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

RECEIVED

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

OCT 17 2003

APPLICATION OF CHEVRON U.S.A. INC. FOR SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO

Oil Consen Right Division

PRE-HEARING STATEMENT

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

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Chevron U.S.A. Inc. P.O. Box 1150 Midland, TX 79702 William F. Carr, Esq. Holland & Hart LLP P.O. Box 2208 Santa Fe, NM 87504 505-988-4421

OPPONENT

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None.

None.

APPLICANT'S STATEMENT OF CASE

Applicant in the above-styled cause seeks the promulgation of Special Pool Rules for the North-Lusk Strawn Pool located in portions of Sections 28, 29, 32 and 33 of Township 18 South, Range 32 East, NMPM, including the adoption of a special gas-oil ratio for the pool of 20,000 cubic feet of gas for each barrel of oil produced. Applicant is the only operator within the pool and there are no other operators of Strawn wells in the area that have not been assigned to another pool. Said area is located approximately 10.5 miles south of Maljamar, New Mexico.

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APPLICANT'S PROPOSED EVIDENCE

WITNESSES

ESTIMATED TIME

EXHIBITS

(Name and Expertise)

David Crawford (Engineer)

Approx. 20 Minutes

Approx. 6

PROCEDURAL MATTERS

Chevron U.S.A, Inc. has none at this time.

Respectfully submitted,

HOLLAND & HART, LLP

Michael H. Feldewert

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Attorneys for Chevron, U.S.A., Inc.

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