

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

**APPLICATION OF CHEVRON U.S.A INC. FOR  
APPROVAL OF SURFACE LEASE COMMINGLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 15204**

**CHEVRON'S PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002

**ATTORNEY**

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**STATEMENT OF THE CASE**

Chevron seeks authority to surface commingle production from the Bone Spring formation, Red Hills; Bone Spring North Pool produced from the Gramma Ridge 14 24 34 #1H well (API No. 30-025-41811) and the Gramma Ridge 14 24 34 #2H well (API No. 30-025-41731) located in Section 14, Township 24 South, Range 34 East. Chevron proposes to measure production by monthly well tests with a coriolis for oil and EFM for gas. Production will be stored in a central tank battery at the Gramma Ridge 14 24 34 #2H well site. Chevron's July 22,

2014, administrative application for approval to surface commingle production drew an objection from BC Operating, prompting the need for this hearing.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Cody Cole Petroleum Landman	Approx. 10 minutes	Approx. 3.
Sean E. Cheben Facilities Engineer	Approx. 10 minutes	Approx 5.

**PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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