

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

**APPLICATIONS OF CHEVRON U.S.A. INC.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 23939 & 23940**

**CHEVRON’S CONSOLIDATED PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Chevron U.S.A. Inc.  
 (“Chevron”)

**ATTORNEY**

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**APPLICANT’S STATEMENT OF THE CASE**

Under these consolidated cases, Chevron seeks orders pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp (gas) [98220]), underlying the referenced acreage all in Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico, as follows:

- Under **Case No. 23939**, Chevron seeks to pool the uncommitted interests in a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 16 and 21, and initially dedicate this Wolfcamp spacing unit to the

proposed **FEW 16 21 Federal Com 426H, FEW 16 21 Federal Com 427H, FEW 16 21 Federal Com 428H, and FEW 16 21 Federal Com 429H** wells, to be horizontally drilled from a common surface location in the SE/4 SE/4 (Unit P) of Section 9, with first take points in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of said Section 16 and last take points in the SW/4 SE/4 (Unit O) and SE/4 SE/4 (Unit P) of said Section 21.

- Under **Case No. 23940**, Chevron seeks to pool a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 16 and 21, and initially dedicate this Wolfcamp spacing unit to the proposed **Rye One 16 21 Federal Com 422H, Rye One 16 21 Federal Com 423H, Rye One 16 21 Federal Com 424H, and Rye One 16 21 Federal Com 425H** wells, to be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 9, with first take points in the NW/4 NW/4 (Unit D) and the NE/4 NW/4 (Unit C) of said Section 16 and last take points in the SW/4 SW/4 (Unit M) and SE/4 SW/4 (Unit N) of said Section 21.

The completed interval for each of the wells will comply with the Purple Sage Special Pool rules for gas wells. Applicant owns 100 percent of the working interests in the proposed spacing unit and, therefore, seeks to pool only non-cost-bearing interest owners, including overriding royalty interest owners and bare record title owners, whose interests have not been pooled within the subject spacing unit.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Gregg Pazer, Landman	Self-Affirmed Statement	Approx. 3

Eric Surratt, Geologist

Self-Affirmed Statement

Approx. 6

**PROCEDURAL MATTERS**

Chevron requests that these matters be consolidated for hearing and intends to present these cases 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.**  
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QUESTIONS

Action 279739

**QUESTIONS**

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 279739
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

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