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

APPLICATION OF CHEVRON U.S.A. INC. FOR AN OVERLAPPING SPACING UNIT IN THE BONE SPRING FORMATION AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21499** 

APPLICATION OF CHEVRON U.S.A. INC. FOR AN OVERLAPPING SPACING UNIT IN THE WOLFCAMP FORMATION AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21500** 

### CHEVRON'S CONSOLIDATED PRE-HEARING STATEMENT

This consolidated pre-hearing statement is submitted by Chevron U.S.A. Inc. ("Chevron") as required by the rules of the Oil Conservation Division.

#### **APPEARANCES**

#### **APPLICANT**

#### **ATTORNEY**

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#### OTHER APPEARANCES

Mewbourne Oil Company

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#### STATEMENT OF THE CASE

In Case No. 21499, Chevron seeks an order (1) approving a 640-acre, more or less, overlapping spacing unit in the Bone Spring formation, and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation (Culebra Bluff; Bone Spring, South Pool [Pool Code 15011]), from a depth of 9,227 feet to the base of the Bone Spring formation at a depth of 9,541, underlying the E/2 of Sections 26 and 35, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Chevron proposes to dedicate the above-referenced spacing unit to the proposed initial CB TANO 26 35 FEE 11 301H Well (API No. 30-015-47379), to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 26 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 35. The completed interval of this well will comply with statewide setbacks for oil wells.

In Case No. 21500, Chevron seeks an order (1) approving a 640-acre, more or less, overlapping spacing unit in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool [Pool Code 98220]), and (2) pooling all uncommitted interests in the Upper Wolfcamp interval of the Wolfcamp formation, from a depth of 9,541 feet, to the base of the Wolfcamp C formation, at a depth of 10,541 feet, underlying the E/2 of Sections 26 and 35, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Chevron proposes to dedicate the above-referenced spacing unit to the following proposed wells:

- The CB TANO 26 35 FEE 11 401H Well (API No. 30-015-47378) to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 26 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 35; and
- The CB TANO 26 35 FEE 11 402H Well (API No. 30-015-47380) and the CB TANO 26 35 FEE 11 403H Well (API No. 30-015-47381), both are to be horizontally drilled from surface hole locations in the NE/4 NE/4 (Unit A) of Section 26 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 35.

Pursuant to the Special Rules for the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220), the completed interval for each of these proposed initial wells will comply with the 330-foot setback requirement.

## APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise Chris Cooper, Landman | ESTIMATED TIME  Affidavit | Approx. 5 |
|--|---------------------------|-----------|
|  |                           |           |

#### **PROCEDURAL MATTERS**

Chevron intends to present these cases by affidavits because Mewbourne has withdrawn its opposition and the cases will be uncontested at the time of hearing.

# Respectfully submitted,

# HOLLAND & HART LLP

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## ATTORNEYS FOR CHEVRON U.S.A. INC.

# **CERTIFICATE OF SERVICE**

I hereby certify that on November 12, 2020, I served a copy of the foregoing document to all counsel of record via Electronic Mail to:

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