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

APPLICATION OF CHEVRON U.S.A. INC TO AMEND ORDER NO. R-22488, EDDY COUNTY, NEW MEXICO.

CASE NO. 23924 ORDER NO. R-22488

CHEVRON'S PRE-HEARING STATEMENT

Chevron U.S.A. Inc. ("Chevron" or "Applicant"), the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

Chevron U.S.A. Inc. ("Chevron")

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APPLICANT'S STATEMENT OF THE CASE

Chevron seeks to amend Order No. R-22488 to dismiss from the order approval to surface commingle oil production from Wolfcamp and Bone Spring formations within its Cicada Unit ("Unit"). For administrative efficiency, the Division has requested that Chevron dismiss the commingling authority granted under Order R-22488 and amend PLC-887-A to authorize commingling of Unit and non-unit *oil* production. Chevron therefore requests that Order No. R-22488 be amended to dismiss only the surface commingling authority granted under the order so

that Chevron can expand the surface commingling authority under PLC-887-A with its forthcoming administrative amendment application. Given that this request for dismissal and the administrative amendment are being pursued simultaneously, Chevron requests that the Division not dismiss the commingling authority granted under Order R-22488 until the amendment to PLC 887-A is authorized and made effective, in order to avoid any gap in surface commingling authority.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and Expertise

ESTIMATED TIME

EXHIBITS

Deirdre Devery, Facilities Engineer

Self-Affirmed Statement

Approx. 2

PROCEDURAL MATTERS

Chevron intends to present this case by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:

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

QUESTIONS

Action 279569

QUESTIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	279569
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.