, which will be drilled from a surface location in Unit H in Section 11 to a bottom hole location in Unit P in Section 14, Township 24 South, Range 31 East.

Mr. McLeod is an interest owner under both of these proposals and has a significant interest in ensuring that the acreage underlying his interest is prudently operated. To the extent necessary, Mr. McLeod would like to preserve to present testimony related to his interests, the protection of his correlative rights, and the prevention of waste.

PROPOSED EVIDENCE

APPLICANT:

WITNESS

Douglas McLeod

ESTIMATED TIME

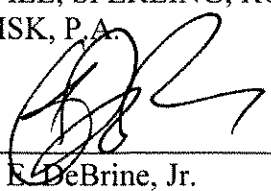
Approx. 15

EXHIBITS

Approx. 3

Respectfully submitted,

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

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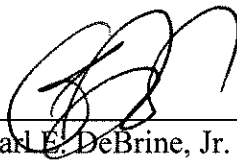
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on May 10, 2018:

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