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

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

CASE NOS. 21124, 21125

CHEVRON'S CONSOLIDATED PRE-HEARING STATEMENT

This consolidated pre-hearing statement is submitted by Chevron U.S.A. Inc. ("Chevron") as required by the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

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STATEMENT OF THE CASE

In Case No. 21124, Chevron seeks an order pooling all uncommitted interests in the Bone Spring formation (Culebra Bluff; Bone Spring, South Pool [15011]) underlying a standard 320-acre horizontal spacing unit comprised of the E/2 W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Chevron proposes to dedicate the above-referenced spacing unit to the following proposed wells, both of which are to be horizontally drilled from surface hole locations in the NW/4 NW/4 (Unit D) of Section 25 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 36: (1) The CB CAL 25 36 State Com 08 #301H Well (API No. 30-015-46633), and (2) The CB CAL 25 36 State Com 08 #303H Well (API No. 30-015-46635). The completed intervals of these wells will comply with statewide setbacks for oil wells.

In Case No. 21125, Chevron seeks an order pooling all uncommitted interests in the Bone Spring formation (Culebra Bluff; Bone Spring, South Pool [15011]) underlying a standard 320-acre horizontal spacing unit comprised of the W/2 W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Chevron proposes to dedicate the above-referenced spacing unit to the proposed initial CB CAL 25 36 State Com 08 #302H Well (API No. 30-015-46634) to be horizontally drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 25 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 36. The completed interval for this well will comply with statewide setbacks for oil wells.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise Kelly Rau, Landman | ESTIMATED TIME Affidavit | Approx. 5 |
|---|---------------------------|-----------|
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PROCEDURAL MATTERS

Chevron intends to present these cases by affidavits if uncontested at the time of hearing.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on February 27, 2020, I served a copy of the foregoing document to all counsel of record via Electronic Mail to:

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