

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

**APPLICATION OF CHEVRON USA INC.  
TO APPROVE SALT WATER DISPOSAL  
WELLS IN EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23687**

**COG OPERATING LLC'S PRE-HEARING STATEMENT**

COG Operating LLC ("COG") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Commission ("Commission").

**APPEARANCES**

**APPLICANT**

Chevron U.S.A., Inc.

**ATTORNEYS**

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**INTERESTED PARTIES**

Mewbourne Oil Company

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Commissioner of Public Lands of the State of New Mexico and the New Mexico State Land Office      Ari Biernoff, General Counsel  
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**STATEMENT OF THE CASE**

In Case No. 23687, Chevron U.S.A. Inc. (“Chevron”) seeks an order approving the Severitas State SWD #1 Well (“Severitas Well”) at a surface location 185’ from the North Line and 1,082’ from the East line, Unit A, Section 2, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico, for the purpose of operating a salt water disposal well. Injection formations will be the Bell Canyon, Cherry Canyon, and Brushy Canyon at a depth of 2,343’ to 6,012’ in the Delaware Mountain Group (“DMG”). The tubing packer will be set at 2,243’ and production casing and cement will be set at 5,500’. The maximum anticipated injection rate will be 15,000 BWPD and maximum surface injection pressure will be 468 p.s.i.

COG does not support Chevron’s Applications for Authorization to Inject, for the proposed Severitas Well, because injection into the DMG because oil and gas production from COG’s Atticus Project and other nearby projects in the subject area may be impacted by the shallow disposal into the DMG. Once oil and gas production is impacted, the reservoir is damaged and therefore, the economic damages cannot be reversed. COG sympathizes with Chevron’s test project into he DMG but proposes to locate it somewhere away from COG’s anticipated production. The OCD’s proposed conditions of approval will not adequately protect COG’s loss because they do not include economic recourse.

**PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Shelley C. Klingler, Landman	30 minutes	Approx. 4
Dean C. Snidow, Geologist	45 minutes	Approx. 4

**PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

COG OPERATING LLC

/s/ Elizabeth A. Ryan

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**Attorney for COG Operating LLC**

**CERTIFICATE OF SERVICE**

I hereby certify that on November 2, 2023, I caused a true and correct copy of the foregoing document to be emailed to:

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