

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

**APPLICATION OF CHEVRON U.S.A. INC.
FOR APPROVAL OF THE CICADA UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15845

CHEVRON'S PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Chevron USA Inc.
1400 Smith Street
Houston, Texas 77002

ATTORNEY

Michael H. Feldewert
Jordan L. Kessler
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STATEMENT OF THE CASE

Chevron seeks an order approving its Cicada Unit. The proposed Unit Area for the Cicada Unit consists of approximately 5,760.00 acres of Federal and State lands situated in Eddy County:

TOWNSHIP 25 SOUTH, RANGE 27 EAST, N.M.P.M.

Section 23: All
Section 26: All
Section 35: All

TOWNSHIP 26 SOUTH, RANGE 27 EAST, N.M.P.M.

Section 1: All
Section 2: All
Section 10: All
Section 11: W/2

Section 12: All
Section 14: W/2
Section 15: All

Chevron is the designated operator under the Unit Agreement and controls over 85% of the working interest. The unitized interval is the stratigraphic equivalent of the top of the Wolfcamp formation encountered at a true vertical depth of 9,092 feet down to the stratigraphic equivalent of the bottom of the Wolfcamp formation at a true vertical depth of 11,235 feet as encountered in the Hay Hollow Unit 2 well in Section 12, Township 26 South, Range 27 East, N.M.P.M., Eddy County, New Mexico (API #30-015-21549).

APPLICANT'S PROPOSED EVIDENCE

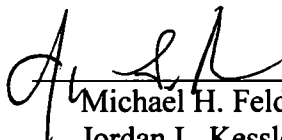
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Amber Tarr-Delach Landman	Approx. 15 minutes	Approx 8.
Caitlin Fogaren Geologist	Approx. 10 minutes	Approx 4.

PROCEDURAL MATTERS

None.

Respectfully submitted,

HOLLAND & HART LLP



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