

30-015-29614

OCRID 4323

PROP 15095

POOL

IT IS THEREFORE ORDERED THAT:

(1) Chevron U.S.A. Inc. ("Chevron") is hereby authorized to initiate a high angle/horizontal directional drilling project within a non-standard 80-acre oil spacing and proration unit comprising the S/2 NW/4 of Section 1, Township 23 South, Range 28 East, NMPM, East Herradura Bend-Delaware Pool, Eddy County, New Mexico, by drilling its Lentini "1" Federal Well No. 16 (API No. 30-015-29614) at an unorthodox surface oil well location 2475 feet from the North line and 1050 feet from the West line (Unit E) of said Section 1, drill vertically to an approximate depth of 5500 feet, kick-off due east, build angle at a rate of 16.84 degrees per 100 feet until an inclination of 80 degrees is obtained, and continue drilling while holding this angle a distance of approximately 350 feet through the Delaware formation.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations in said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of said directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Artesia District office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.

(3) The "project area" for said horizontal well shall consist of an over-sized spacing unit comprising 80 acres (two standard 40-acre tracts) underlying the S/2 NW/4 of said Section

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- Unorthodox location approved based on the premise this location would share allowable with the #5. Chevron abandoned this location
 - Amended unorthodox location requested on the premise this location would share allowable with the #3. Chevron drilled 7-31-97. unorthodox location not yet approved.

DD-18

7-16-97

8-4-97
Camp. Neutron
300' - 5536'
Azimuthal Lateralog
2700' - 5536'

1, whereby East Herradura Bend-Delaware oil production from the subject well and Chevron's Lentini "1" Federal Well No. 3 (API No. 30-015-27535), located at a standard oil well location 1825 feet from the North line and 900 feet from the West line (Unit E) and Lentini "1" Federal Well No. 5 (API No. 30-015-27565), located at a standard oil well location 1650 feet from the North line and 1725 feet from the West line (Unit F), is to be simultaneously dedicated.

(4) The applicable drilling window or "producing area" for said wellbore shall include that area within the subject 80-acre non-standard oil spacing and proration unit comprising the S/2 NW/4 of said Section 1 that is no closer than 330 feet to the north, east, and west boundaries and as close as is practically possible in this instance to a parallel line that is 165 feet from the southern boundary of said project area.

(5) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F.

(6) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth (TVD) in addition to measured vertical depth (MVD).

(7) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



R753 1/3

CHEVRON USA INC.
Lentini 1 Federal #16

1-23S-28E
Utl. E SW NW

NC Tops R2M 10-21-97

Ruether	197
Salado	498
Bx	2530
Lamar	2763
Base Comp.	2830
c.c.	3760
TD Boundary Comp.	5536