

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 AMENDED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Chevron U.S.A. Inc.

APPLICANT'S ATTORNEY

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INTERESTED PARTY

ConocoPhillips Company

INTERESTED PARTY'S ATTORNEY

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STATEMENT OF THE CASE

In **Case No. 22029**, Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation (Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the E/2 of Section 16, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico. 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. The completed intervals of all wells will comply with statewide setbacks.

The completed interval for the **DL 9 16 Loch Ness Fed Com #17H** well is planned to be 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. Order No R-20859 has expired pursuant to its terms. 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. 3
Kate Schwer Geology	Oral Testimony (hearing transcript incorporated by reference from prior Case No. 20768)	4

ConocoPhillips Company

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
TBD		

PROCEDURAL MATTERS

If at the time of hearing there is no opposition by any party, Chevron will present this case by affidavit.

Respectfully submitted,

By:  _____

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ATTORNEY FOR CHEVRON U.S.A. INC.

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 August 2, 2021.

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QUESTIONS

Action 39453

QUESTIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 39453
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witness	2
Testimony time (in minutes)	0