

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie Kenderdine
Cabinet 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 – 8939

Chevron U.S.A. Inc. [OGRID 4323]
CO 03 34 Federal Well No. 605H
API No. 30-025-53502

Reference is made to your application received on March 31st, 2025.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1435 FSL & 1338 FWL	K	03	25S	32E	Lea
First Take Point	25 FSL & 1210 FWL	M	03	25S	32E	Lea
Last Take Point	100 FNL & 1210 FWL	D	34	24S	32E	Lea
Terminus	25 FNL & 1210 FWL	D	34	24S	32E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 Section 03	639.37	Wildcat; Upper Wolfcamp	98270
W/2 Section 34			

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 – 8939
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 southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 10, T25S, R32E, encroachment to the NW/4 NW/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 03, T25S, R32E and the W/2 of Section 34, T24S, R32E.

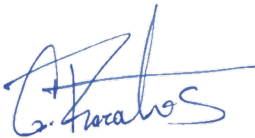
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

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.



GERASIMOS RAZATOS
DIRECTOR (ACTING)
GR/lrl

Date: 5/7/2025

ID NO. 447415

Revised March 23, 2017

RECEIVED: 03/31/25	REVIEWER:	TYPE:	APP NO:
---------------------------	-----------	-------	---------

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: 4323Well Name: CO 3 34 Federal 605HAPI: 30-025-53502Pool: WC-025 G-08 S253216D; WolfcampPool Code: 98270

**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☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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.

Deana M. Bennett

Print or Type Name

Signature

March 31, 2025

Date

505-848-1834

Phone Number

deana.bennett@modrall.com

e-mail Address



MODRALL SPERLING

L A W Y E R S

March 31, 2025

VIA E-FILING

Deana M. Bennett
505.848.1834
dmb@modrall.com

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 3 34 Federal 605H well located in a 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3, Township 25 South, Range 32 East and the W/2 of Section 34, Township 24 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 3 34 Federal 605H well (API No. 30-025-53502) (the "Well") located in the W/2 of Section 3, Township 25 South, Range 32 East and the W/2 of Section 34, Township 24 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 3	639.37	WC-025 G-08 S253216D; Upper Wolfcamp	98270
W/2 Section 34			

The 640-acre, more or less, horizontal spacing unit in which the Well will be located is standard because this Well is a proximity tract well. The CO 3 34 Federal 605H well's completed lateral is closer than 330' from the quarter quarter section lines in the W/2 of Sections 3 and 34, specifically the completed interval of the CO 3 34 Federal 605H well is located 1210' from the West line of Sections 3 and 34.

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 & 1338' FWL of Section 3-T25S-R32E;
- First Take Point: 25' FSL & 1210' FWL of Section 3-T25S-R32E;
- Bottom Hole Location: 25' FNL & 1210' FWL of Section 34-T24S-R32E;
- Last Take Point: 100' FNL & 1210' FWL of Section 34-T24S-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 N/2NW/4 of Section 10, Township 25 South, Range 32 East.

Chevron is the operator and owns 100% of the working interest in the N/2NW/4 of Section 10, 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,



Deana M. Bennett

Attorney for Chevron U.S.A. Inc.

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/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	<div style="text-align: right;"> C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting </div> <div style="border: 1px solid black; padding: 2px;"> Submittal Type: <div style="display: inline-block; vertical-align: top; margin-left: 10px;"> <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled </div> </div>
--	---	---

WELL LOCATION INFORMATION

API Number 30-025-53502	Pool Code 98270	Pool Name WC-025 G-08 S253216D; UPPER WOLFCAMP
Property Code 336239	Property Name CO 3 34 FEDERAL	Well Number 605H
OGRID No. 4323	Operator Name CHEVRON U.S.A. INC.	Ground Level Elevation 3476'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface 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 1338' WEST	Latitude 32.156190° N	Longitude 103.667018° W	County LEA
---------	--------------	----------------------	-------------------------------	------------	-----------------------------	----------------------------	--------------------------	----------------------------	---------------

Bottom Hole Location

UL D	Section 34	Township 24 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' NORTH	Ft. from E/W 1210' WEST	Latitude 32.181209° N	Longitude 103.667149° W	County LEA
---------	---------------	----------------------	-------------------------------	------------	---------------------------	----------------------------	--------------------------	----------------------------	---------------

Dedicated Acres 639.37	Infill or Defining Well DEFINING	Defining Well API 30-025-53502	Overlapping Spacing Unit (Y/N) NO	Consolidation Code N/A
Order Numbers. N/A			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL M	Section 3	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 32.152313° N	Longitude 103.667537° W	County LEA
---------	--------------	----------------------	-------------------------------	------------	---------------------------	----------------------------	--------------------------	----------------------------	---------------

First Take Point (FTP)

UL M	Section 3	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 32.152313° N	Longitude 103.667537° W	County LEA
---------	--------------	----------------------	-------------------------------	------------	---------------------------	----------------------------	--------------------------	----------------------------	---------------

Last Take Point (LTP)

UL D	Section 34	Township 24 SOUTH	Range 32 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 100' NORTH	Ft. from E/W 1210' WEST	Latitude 32.181003° N	Longitude 103.667149° W	County LEA
---------	---------------	----------------------	-------------------------------	------------	----------------------------	----------------------------	--------------------------	----------------------------	---------------

Unitized Area or Area of Uniform Interest N/A	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 3476'
--	--	----------------------------------

OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Signature _____ Date _____

Printed Name _____

Email Address _____

SURVEYOR CERTIFICATIONS

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.

See Sheet 2 of 2 for plat.



Signature and Seal of Professional Surveyor _____

02/10/2022
Date of Survey

EXHIBIT
A

tabbles

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.

See Sheet 1 of 2 for notes & certification.

PROPOSED BOTTOM HOLE LOCATION

X = 706,256.65' (NAD27 NM E)
Y = 430,238.28'
LAT. 32.181085° N (NAD27)
LONG. 103.666671° W
X = 747,441.46' (NAD83/2011 NM E)
Y = 430,296.58'
LAT. 32.181209° N (NAD83/2011)
LONG. 103.667149° W

PROPOSED LAST TAKE POINT

X = 706,257.15' (NAD27 NM E)
Y = 430,163.29'
LAT. 32.180879° N (NAD27)
LONG. 103.666671° W
X = 747,441.97' (NAD83/2011 NM E)
Y = 430,221.58'
LAT. 32.181003° N (NAD83/2011)
LONG. 103.667149° W

PROPOSED MID POINT

X = 706,291.69' (NAD27 NM E)
Y = 424,984.58'
LAT. 32.166643° N (NAD27)
LONG. 103.666663° W
X = 747,476.73' (NAD83/2011 NM E)
Y = 425,042.77'
LAT. 32.166767° N (NAD83/2011)
LONG. 103.667140° W

PROPOSED FIRST TAKE POINT/KOP

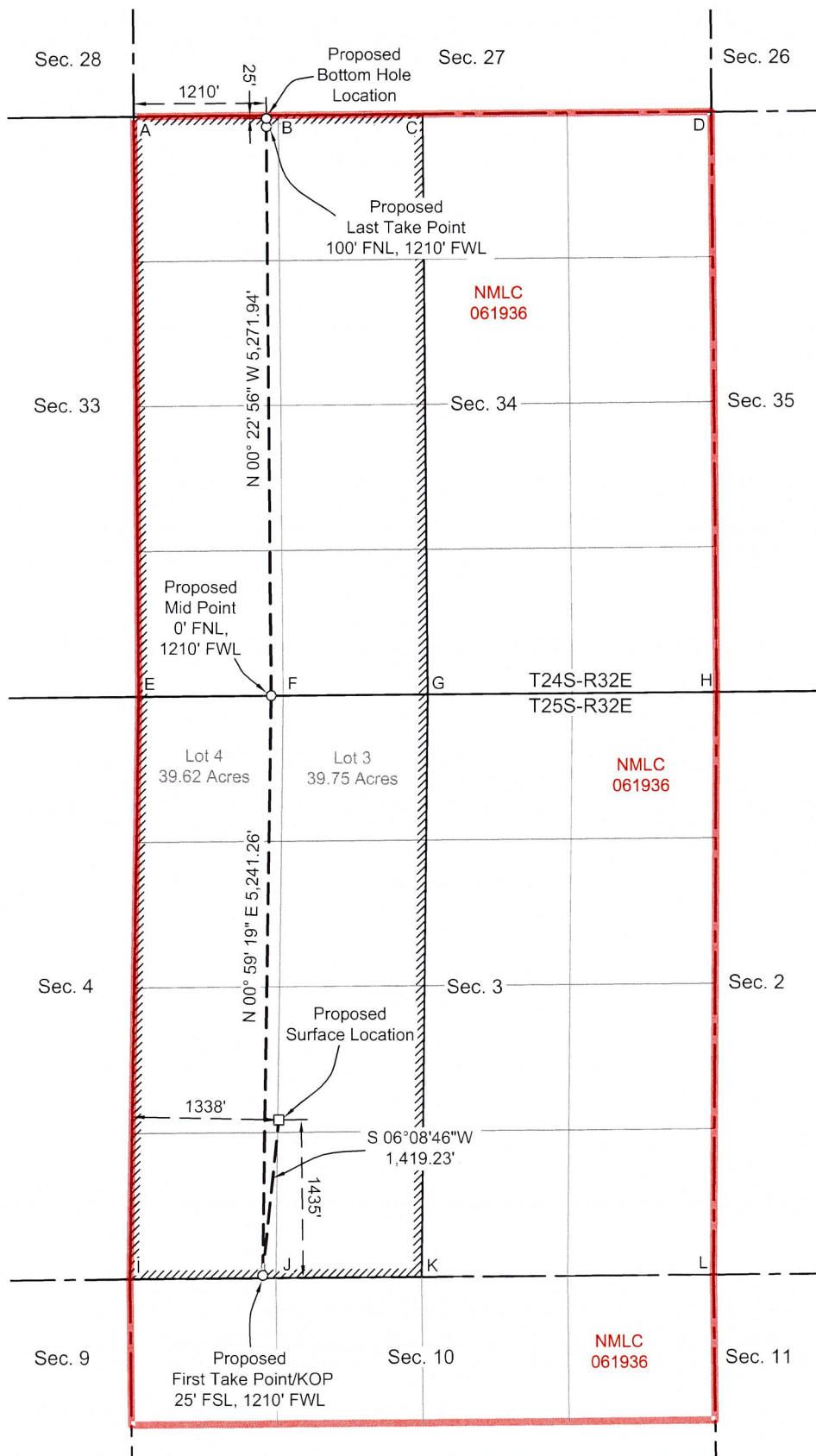
X = 706,201.38' (NAD27 NM E)
Y = 419,725.98'
LAT. 32.152190° N (NAD27)
LONG. 103.667060° W
X = 747,386.65' (NAD83/2011 NM E)
Y = 419,784.05'
LAT. 32.152313° N (NAD83/2011)
LONG. 103.667537° W

CO 3 34 FEDERAL 605H

X = 706,353.33' (NAD27 NM E)
Y = 421,137.05'
LAT. 32.156066° N (NAD27)
LONG. 103.666541° W
X = 747,538.54' (NAD83/2011 NM E)
Y = 421,195.15'
LAT. 32.156190° N (NAD83/2011)
LONG. 103.667018° W

CORNER COORDINATES TABLE (NAD 27)

A - X=705046.53, Y=430251.61
B - X=706367.33, Y=430264.35
C - X=707688.13, Y=430277.09
D - X=710329.72, Y=430302.57
E - X=705081.74, Y=424972.86
F - X=706401.71, Y=424985.65
G - X=707721.68, Y=424998.44
H - X=710361.63, Y=425024.01
I - X=704990.58, Y=419689.78
J - X=706322.72, Y=419702.10
K - X=707654.87, Y=419714.41
L - X=710319.17, Y=419739.04



T:\2022\2224517\DWG\CO Panther 3 34 FED No 605H-C102.dwg



Mark Behl
Reservoir Engineer

March 31, 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 3 34 FEDERAL 605H
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 3 34 FEDERAL 605H (API No. 30-025-53502)

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,

A handwritten signature in black ink, appearing to read "MBehl".

Mark Behl
Reservoir Engineer

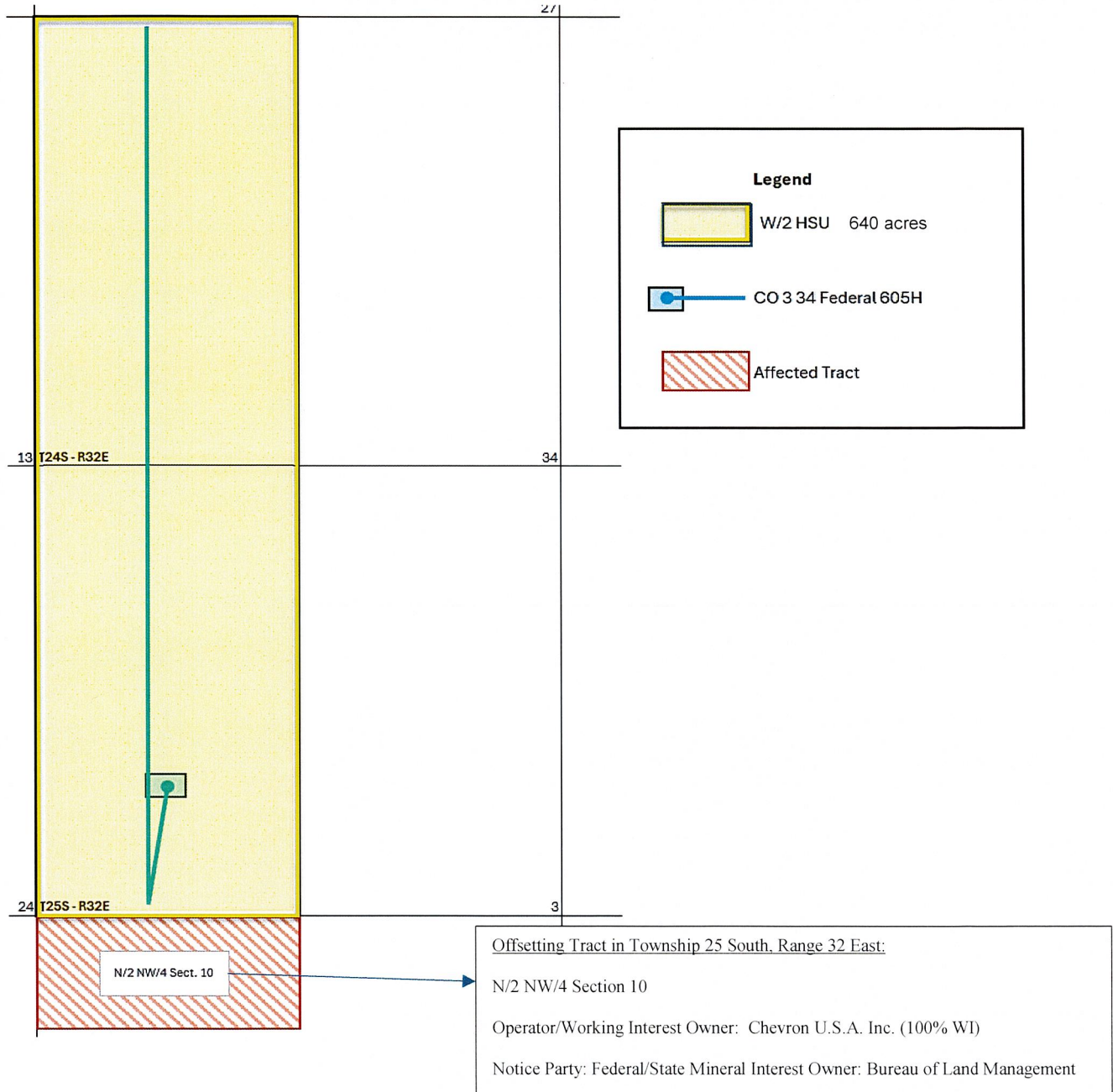
Mid-Continent Business Unit
North America Exploration and Production Company
Chevron U.S.A. Inc.
6301 Deauville Blvd., Midland, Texas 79706
Tel 432 664-9575 Fax 866 908-3881
Mark.behl@chevron.com



Offset Operators and WI Owners

NSL Well: CO 3 34 FEDERAL 605H (30-025-53502)

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



EXHIBIT

tabbles

C



March 31, 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 3 34 Federal 604H well located in a 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3, Township 25 South, Range 32 East, and the W/2 of Section 34, Township 24 South, Range 32 East Lea County, New Mexico

Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 3 34 Federal 605H well located in a 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3, Township 25 South, Range 32 East, and the W/2 of Section 34, Township 24 South, Range 32 East Lea County, New Mexico

Application of Chevron U.S.A. Inc. for administrative approval of unorthodox well location for its CO 3 34 Federal 606H well located in a 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3, Township 25 South, Range 32 East, and the W/2 of Section 34, Township 24 South, Range 32 East Lea County, New Mexico

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,

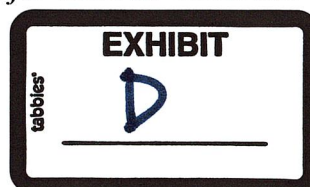
A handwritten signature in blue ink, appearing to read 'Deana M. Bennett', is written over the word 'Sincerely,'.

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



Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
03/31/2025

Firm Mailing Book ID: 285648

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0133 3823 29	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$3.15	\$4.85	\$2.62	\$0.00	83420.0050 604H-606H
Totals:			\$3.15	\$4.85	\$2.62	\$0.00	
			Grand Total:				\$10.62

List Number of Pieces
Listed by Sender

Total Number of Pieces
Received at Post Office

Postmaster:
Name of receiving employee

Dated:

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

Action 447415

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 447415
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

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