

NSL Initial Application

RECEIVED: 09/17/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2126555165
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Chevron U.S.A. Inc. **OGRID Number:** 4323
Well Name: DL 10 15 Ogoogo Fed Com #423H well **API:** 30-025-pending
Pool: Red Tank; Bone Spring, East Pool **Pool Code:** 51687

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kaitlyn A. Luck

Print or Type Name

Signature

09/17/2021

Date

505-954-7286

Phone Number

kaluck@hollandhart.com

e-mail Address



Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

September 14, 2021

VIA ONLINE FILING

Adrienne Sandoval
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Chevron U.S.A. Inc., for administrative approval of an unorthodox well location for its DL 10 15 Ogopogo Fed Com #423H well in the E/2 of Sections 15 and 22, Township 22 South, Range 33, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

Chevron U.S.A. Inc. ("Chevron") (OGRID No. 6137) seeks administrative approval of an unorthodox well location for its **DL 10 15 Ogopogo Fed Com #423H well** (API No. 30-025-pending) to be completed within the Red Tank; Bone Spring, East Pool (51687) underlying the E/2 of Sections 15 and 22, Township 22 South, Range 33, N.M.P.M., Lea County, New Mexico.

This well will be drilled as follows:

- **Surface location:** 1,986 feet from the south line and 1,213 feet from the west line (Unit I) of Section 10;
- **Bottom hole location:** 25 feet from the south line and 1,430 feet from the west line (Unit O) of Section 22;
- **First take point:** 25 feet from the north line and 1,430 feet from the west line (Unit B) of Section 15; and
- **Last take point:** 100 feet from the south line and 1,430 feet from the west line (Unit O) of Section 22.

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the northern boundary of the spacing unit and encroaches on the S/2 SE/4 of Section 10. Approval of the unorthodox completed interval will allow Chevron to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

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Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **DL 10 15 Ogopogo Fed Com #423H well** encroaches on the drilling and spacing unit to the north.

Exhibit B is a land plat that shows the proposed **DL 10 15 Ogopogo Fed Com #423H well** in relation to the adjoining spacing unit to the north in Section 10.

Ownership is diverse between the subject spacing unit and the tracts to the north. **Exhibit C** includes the tracking information that reflects the “affected parties” were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Type	Affected Party	Location	Date Sent
Operator/ Working Interest	Chevron U.S.A. Inc.	Tract 4	N/A
Royalty Interest	BUREAU OF LAND MANAGEMENT	Tract 4, 10, 11	9/13/21
Working Interest	Occidental Permian Limited Partnership	Tract 10, 11	9/13/21
Working Interest	Patterson-UTI Energy, Inc.	Tract 10, 11	9/13/21
Working Interest	The Family Trust u/w/o Richard Kevin Barr	Tract 10, 11	9/13/21
Working Interest	Bypass Trust, Cynthia Wilson, Trustee	Tract 10, 11	9/13/21

Exhibit D is a statement from a Chevron’s petroleum engineer confirming that Chevron’s requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,



Kaitlyn A. Luck
ATTORNEY FOR CHEVRON U.S.A. INC.

EXHIBIT - A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 51687	³ Pool Name RED TANK; BONE SPRING, EAST
⁴ Property Code	⁵ Property Name DL 10 15 OGOPOGO FED COM	⁶ Well Number 423H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3563'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	10	22 SOUTH	33 EAST, N.M.P.M.		1986'	SOUTH	1213'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	22	22 SOUTH	33 EAST, N.M.P.M.		25'	SOUTH	1430'	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill DEFINING	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>PROPOSED FIRST TAKE POINT</p> <p>X= 739,955' Y= 509,682' LAT. 32.398833° N LONG. 103.555899° W NAD 27</p> <p>PROPOSED MID POINT</p> <p>X= 739,986' Y= 504,427' LAT. 32.384389° N LONG. 103.555923° W NAD 27</p> <p>PROPOSED LAST TAKE POINT</p> <p>X= 740,032' Y= 499,250' LAT. 32.370157° N LONG. 103.555895° W NAD 27</p>	<p>DL 10 15 OGOPOGO FED COM NO. 423H WELL</p> <p>X= 740,156' Y= 511,694' LAT. 32.404358° N LONG. 103.555200° W NAD 27</p> <p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=512341.28, X=738723.06 B - Y=512357.89, X=741363.42 C - Y=509701.75, X=738742.61 D - Y=509713.53, X=741384.61 E - Y=507076.40, X=741405.22 F - Y=504419.02, X=738784.10 G - Y=504437.51, X=741415.47 H - Y=501798.50, X=741442.29 I - Y=499143.28, X=738823.86 J - Y=499158.27, X=741462.53</p> <p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 740,032' Y= 499,175' LAT. 32.369951° N LONG. 103.555895° W NAD 27</p> <p>X= 781,215' Y= 499,235' LAT. 32.370074° N LONG. 103.556378° W NAD 83/86</p>	<p>Sec. 10</p> <p>S 05°42'06" W 2,021.71'</p> <p>Proposed First Take Point 25' FNL, 1430' FEL</p> <p>Sec. 15</p> <p>S 00°20'06" E 5,254.79'</p> <p>Proposed Mid Point</p> <p>Sec. 22</p> <p>S 00°30'39" E 5,252.53'</p> <p>Proposed Last Take Point 100' FSL, 1430' FEL</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Kayla McConnell</i> 3/2/2021 Signature Date</p> <p>KAYLA MCCONNELL Printed Name</p> <p><i>gncv@chevron.com</i> E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>06/24/2020 Date of Survey</p> <p>STEVEN M. COLEMAN Signature and Seal of Professional Surveyor: 08/26/2020</p> <p>Certificate Number</p>
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The map displays several land parcels with their respective owners and acreage. Key features include:

- Tract 10:** A red box highlights Tract 10, owned by U.S., MI State, S.
- DL 10 3 Kraken Fed Com:** A blue box highlights this federal land parcel, located near Tract 1.
- DL 15 22 Narwhal Fed Com:** A blue box highlights this federal land parcel, located near the bottom left.
- DL 15 22 Ogoopogo Fed Com:** A blue box highlights this federal land parcel, located near the bottom right.

Other labeled areas include DAGGER LAKE, BOOTLE RIDGE, and various other tracts (e.g., Tract 1, Tract 2, Tract 3, Tract 4, Tract 5, Tract 6, Tract 7, Tract 8, Tract 9, Tract 11). Owners listed include U.S., M.I., J.H. Burton, EOG Res., and others. The map also shows roads like Highway 101 and Highway 99.

Released to Imaging: 10/20/2021 5:07:39 PM

EXHIBIT C

Offset Operators or WI Owners

DL 15 22 Ogopogo Fed Com 422H-424H

Notice Tract 4

Chevron U.S.A. Inc.
1400 Smith St.
Houston, TX 77002

Notice Tracts 10 and 11

Occidental Permian Limited Partnership
5 Greenway Plaza, Ste. 110
Houston, TX 77047

Patterson-UTI Energy, Inc.

10713 West Sam Houston Pkwy North, Ste. 800
Houston, TX 77064

The Family Trust u/w/o Richard Kevin Barr

Beverly Barr, Trustee
8027 Chalk Knoll Dr.
Austin, TX 78736

Bypass Trust, Cynthia Wilson, Trustee

7601 Mirador Dr.
Austin, TX 78736



Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

September 14, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Application of Chevron U.S.A. Inc., for administrative approval of an unorthodox well location for its DL 10 15 Ogopogo Fed Com #423H well in the E/2 of Sections 15 and 22, Township 22 South, Range 33, N.M.P.M., Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Kevin Stubbs
Chevron U.S.A. Inc.
(713) 560-3512
kevinstubbs@chevron.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck
ATTORNEY FOR CHEVRON U.S.A. INC.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
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Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

Parent ID	Mail Date	Company	Name	DeliveryAddress	City	ST	Zip	Mail Class	Tracking	Well
31309	09/14/2021		Bypass Trust, Cynthia Wilson, Trustee	7601 Mirador Dr.	Austin	TX	78736	Certified with Return Receipt (Signature)	94148118987 65854160836	71015 - Chev Ogopogo - NSL notice list - 4
31309	09/14/2021	The Family Trust u/w/o Richard Kevin Barr	Beverly Barr, Trustee	8027 Chalk Knoll Dr	Austin	TX	78735- 1706	Certified with Return Receipt (Signature)	94148118987 65854160881	71015 - Chev Ogopogo - NSL notice list - 3
31309	09/14/2021		Patterson-UTI Energy, Inc.	10713 W Sam Houston Pkwy N Ste 800	Houston	TX	77064- 3583	Certified with Return Receipt (Signature)	94148118987 65854160843	71015 - Chev Ogopogo - NSL notice list - 2
31309	09/14/2021		Occidental Permian Limited Partnership	5 Greenway Plz Ste 110	Houston	TX	77046- 0521	Certified with Return Receipt (Signature)	94148118987 65854160898	71015 - Chev Ogopogo - NSL notice list - 1



Cameron Khalili
Petroleum Engineer, Midcontinent Business Unit

September 9, 2021

Re: Chevron USA, Inc, NSL Application
DL 10 3 Kraken Fed Com #207H-209H
DL 15 22 Narwal Fed Com #219H-221H
DL 15 22 Ogopogo Fed Com #222H

To Whom it may concern:

Chevron has planned to drill wells within the Bone Spring Formation, under the Red Tank field rules with 100' first and last take point setbacks.

Chevron respectfully request approval of the Non-Standard Location (NSL) for the First Take Point (FTP) of 25' for the wellbores between Section 10 & 15 in T22S-R33E for which Chevron is the operator of both. Granting the exception will increase the recoverability of oil and gas reserves from these sections and result in a more efficient development of the asset therefore protecting correlative rights.

Sincerely,

Cameron Khalili

cameron Khalili

Petroleum Engineer

EXHIBIT - D

MidContinent Business Unit
Chevron U.S.A. Inc.
6301 Deauville Blvd., Midland, Texas 79706
Tel 432 687 7360
Cameronkhalili@chevron.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 49818

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 49818
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	9/22/2021