

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

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

**CASE NO. 24492**

**CHEVRON U.S.A. INC.'S PRE-HEARING STATEMENT**

Chevron U.S.A. Inc. ("Chevron") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Chevron U.S.A. Inc.

**ATTORNEY**

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Earl E. DeBrine  
Yarithza Peña  
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**OTHER PARTIES**

ConocoPhillips

**ATTORNEY**

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**STATEMENT OF CASE**

**APPLICANT:**

In Case No. 24492, Chevron U.S.A. Inc. seeks an order from the Division pooling all uncommitted mineral interest owners within a 640-acre Bone Spring horizontal spacing unit underlying the E/2 of Sections 15 and 22, Township 26 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Chevron plans to drill the following proposed wells to a depth sufficient to

test the Bone Spring formation: **SD 15 22 Federal Com P404 303H; SD 15 22 Federal Com P404 404H; SD 15 22 Federal Com P404 405H wells** to be drilled from a surface location in NW/4 NE/4 of Section 15 (Unit B) to a bottom hole location in SW/4 SE/4 of Section 22 (Unit O); and **SD 15 22 Federal Com P404 304H and SD 15 22 Federal Com P404 406H wells** to be drilled from a surface location in NW/4 NE/4 of Section 15 (Unit B) to a bottom hole location in SE/4SE/4 of Section 22 (Unit P). The completed interval for the SD 15 22 Federal Com P404 405H well is expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chevron U.S.A Inc. as operator of the wells, a 200% charge for the risk involved in drilling and completing the wells. Said area is located approximately 25 miles west of Jal, New Mexico.

**PROPOSED EVIDENCE**

**APPLICANT:**

<b>WITNESS</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Land Rep: Katie Halley	Approx. 10 minutes	Approx. 8
Geologist: Kimberle Davis	Approx. 10 minutes	Approx. 8

**PROCEDURAL ISSUES**

If there are no objections to this matter, Chevron intends to present it by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on June 6, 2024.

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Deana M. Bennett

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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QUESTIONS

Action 351416

**QUESTIONS**

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 351416
	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	2
Testimony time (in minutes)	<i>Not answered.</i>