

# Protested

## NSL

# Application

**From:** [Michael Condon](#)  
**To:** [Lowe, Leonard, EMNRD](#); [Kaitlyn A. Luck](#)  
**Cc:** [Hawkins, James, EMNRD](#)  
**Subject:** [EXTERNAL] RE: PROTESTED NSLs - Affected Parties protest of Chevron USA INC.'s\_DL 10 3 Kraken Fed Wells (207H, 208H, 209H)\_SEC 10 22S 33E\_Lea County, N.M.  
**Date:** Friday, October 8, 2021 8:59:15 AM  
**Attachments:** [image001.png](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Mr. Lowe: I am pleased to inform you that my clients and Chevron have resolved their issues related to the NSL applications. Objectors Michael and Patricia Stewart and JAFT Investments LLC withdraw their objections to the three Chevron applications.

Let me know if you need anything else.

Michael J. Condon  
Gallegos Law Firm, P.C.  
460 St. Michael's Drive Bldg 300  
Santa Fe, NM 87505  
505-983-6686

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**From:** Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>  
**Sent:** Friday, October 1, 2021 1:41 PM  
**To:** Kaitlyn A. Luck <KALuck@hollandhart.com>  
**Cc:** Michael Condon <mjc@gallegoslawfirm.net>; Hawkins, James, EMNRD <James.Hawkins@state.nm.us>  
**Subject:** PROTESTED NSLs - Affected Parties protest of Chevron USA INC.'s\_DL 10 3 Kraken Fed Wells (207H, 208H, 209H)\_SEC 10 22S 33E\_Lea County, N.M.  
**Importance:** High

Ms. Kaitlyn A. Luck,

Re:

Applicant	OGRID	WELL NAME	API #
Chevron USA Inc.	4323	DL 10 3 Kraken Federal Com Well No. 209H	30-025-PENDING
Chevron USA Inc.	4323	DL 10 3 Kraken Federal Com Well No. 208H	30-025-PENDING
Chevron USA Inc.	4323	DL 10 3 Kraken Federal Com Well No. 207H	30-025-PENDING

The OCD was notified that **Michael and Patricia Stewart and JAFT Investments LLC** have protested your three applications for approval of a Non Standard Location of the above subject wells. These parties have been identified as an affected person for their specific location.

Therefore, you are being notified that if **Chevron USA Inc.** wishes for these application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party.

The NSL applications will be retained by OCD, but suspended from further administrative review.

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** [Kaitlyn A. Luck](#)  
**Cc:** [mjc@gallegoslawfirm.net](mailto:mjc@gallegoslawfirm.net); [Hawkins, James , EMNRD](#)  
**Subject:** PROTESTED NSLs - Affected Parties protest of Chevron USA INC."s\_DL 10 3 Kraken Fed Wells (207H, 208H, 209H)\_SEC 10 22S 33E\_Lea County, N.M.  
**Date:** Friday, October 1, 2021 1:40:00 PM  
**Attachments:** [Objection 207, 208, 209.pdf](#)  
[image001.png](#)  
**Importance:** High

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Ms. Kaitlyn A. Luck,

Re:	Applicant	OGRID	WELL NAME	API #
	Chevron USA Inc.	4323	DL 10 3 Kraken Federal Com Well No. 209H	30-025-PENDING
	Chevron USA Inc.	4323	DL 10 3 Kraken Federal Com Well No. 208H	30-025-PENDING
	Chevron USA Inc.	4323	DL 10 3 Kraken Federal Com Well No. 207H	30-025-PENDING

The OCD was notified that **Michael and Patricia Stewart and JAFT Investments LLC** have protested your three applications for approval of a Non Standard Location of the above subject wells. These parties have been identified as an affected person for their specific location.

Therefore, you are being notified that if **Chevron USA Inc.** wishes for these application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party.

The NSL applications will be retained by OCD, but suspended from further administrative review.

Please contact the OCD once a decision regarding this application is determined within the next 30 days. **If no update is given by the 30 day date, the applications will be cancelled.**

10/01/21, Noticed date

11/01/21, 30 day ends

Protestant contact information:

Michael J. Condon  
Gallegos Law Firm, P.C.  
460 St. Michael's Drive, Bldg 300  
Santa Fe, NM 87505  
505-983-6686  
e-mail: [mjc@gallegoslawfirm.net](mailto:mjc@gallegoslawfirm.net)

Please call/e-mail me with any questions regarding this matter.

**Leonard R. Lowe**

Engineering Bureau  
OCD - EMNRD  
5200 Oakland Ave. NE  
Albuquerque, N.M. 87113  
C: 505-930-6717  
<http://www.emnrd.state.nm.us/ocd/>

**From:** Michael Condon <mjc@gallegoslawfirm.net>

**Sent:** Friday, October 1, 2021 12:50 PM

**To:** Engineer, OCD, EMNRD <OCD.Engineer@state.nm.us>

**Cc:** Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>; Kaitlyn A. Luck <KALuck@hollandhart.com>; Cheryl Ortega <cortega@gallegoslawfirm.net>; Gene Gallegos <jeg@gallegoslawfirm.net>

**Subject:** [EXTERNAL] Objections to Chevron Applications for Administrative Approval NSL

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

We represent Affected Parties Michael and Patricia Stewart and JAFT Investments LLC who received notice of 3 Applications by Chevron U.S.A. Inc. for administrative approval of unorthodox well locations for the following wells to be drilled in the W/2 of Sections 3 and 10, Township 22 South, Range 33 East, N..M.P.M., Lea County, New Mexico:

DL 10 3 Kraken Fed Com #207H

DL 10 3 Kraken Fed Com #208H

DL 10 3 Kraken Fed Com #209H

The Stewarts and JAFT object to the applications because the proposed wells' locations threaten the correlative rights of the Stewarts and JAFT who own interests in adjoining tracts that could be drained by the proposed wells. We request that the applications be set for adjudicatory hearing and that OCD order Chevron to provide our clients with documents related to the drilling and location of the wells.

Attached is an Objection in the form of a pleading. Thank you for your attention to this matter. If you need anything else, please let me know.

Michael J. Condon  
Gallegos Law Firm, P.C.  
460 St. Michael's Drive Bldg 300  
Santa Fe, NM 87505  
505-983-6686

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DIVISION  
OIL CONSERVATION DIVISION**

**APPLICATION OF CHEVRON U.S.A INC.,  
FOR ADMINISTRATIVE APPROVAL OF  
AN UNORTHODOX WELL LOCATION FOR ITS  
DL 10 3 KRAKEN FED COM #207H WELL IN THE  
W/2 OF SECTIONS 3 AND 10, TOWNSHIP 22 SOUTH,  
RANGE 33, N.M.P.M., LEA COUNTY, NEW MEXICO.**

**CASE NO.**

**APPLICATION OF CHEVRON U.S.A INC.,  
FOR ADMINISTRATIVE APPROVAL OF  
AN UNORTHODOX WELL LOCATION FOR ITS  
DL 10 3 KRAKEN FED COM #208H WELL IN THE  
W/2 OF SECTIONS 3 AND 10, TOWNSHIP 22 SOUTH,  
RANGE 33, N.M.P.M., LEA COUNTY, NEW MEXICO.**

**CASE NO.**

**APPLICATION OF CHEVRON U.S.A INC.,  
FOR ADMINISTRATIVE APPROVAL OF AN  
UNORTHODOX WELL LOCATION FOR ITS  
DL 10 3 KRAKEN FED COM #209H WELL IN THE  
W/2 OF SECTIONS 3 AND 10, TOWNSHIP 22 SOUTH,  
RANGE 33, N.M.P.M., LEA COUNTY, NEW MEXICO.**

**CASE NO.**

**OBJECTION TO CHEVRON APPLICATIONS FOR  
APPROVAL OF UNORTHODOX WELL LOCATIONS**

Affected Parties Michael and Patricia Stewart and JAFT Investments LLC, by and through undersigned counsel, hereby file and serve their objections to the three above-referenced applications by Chevron U.S.A. Inc. for administrative approval of unorthodox well locations for wells in Sections 3 and 10, Township 22 South, Range 33 East, N.M.P.M., Lea County, New Mexico. The applications are each dated September 14, 2021 and were served on Stewarts and JAFT as affected persons. The proposed wells' unorthodox locations threaten the correlative rights of the Stewarts and JAFT who own interests in adjoining tracts that could be drained by the proposed wells.

Stewart and JAFT request that the Division deny Chevron's request for administrative approval and set the applications for adjudicatory hearings. They also request that the Division order Chevron to provide Stewarts and JAFT with a drilling and completion schedule for the wells at issue in these applications and for any wells Chevron currently has permitted or planned in Sections 15 and 22, Township 22 South, Range 33 East, N.M.P.M., Lea County where Stewarts and JAFT own interests.

Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By /s/ J.E. Gallegos  
J.E. GALLEGOS  
MICHAEL J. CONDON  
460 St. Michael's Drive, Bldg. 300  
Santa Fe, New Mexico 87505  
(505) 983-6686  
jeg@gallegoslafirm.net  
mjc@gallegoslafirm.net

*Attorneys for Stewart and JAFT*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail this 1st day of October 2021.

Kaitlyn A. Luck  
Holland & Hart  
P.O. Box 2208  
Santa Fe, NM 87501-1849  
505-988-4421  
kaluck@hollandhart.com

Attorney for Applicant Chevron U.S.A. Inc

/s/ J.E. Gallegos  
J.E. Gallegos