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:

CASE NO. 9949

APPLICATION OF CHEVRON USA, INC. FOR A NON-STANDARD GAS PRORATION UNIT, UNORTHODOX GAS WELL LOCATIONS, AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

RECEIVED

MAY 2 5 1990

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This prehearing statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Chevron USA, Inc._____ c/o Alan Bohling_____ Post Office Box 670_____ Hobbs, New Mexico 88240

(505) 393-4121_____ name, address, phone and contact person

OPPOSITION OR OTHER PARTY

ATTORNEY

William F. Carr_____ Campbell & Black, P.A.____ Post Office Box 2208_____ Santa Fe, New Mexico 87504

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(505) 988-4421_____

ATTORNEY

name, address, phone and contact person

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STATEMENT OF CASE

APPLICANT

Chevron seeks approval of a non-standard 400-acre gas spacing and proration unit comprising Lots 11 through 14 of Section 5 and Lots 15 and 16 and SE/4 of Section 6, all in Township 21 South, Range 36 East, Eumont Gas Pool. Chevron also seeks authority to simultaneously dedicate this non-standard unit to a well to be drilled at an unorthodox location 1175 feet from the South line and 1375 feet from the East line of said Section 6, its Orcutt (NCT-A) Well No. 1 located at an unorthodox location 3200 feet from the North line and 1980 feet from the West line (Unit K) of said Section 5 and to its Graham State (NCT-E) Well No. 2 located at an orthodox location 1980 feet from the South and East lines (Unit R) of said Section 6.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

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PROPOSED EVIDENCE

<u>APPLICANT</u>

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Rick Jones, Geologist	15 Min.	 Plat Structure Map Cross-Section Affidavit with attached notice letters
Mickey Worlick, Engineer	10 Min.	l. Cumulative Production Plat
<u>OPPOSITION</u>		
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS

PROCEDURAL MATTERS

None