# State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Deana M. Bennett deana.bennett@modrall.com

# ADMINISTRATIVE NON-STANDARD LOCATION

# Administrative Order NSL – 8936

# Chevron U.S.A. Inc. [OGRID 4323] CO 10 15 Federal Com Well No. 614H API No. 30-025-53506

Reference is made to your application received on March 28<sup>th</sup>, 2025.

### **Proposed Location**

	<b>Footages</b>	Unit/Lot	Sec.	Twsp	Range	County
Surface	1435 FSL & 1358 FWL	Κ	03	25S	32E	Lea
First Take Point	25 FNL & 1210 FWL	D	10	25S	32E	Lea
Last Take Point	100 FSL & 1210 FWL	Μ	15	25S	32E	Lea
Terminus	25 FSL & 1210 FWL	Μ	15	25S	32E	Lea

# **Proposed Horizontal Units**

Description	Acres	Pool	Pool Code
W/2 Section 10	640	Wildcat; Upper Wolfcamp	98270
W/2 Section 15			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8936 Chevron U.S.A., Inc. Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 25 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 03, encroachment to the SW/4 SW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location for the greatest recovery of reserves within the unit. All while protecting the correlative rights within the Wolfcamp formation underlying the W/2 of Section 10 and the W/2 of Section 15.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

Date: 5/7/2025

GERASIMOS RAZATOS DIRECTOR (ACTING) GR/lrl

Re

TYPE: ABOVE THIS TABLE FOR OCD DIVISION USE O DIL CONSERVATION & Engineering Bure is Drive, Santa Fe, I VE APPLICATION C MINISTRATIVE APPLICATIONS FO PROCESSING AT THE DIVISION	NDIVISION A DIVISION AU – NM 87505 HECKLIST OR EXCEPTIONS TO DIVISION N LEVEL IN SANTA FE	2509433637
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		1222
	OGRID Num API: 30-025-5350	
	Pool Code:	
□ PC □ OLS	OLM Oil Recovery	FOR OCD ONLY
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Deana M. Bennett

Print or Type Name

MBmnt Signature

March 28, 2025 Date

505-848-1834

Phone Number

deana.bennett@modrall.com e-mail Address



LAWYERS

March 28, 2025

VIA E-FILING

Acting Director Gerasimos Razatos And OCD Engineering Bureau 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 unorthodox well location for its CO 10 15 Federal Com 614H well located in a 640-acre horizontal spacing unit comprised of the W/2 of Sections 10 and 15, Township 25 South, Range 32 East, Lea County, New Mexico

Dear Acting Director Razatos /OCD Engineering Bureau:

Pursuant to Division rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Chevron U.S.A. Inc. ("Chevron") (OGRID No. 4323) seeks administrative approval of an unorthodox well location ("NSL") for its CO 10 15 Federal Com 614H well (API No. 30-025-53506) (the "Well") located in the W/2 of Sections 10 and 15, Township 25 South, Range 32 East, Lea County, New Mexico, and will be in the WC-025 G-08 S253216D; Upper Wolfcamp pool (Pool Code 98270). A C-102 for the Well is attached as Exhibit A.

The horizontal spacing unit to which the Well will be dedicated is described as:

Description	Acres	Pool	Pool Code
W/2 Section 10	640	WC-025 G-08 S253216D; Upper Wolfcamp	98270
W/2 Section 15			

The 640-acre horizontal spacing unit in which the Well will be located is standard because this Well is a proximity tract well. The CO 10 15 Federal Com 614H well's completed lateral is closer than 330' from the quarter quarter section lines in the W/2 of Sections 10 and 15, specifically the completed interval of the CO 10 15 Federal Com 614H well is located 1210' from the West line of Sections 10 and 15.

WC-025 G-08 S253216D; Upper Wolfcamp Pool is an oil pool subject to the state-wide rules, which establish a 100' setback requirement for the first and last take points of a well to the outer boundary of the spacing unit. The Well's **first take point** will be closer than 100' from the outer boundary of the spacing unit, which requires an NSL approval. As shown on Exhibit A, this is a horizontal well that will be drilled as follows:

- Surface Hole Location: 1435' FSL & 1358' FWL of Section 3-T25S-R32E;
- First Take Point: 25' FNL & 1210' FWL of Section 10-T25S-R32E;
- Bottom Hole Location: 25'FSL & 1210' FWL of Section 15-T25S-R32E;
- Last Take Point: 100' FSL & 1210' FWL of Section 15-T25S-R32E.

Chevron has included as Exhibit B a letter explaining why this application is needed. Chevron also provides a map of the area, attached as Exhibit C, which shows the tracts upon which the unorthodox location will encroach.

As discussed above, the Well's **first take point** will be closer than 100' from the outer boundary of the spacing unit. *See* Exhibit A (C-102). The unorthodox location will encroach towards the S/2 SW/4 of Section 3, Township 25 South, Range 32 East.

**Chevron is the operator and owns 100% of the working interest in the S/2 SW/4 of Section 3, Township 25 South, Range 32 East.** Pursuant to Rule 19.15.4.12(A)(2) and Rule 19.15.2.7(A)(3), Chevron is thus only providing notice to the Bureau of Land Management. Proof of mailing along with a copy of the letter sent to the Bureau of Land Management are included in Exhibit D.

Your attention to this matter is appreciated.

Sincerely. Bernt

Deana M. Bennett <sup>V</sup> Attorney for Chevron U.S.A. Inc.

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API Nu	Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/				OIL CONS	nerals & Natural R Department ERVATION DI		<u>C-10</u> Revised July 9, 202   Submit Electronical   via OCD Permitting   Submittal		
					WELL LOCA	TION INFORMATIC	DN			
20 025	mber -53506		Pool Code 98270			Pool Name WC-025 G-08 S253210			,	
Property 336240	y Code		Property Na CO 10 15 F		1	WC-025 G-08 525521		VOLI CAMI	Well Numb 614H	er
OGRID 4323	No.		Operator Na CHEVRON		NC.				Ground Lev 3476'	el Elevation
Surface	Owner: 🗆	State 🗆 Fee 🗆	🛛 Tribal 🛛 Fo	ederal		Mineral Owner:	🗆 State 🗆 Fe	e 🗆 Tribal I	⊠ Federal	
					Surf	ace Location				
UL K	Section 3	Township 25 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 1435' SOUTH	Ft. from E/W 1358' WEST	Latitude 32.15619		ongitude 03.666953° W	County LEA
			14.141.1 .141.		Bottom	1 Hole Location				
UL M	Section 15	Township 25 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' SOUTH	Ft. from E/W 1210' WEST	Latitude 32.12330		ongitude 03.667577° W	County LEA
Dedicated AcresInfill or Defining WellDefining Well API640DEFINING30-025-53506					Overlapping Space	ing Unit (Y/N	) Consolidat P,			
Order Numbers. N/A					Well setbacks are	Well setbacks are under Common Ownership: ⊠Yes □No				
					Kick (	)ff Point (KOP)				
UL D	Section 10	Township 25 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' NORTH	Ft. from E/W 1210' WEST	Latitude 32.15217		ongitude 03.667540° W	County LEA
					First T	ake Point (FTP)				
UL D	Section 10	Township 25 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' NORTH	Ft. from E/W 1210' WEST	Latitude 32.15217		ongitude 03.667540° W	County LEA
			_			ake Point (LTP)				-
UL M	Section 15	Township 25 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 100' SOUTH	Ft. from E/W 1210' WEST	Latitude 32.12350		.ongitude 03.667577° W	County LEA
	d Area or A NDING	rea of Uniform	Interest	Spacing	; Unit Type 🛛 Hoi	rizontal 🗆 Vertical	Grc 347	ound Floor El 6'	levation:	
OPERA	ATOR CER	TIFICATIONS				SURVEYOR CERT	IFICATIONS			
best of m	ny knowledge	he information co and belief, and, a either owns a wo	if the well is a v	ertical or a		I hereby certify that the actual surveys made by to the best of my belief.			and that the same	e is true and correct
the land at this lo unleasea	including the ocation pursue d mineral inte		n hole location with an owner o ntary pooling a	or has a rig of a workin	ght to drill this well g interest or	See Sheet 2 of 2 for plan		ROS	AT L. LAS	A PAPES
the conse mineral the well	ent of at least interest in ea	t one lessee or ow ch tract (in the ta interval will be lo	vner of a workin urget pool or for	ng interest o mation) in	which any part of			12/04/2024	23006	
Signatur	е		Date			Signature and Seal of P			STONAL SU	ALL C
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#### ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

Concernent in the surveyed, contact the OCD Engineer	ing Bureau. in			1	
See Sheet 1 of 2 for notes & certification.		1358'	Sec. 3		
CO 10 15 FEDERAL COM 614H X = 706,373.33' (NAD27 NM E) Y = 421,137.24' LAT. 32.156066° N (NAD27) LONG. 103.666476° W X = 747,558.54' (NAD83/2011 NM E) Y = 421,195.35' LAT. 32.156190° N (NAD83/2011) LONG. 103.666953° W	Sec. 4		Proposed Surface Location S 06°44'15"W 1,471.44' B C	NMLC 061936 D	Sec. 2
PROPOSED FIRST   TAKE POINT/KOP   X = 706,200.70' (NAD27 NM E)   Y = 419,675.97'   LAT. 32.152052° N (NAD27)   LONG. 103.667063° W   X = 747.385.97' (NAD83/2011 NM E)   Y = 419,734.04'   LAT. 32.152176° N (NAD83/2011)   LONG. 103.667540° W   PPP #1   X = 706,209.70' (NAD27 NM E)   Y = 418,381.32'   LAT. 32.148493° N (NAD27)   LONG. 103.667060° W   X = 747.395.02' (NAD83/2011 NM E)   Y = 418,439.37'   LAT. 32.148617° N (NAD83/2011)   LONG. 103.667536° W   PROPOSED MID POINT   X = 706,237.21' (NAD27 NM E)   Y = 414,422.38'   LAT. 32.137610° N (NAD27)   LONG. 103.667050° W   X = 747,422.70' (NAD83/2011 NM E)   Y = 414,420.35'   LAT. 32.137734° N (NAD83/2011 NM E)   Y = 414,480.35'   LAT. 32.137734° N (NAD83/2011)   LONG. 103.667526° W   PROPOSED LAST TAKE POINT	Sec. 9	s 00° 23' 53" E 5,259.29'	Proposed First Take Point/KOP 25' FNL, 1210' FWL PPP #1 1320' FNL 1210' FWL Sec. 10 NMLC 061936A	NMLC 061936	Sec. 11
$\begin{array}{c} K = 706,253.29' (NAD27 NM E) \\ Y = 409,247.29' \\ LAT. 32,123384^\circ N (NAD27 NM E) \\ Y = 409,305.14' \\ LAT. 32,123508^\circ N (NAD83/2011 NM E) \\ Y = 409,305.14' \\ LAT. 32,123508^\circ N (NAD83/2011) \\ LONG. 103.667577^\circ W \end{array} \\ \begin{array}{c} \boldsymbol{PROPOSED \ BOTTOM \ HOLE \ LOCATION \\ X = 706,253.52' (NAD27 NM E) \\ Y = 409,172.29' \\ LAT. 32,123178^\circ N (NAD83/2011) \\ LONG. 103.667102^\circ W \\ X = 747,439.24' (NAD83/2011 NM E) \\ Y = 409,230.14' \\ LAT. 32,123302^\circ N (NAD83/2011) \\ LONG. 103.667577^\circ W \end{array} \\ \end{array} \\ \begin{array}{c} CORNER \ COORDINATES \ TABLE (NAD \ 27) \\ A - X = 704990.58, \ Y = 419689.78 \\ B \ B \ X = 706322.72, \ Y = 419702.10 \\ C \ C \ X = 707654.87, \ Y = 419714.41 \\ D \ X = 710319.17, \ Y = 419739.04 \\ E \ X = 706329.40, \ Y = 414423.56 \\ G \ G \ X = 707691.54, \ Y = 414436.40 \\ H \ X = 710355.81, \ Y = 4144462.06 \end{array}$	Sec. 16	.52 S 00° 10' 40" E 5,244.54'	F G Proposed Mid Point 0' FSL, 1210' FWL Sec. 15 Proposed Last Take Point 100' FSL, 1210' FWL Proposed Bottom Hole	NMLC 062300	Sec. 14
I - X=705043.63, Y=409136.71 J - X=706370.63, Y=409148.31 K - X=707697.63, Y=409159.91 L - X=710351.63, Y=409183.11	Sec. 21		Location K J Sec. 22	L	Sec. 23

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Mark Behl Reservoir Engineer

March 28, 2025

### VIA E-FILING

Acting Director Gerasimos Razatos and OCD Engineering Bureau Oil Conservation Division Energy, Minerals and Natural Resource Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Non-Standard Location Application CO 10 15 FEDERAL COM 614H Lea County, New Mexico

Dear Director Razatos/OCD Engineering Bureau:

Chevron U.S.A. Inc. ("Chevron"), OGRID No. 4323, respectfully requests administrative approval of a non-standard location ("NSL") for the following wells (the "Well"):

• CO 10 15 FEDERAL COM 614H (API No. 30-025-53506)

The Well will be completed within the WC-025 G-08 S253216D; Upper Wolfcamp (Pool Code: 98270).

Chevron is requesting non-standard location approval for the Well because the first take point of the Well will be less than 100' from the outer boundary of the horizontal spacing unit. The completed interval and last take point for the Wells are standard. Allowing Chevron to complete the well at this non-standard location will result in the greatest recovery of reserves from the unit and will reduce waste.

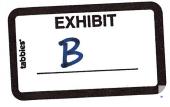
Thank you for your consideration. Should you have any questions. please contact me at mark.behl@chevron.com or (432) 664-9575.

Feel free to contact me if you have any questions or concerns.

Sincerely,

Mark Behl Reservoir Engineer

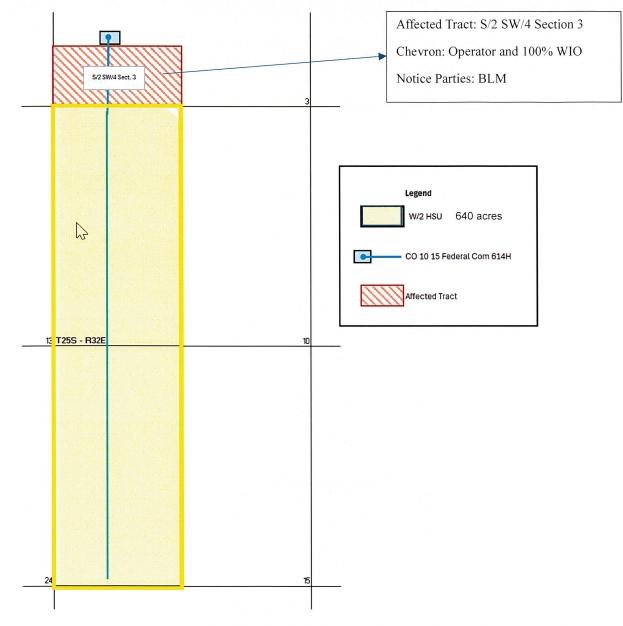
Mid-Continent Business Unit North America Exploration and Production Company Chevron U.S.A. Inc. 6301 Deauville Blvd., Midland, Texas 79706 Tel 432 664-9575 Fax 866 908-3881 Mark, behl@chevron.com



# **Offset Operators and WI Owners**

# NSL Well: CO 10 15 Federal Com 614H (30-025-53506)

# Pool Code: [98270] WC-025 G-08 S253216D; UPPER WOLFCAMP



# Offsetting Tract in Township 25 South, Range 32 East:

### S/2 SW/4 Section 3:

Operator/Working Interest Owner: Federal/State Mineral Interest Owner: Chevron U.S.A. Inc. (100% WI) Bureau of Land Management



**Released to Imaging: 5/9/2025 8:47:07 AM** 





March 28, 2025

#### VIA CERTIFIED MAIL

Deana M. Bennett 505.848.1834 dmb@modrall.com

#### **TO AFFECTED PARTIES**

RE: Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 10 15 Federal Com 613H well located in a 640-acre horizontal spacing unit comprised of the W/2 of Sections 10 and 15, Township 25 South, Range 32 East, Lea County, New Mexico

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Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above-referenced applications. If no objection is received within this twenty-day period, the applications may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Mark Behl Reservoir Engineer Chevron U.S.A. Inc. mark.behl@chevron.com

Sincerely,

Deana M. Bennett ' Attorney for Chevron U.S.A. Inc.



Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

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Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	446777
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)
CONDITIONS	

Created By	Condition	Condition Date
llowe	None	4/4/2025

CONDITIONS

Action 446777