

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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF CHEVRON U.S.A. INC. FOR  
APPROVAL OF A PILOT PROJECT FOR THE  
PURPOSE OF DETERMINING PROPER WELL  
DENSITY REQUIREMENTS FOR WELLS IN  
THE BASIN-FRUITLAND COAL GAS POOL,  
(SAN JUAN, RIO ARRIBA, MCKINLY, SANDOVAL)  
COUNTY, NEW MEXICO.**

Case No. 13,991

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by Devon Energy Production Company, L.P. as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Chevron U.S.A. Inc.

**APPLICANT'S ATTORNEY**

William F. Carr

**OTHER PARTY**

Devon Energy Production Company, L.P.  
Suite 1500  
20 North Broadway  
Oklahoma City, Oklahoma 73102

**OTHER PARTY'S ATTORNEY**

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attention: Janet Wooldridge  
(405) 552-4626

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks approval of a pilot infill drilling project in the Basin-Fruitland Coal Gas Pool.

*9/10/07  
JBC*

**OTHER PARTY**

Devon Energy Production Company, L.P. is the operator of the offsetting Northeast Blanco Unit. It does not object to the pilot project, but objects to the location of the infill well proposed in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 10, and requests that this well be moved to the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 10.

**PROPOSED EVIDENCE****APPLICANT****WITNESSES**

Gary Kump  
(reservoir engineer)

**EST. TIME**

15 min.

**EXHIBITS**

Approx. 4

**OPPONENT****WITNESSES****EST. TIME****EXHIBITS****PROCEDURAL MATTERS**

-None-

Respectfully submitted,

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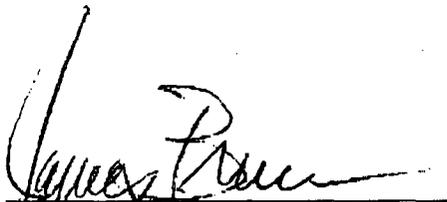
James Bruce  
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Attorney for Devon Energy Production  
Company, L.P.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 10th day of September, 2007 by facsimile transmission:

William F. Carr  
Holland & Hart LLP  
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James Bruce