

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

**APPLICATION OF CHEVRON U.S.A. INC.
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15269

**APPLICATION OF CHEVRON U.S.A. INC.
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15270

CHEVRON'S CONSOLIDATED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Chevron U.S.A. Inc.
1400 Smith Street
Houston, Texas 77002

ATTORNEY

Michael H. Feldewert
Jordan L. Kessler
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

RECEIVED OCD
2015 FEB 26 P 3:53

STATEMENT OF THE CASE

In Case No. 15269, Chevron seeks an order (1) creating a 160-acre spacing and proration unit comprised of the W/2 W/2 of Section 21, Township 25 South, Range 27 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. This non-standard spacing and proration unit will be the project area for

the proposed **White City 21 25 27 Fed Com No. 5H Well**, which will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) to a bottom hole location in NW/4NW/4 (Unit D) of Section 21. The completed interval for this well will remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

In Case No. 15270, Chevron seeks an order (1) creating a 160-acre spacing and proration unit comprised of the E/2 W/2 of Section 21, Township 25 South, Range 27 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this acreage. This non-standard spacing and proration unit will be the projected area for the proposed **White City 21 25 27 Fed Com No. 6H Well**, which will be horizontally drilled from a surface location in the SE/4SW/4 (Unit N) to a bottom hole location in NE/4NW/4 (Unit C) of Section 21. The completed interval for this well will remain within the 330-foot standard offset required by the Statewide Rules set forth in 19.15.15 NMAC.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
India Isbell Petroleum Landman	Approx. 15 minutes	Approx. 10.
Ken Schwartz Petroleum Geologist	Approx. 15 minutes	Approx 8.

PROCEDURAL MATTERS

Chevron requests that Case Nos. 15269 and 15270 be consolidated for purposes of hearing efficiency.

Respectfully submitted,

HOLLAND & HART, LLP

A handwritten signature in dark ink, appearing to read "Michael H. Feldewert", is written over a horizontal line.

Michael H. Feldewert

Jordan L. Kessler

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

ATTORNEYS FOR CHEVRON U.S.A. INC.