

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 14114

APPLICATION OF CHEVRON USA, INC. FOR  
AMENDMENT OF DIVISION ORDER NO. R-4442,  
AS AMENDED, TO AUTHORIZE A VERTICAL  
EXPANSION OF THE VACUUM GRAYBURG-  
SAN ANDRES UNIT AND ADDITION OF  
NEW WELLS FOR INJECTION OF  
CARBON DIOXIDE, LEA COUNTY, NEW MEXICO.

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PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Chevron USA Inc.  
Attn: Daniel Pequeno  
15 Smith Road, RM-2235  
Midland, Texas 79707  
(432) 687-7461

ATTORNEY

William F. Carr  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

STATEMENT OF CASE

APPLICANT

Chevron USA, Inc. seeks approval of a vertical expansion of the unitized formation in its Vacuum Grayburg-San Andres Unit and to place additional wells on injection. Chevron proposes to inject carbon dioxide into the Grayburg and San Andres formation from a proposed depth of 3902 feet to 5020 feet in Sections 1 and 2 of Township 18 South, Range 34 East, NMPM. Applicant seeks to inject at a maximum rate of 1850 psi.

**PROPOSED EVIDENCE**

**APPLICANT**

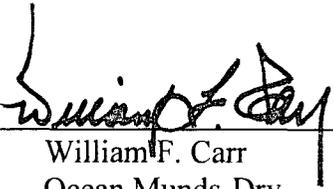
WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Daniel Pequeno Petroleum Landman	15 Minutes	Approximately 7
Scott M. Ingram Reservoir Engineer	25 Minutes	Approximately 7

**PROCEDURAL MATTERS**

Chevron USA, Inc. has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

By:   
William F. Carr  
Ocean Munds-Dry

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**ATTORNEYS FOR  
CHEVRON USA, INC.**