State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinet Secretary

Ben SheltonDeputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang Division Director Oil Conservation Division



Deana Bennett deana.bennett@modrall.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9089

Chevron U.S.A., Inc. [OGRID 4323] CO 10 15 Federal Com Well No. 414H API No. 30-025-53557

Reference is made to your application received on August 19th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	667 FSL & 1430 FWL	N	03	25S	32E	Lea
First Take Point	25 FSL & 1650 FWL	\mathbf{C}	10	25S	32E	Lea
Last Take Point	100 FSL & 1650 FWL	N	15	25S	32E	Lea
Terminus	25 FSL & 1650 FWL	N	15	25S	32E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
E/2 W/2 Section 10	320	Wildcat; Bone Spring	96715
E/2 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 dedicate a horizontal well at 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

Administrative Order NSL - 9089 Chevron U.S.A., Inc. Page 2 of 2

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 well shall be no closer than 100 feet for a well within 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 First and Last 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 SE/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.

Division understands you are seeking this unorthodox location for the greatest recovery of reserves and to prevent waste within the Bone Spring formation underlying the E/2 W/2 of Section 10 and the E/2 W/2 of Section 15. All while protecting the correlative rights of all parties within this formation.

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 Division deems necessary.

Albert C.S. Chang Division Director

Albert Chang

AC/lrl

Date: 11/10/2025

NSL - 9089

ID NO. 497247 RECEIVE 08/19/25 REVIEWER:

TYPE:

APP NO:

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

Ceological & Engineering Bureau



Revised March 23, 2017

- Geological & Engli	leening bureau –
1220 South St. Francis Drive	e, Santa Fe, NM 87505
ADMINISTRATIVE APP	LICATION CHECKLIST
	'E APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
Applicant: Chevron U.S.A. Inc.	OGRID Number: 4323
Well Name: CO 10 15 Federal Com 414H	API: 30-025-53557
Pool: WC-025 G-08 S253209L; Bone Spring	Pool Code: 96715
SUBMIT ACCURATE AND COMPLETE INFORMATION INDICATE	
1) TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Dec	dication
B. Check one only for [1] or [11] [1] Commingling – Storage – Measuremen DHC CTB PLC PC [11] Injection – Disposal – Pressure Increase WFX PMX SWD IPI	Ols Olm
2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, revered C. Application requires published notice D. Notification and/or concurrent approved Notification and/or concurrent approved Surface owner G. For all of the above, proof of notification No notice required	Application Content Complete Application Content Complete
3) CERTIFICATION: I hereby certify that the informal administrative approval is accurate and complete understand that no action will be taken on this contifications are submitted to the Division.	ete to the best of my knowledge. I also
Note: Statement must be completed by an indivi	idual with managerial and/or supervisory capacity.
	August 19, 2025
Deana M. Bennett	Date
Print or Type Name	
1	505-848-1834
Wan I Burnett	Phone Number
Signature	deana.bennett@modrall.com e-mail Address

Released to Imaging: 11/13/2025 1:36:21 PM



LAWYERS

August 19, 2025

VIA E-FILING

Deana M. Bennett 505.848.1834 dmb@modrall.com

Director Albert Chang

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 414H well located in a 320-acre, more or less, horizontal spacing unit comprised of the E/2W/2 of Sections 10 and 15, Township 25 South, Range 32 East, Lea County, New Mexico

Dear Director Chang /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 414H well (API No. 30-025-53557) (the "Well") located in the E/2W/2 of Sections 10 and 15, Township 25 South, Range 32 East, Lea County, New Mexico, and will be in the WC-025 G-06 S253209L; Bone Spring pool (Pool Code 96715). 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
E/2W/2 Sections 10 & 15	320	WC-025 G-06 S253209L; Bone Spring	96715

WC-025 G-06 S253209L; Bone Spring 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: 667' FSL & 1430' FWL of Section 3-T25S-R32E;
- Bottom Hole Location: 25'FSL & 1650' FWL of Section 15-T25S-R32E;
- First Take Point: 25' FNL & 1650' FWL of Section 10-T25S-R32E;
- Last Take Point: 100' FSL & 1650' 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/2SW/4 of Section 3, Township 25 South, Range 32 East.

Chevron is the operator and owns 100% of the working interest in the S/2SW/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. Chevron's landman has provided a letter confirming the ownership in the S/2SW/4 of Section 3, Township 25 South, Range 32 East, which is included as Exhibit E.

Your attention to this matter is appreciated.

Sincerely,

Deana M. Bennett

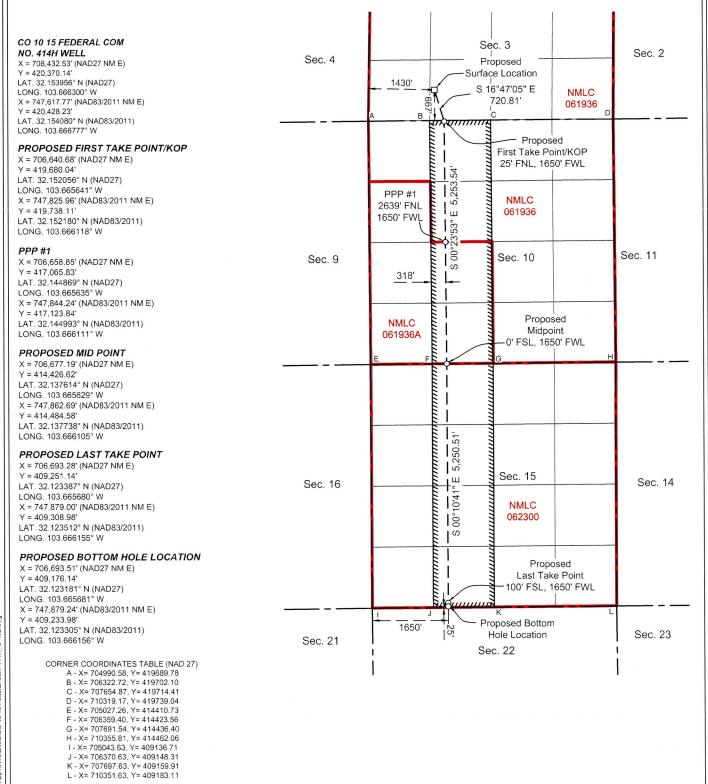
Attorney for Chevron U.S.A. Inc.

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			C-102 Revised November 18, 2024 Submit Electronically via OCD Permitting			
						TION INFORMATIO	ON	present library and		
	lumber 5-53557		Pool Code 96715			Pool Name WC-025 G-06 S253209	9L; BONE SP	RING		
	rty Code		Property Na CO 10 15 F						Well Numb 414H	er
OGRI 4323	D No.	a a 1	Operator Na CHEVRON		NC				Ground Lev 3469'	el Elevation
0.000	e Owner: 🗆	State ☐ Fee ☐				Mineral Owner:	☐ State ☐ Fe	e 🗆 Tribal		
					C	T 45				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	I	Longitude	County
N	3	25 SOUTH	32 EAST, N.M.P.M.	N/A	667' SOUTH	1430' WEST	32.15408		03.666777° W	LEA
	1					Hole Location				
UL N	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 1650' WEST	Latitude 32.12330	5° N 1	Longitude .03.666156° W	County LEA
Dedic 320	ated Acres	Infill or Defi	ining Well Defining Well API		Overlapping Spacing Unit (Y/N) Consolidation Code NO P,C					
Order	Numbers: N/	'A				Well setbacks are	under Commo	on Ownersh	ip: ⊠Yes □No	
					Kick O	off Point (KOP)				
UL C	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 1650' WEST	Latitude 32.15218		Longitude 03.666118° W	County LEA
			111111111111		First T	ake Point (FTP)				
UL C	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 1650' WEST	Latitude 32.15218		Longitude 103.666118° W	County LEA
						ake Point (LTP)	= -1			
UL N	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 1650' WEST	Latitude 32.12351		Longitude 103.666155° W	County LEA
Unitized Area or Area of Uniform Interest Spacing Unit Type ⊠ Hot CA PENDING				g Unit Type ⊠ Hoi	rizontal 🗆 Vertical	Gro 346	und Floor E 9'	levation:		
OPER	PATOR CER	TIFICATIONS	1			SURVEYOR CERT	IFICATIONS			
I herei best of that the the lar at this unleas poolin If this the co- miner the we	by certify that the fing knowledge is organization and including the location pursused mineral integ order heretof well is a horizonsent of at least al interest in ea	the information co and belief, and, either owns a we proposed botton ant to a contract rest, or to a volu tore entered by the mal well, I furth tone lessee or ov ch tract (in the te interval will be le	ontained herein if the well is a v orking interest in hole location with an owner ntary pooling a e division. er certify that ti wner of a worki urget pool or fo	vertical or or unleased or has a ri; of a workin greement of this organization interest rmation) in	directional well, I mineral interest in ght to drill this well gg interest or a compulsory ation has received or unleased which any part of	I hereby certify that the actual surveys made by to the best of my belief. See Sheet 2 of 2 for pla	well location so me or under m	v supervision	and that the same	s is true and correct
Signat	rure		Date			Signature and Seal of P	rofessional Sur	veyor		V
Printe	d Name			7		Certificate Number	06/24/20 Date of St	ırvey	EXHI	BIT
Email	Address							tabbies	H	

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.





August 5, 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 414H

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 414H (API No. 30-025-53557)

The Well will be completed within the WC-025 G-06 S253209L; BONE SPRING (Pool Code: 96715).

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

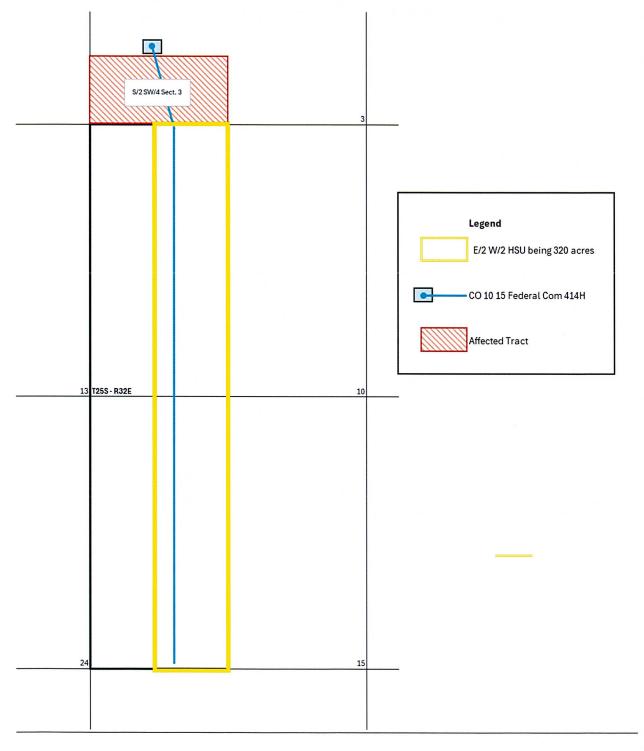
Mid-Continent Business Unit North America Exploration and Production Company Chevron U.S.A. Inc. 6301 Deauville Blvd., Midland, Texas 79706

Tel 432 664-9575 Fax 866 908-3881 Mark.behl@chevron.com EXHIBIT
B

Offset Operators and WI Owners

NSL Well: CO 10 15 Federal Com 414H (30-025-53557)

Pool Code: [96715] WC-025 G-06 S253209L; BONE SPRING



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 Manageme





August 19, 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 414H well located in a 320-acre, more or less, horizontal spacing unit comprised of the E/2W/2 of Sections 10 and 15, Township 25 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 10 15 Federal Com 415H well located in a 320-acre, more or less, horizontal spacing unit comprised of the E/2W/2 of Sections 10 and 15, Township 25 South, Range 32 East, Lea County, New Mexico

Dear Sir or Madam:

Enclosed is a copy of the above referenced applications 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

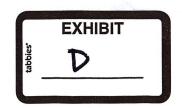
Attorney for Chevron U.S.A. Inc.

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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Firm Mailing Book ID: 294505	Reference Contents	83420.0050 Chevron 414H, 415H		
Firm Maili	Rest.Del.Fee	\$0.00	\$0.00	910.23
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	Service Fee RR Fee	\$5.30	\$5.30	Grand 10tar:
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See Farlene Schuman Modrall Sperling Rochl Harris & Sisk P.A. Soft Fourth Street, Suite 1000 Albuquerque NM 87102	rg: 11/1	_ 13/2025	1:36	Listed by Sender



August 18, 2025

VIA EMAIL

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 414H Lea County, New Mexico

Non-Standard Location Application CO 10 15 Federal Com 415H Lea County, New Mexico

Dear OCD Engineering Bureau:

I am a landman for Chevron U.S.A. Inc. ("Chevron"). Chevron has requested administrative approval of non-standard locations ("NSL") for the CO 10 15 Federal Com 414H and CO 10 15 Federal Com 415H wells (the "Wells). As noted in the NSL application materials for these Wells, the Wells unorthodox location for the first take point will encroach towards the S/2SW/4 of Section 3, Township 25 South, Range 32 East.

As a landman for Chevron, I have knowledge of the ownership of the S/2SW/4 of Section 3, Township 25 South, Range 32 East. I confirm that Chevron is the operator and owns 100% of the working interest in the S/2SW/4 of Section 3, Township 25 South, Range 32 East, which is the tracts upon which the Wells will encroach.

Thank you for your consideration.

Sincerely,

Nicholas Angelle Land Representative

EXHIBIT

EXHIBIT

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 497247

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	497247
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Create By	d Condition	Condition Date
llow	e None	9/2/2025