

**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  
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**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:  \_\_\_\_\_

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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 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**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witness	1
Testimony time (in minutes)	0