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

2014 JAN 16 P 4: 25

IN THE MATTER OF THE APPLICATION OF CHEVRON USA INC. FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 15074

PRE-HEARING STATEMENT

This Pre-hearing Statement is submitted by Endurance Resources, LLC by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT:

Chevron U.S.A., Inc. Michael H. Feldewert Holland & Hart PO Box 2208 Santa Fe, NM 87504-2208 (505)988-4421

ATTORNEY:

Ernest L. Padilla Padilla Law Firm, P.A. P.O. Box 2523 Santa Fe, New Mexico 87504 Attorney for Endurance Resources, LLC (505) 988-7577

OPPOSITION OR OTHER PARTY:

Endurance Resources, LLC

STATEMENT OF CASE

APPLICANT:

OPPOSITION OR OTHER PARTY:

Endurance Resources, LLC opposes the application of Chevron U.S.A. Inc. on the basis that it proposes a spacing and proration unit composed of the E/2 of Section 18, Township 23 South, Range 24 East, NMPM, Lea County, New Mexico. Endurance Resources, LLC has filed its own case in OCD Case No. 15084 a copy of the Endurance Resources, LLC application is attached hereto as Exhibit A.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
<u>OPPOSITION</u>		
WITNESSES	EST. TIME	EXHIBITS
Don Ritter (Engineer) OR	45 min.	Engineering related exhibits
Manny Sirgo (Engineer)	45 min.	Calculation to the benefit of recovery through a North South oriented well
Randall Harris (Geologist)	30 min.	Geologist Structure maps Type Log Geologic Evidence showing Natural Fracturing in the area
Jason South (Land man)	30 min.	Land maps Land ownership Joinder information Notice requirements
Ernest L. Padilla	•	Affidavit of Service

PROCEDURAL MATTERS

Endurance Resources, LLC moves the Division to consolidate the Chevron U.S.A. Inc. application and the Endurance Resources, LLC application, on the basis that the applications deal with the same land and on the basis that Endurance Resources, LLC, has not received 20 day notice and therefore the application should be continued to February 6, 2014.

PADILLA LAW FIRM, P.A.

ERNEST L. PADILLA

Attorney for Endurance Resources, LLC

PO Box 2523

Santa Fe, New Mexico 87504

505-988-7577

CERTIFICATE OF SERVICE

I hereby certify that I caused a copy of this Pre-Hearing Statement to be served upon, Chevron U.S.A., Inc., Michael H. Feldewert, Holland & Hart, PO Box 2208, Santa Fe, NM 87504-2208, by electronic mail to mfeldewert@hollandhart.com this 16th day of January, 2014.

ERNEST L. PADILLA