

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

**APPLICATION OF CHEVRON U.S.A. INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 22029

CHEVRON'S PRE-HEARING STATEMENT

Chevron U.S.A. Inc. ("Chevron" or "Applicant") (OGRID No. 4323) provides this pre-hearing statement for the above-referenced cases as required by the rules of the New Mexico Oil Conservation Division ("Division").

APPEARANCES

APPLICANT

Chevron U.S.A. Inc.

APPLICANT'S ATTORNEY

Candace Callahan
Beatty & Wozniak, P.C.
500 Don Gaspar Avenue
Santa Fe, NM 87505
(505) 983-8764
ccallahan@bwenergylaw.com

STATEMENT OF THE CASE

In **Case No. 22029**, Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following three proposed initial wells: the **DL 9 16 Loch Ness Fed Com 16H** well and the **DL 9 16 Loch Ness Fed Com 17H** well, both horizontally drilled from surface hole locations in the SW/4SE/4 (Unit O) of Section 4 to bottom hole locations in the SE/4SW/4 (Unit O) of Section 16; and the **DL 9 16 Loch Ness Fed Com 18H** well horizontally drilled from a surface hole location in the SE/4SE/4 (Unit P) of Section 4 to a bottom hole location in the SE/4SE/4 (Unit P) of Section 16 ("Loch Ness wells").

The completed interval for the proposed **DL 9 16 Loch Ness Fed Com #17H** well is within 330 feet of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 9 and 16 to allow inclusion of this acreage as proximity tracts into a standard 640-acre horizontal spacing unit.

The Loch Ness wells were all timely commenced and drilled to planned Total Depth under Order No. R-20859 entered on September 13, 2019 in Case No. 20768. The drilling of the **DL 9 16 Loch Ness Fed Com 16H** well was commenced on February 1, 2020, the **DL 9 16 Loch Ness Fed Com 17H** well commenced on February 6, 2020 and the **DL 9 16 Loch Ness Fed Com 18H** well commenced on February 8, 2020. The Loch Ness wells have not yet been completed.

PROPOSED EVIDENCE

Chevron U.S.A. Inc.

| <u>WITNESS</u> | <u>ESTIMATED TIME</u> | <u>EXHIBITS</u> |
|-------------------------|-----------------------|-----------------|
| Kevin C. Stubbs Land | Pre-filed Testimony | Approx. 2 |

PROCEDURAL MATTERS

There has been no entry of appearance by any party. Chevron plans to present these cases by affidavit.

Respectfully submitted,

By: 

Candace Callahan
500 Don Gaspar Avenue
Santa Fe, New Mexico 87505
(505) 983-8545 or (505) 983-8765 (direct)
(800) 886-6566 (fax)
ccallahan@bwenergylaw.com

ATTORNEY FOR CHEVRON U.S.A. INC

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 39279

QUESTIONS

| | |
|--|--|
| Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706 | OGRID: 4323 |
| | Action Number: 39279 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

| | |
|---|---|
| Testimony | |
| Please assist us by provide the following information about your testimony. | |
| Number of witness | 1 |
| Testimony time (in minutes) | 0 |