SUSPENSE

ENGINEER DB

NSL

2PAG1312660838

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



		ADMINISTRATIVE APPLICATION CHECKLIST	
T	THIS CHECKLIST IS M	MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE	
Appli	[DHC-Dow [PC-Pc		
[1]	[A]	PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication  NSL	
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  WFX PMX SWD IPI EOR PPR	)pea
	[D]	Other: Specify	
[2]	NOTIFICAT [A]	TION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners	
	[B]	Offset Operators, Leaseholders or Surface Owner	
	[C]	Application is One Which Requires Published Legal Notice	
	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office	
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,	
	[F]	Waivers are Attached	
[3]		CCURATE AND COMPLETE INFORM ATION INDICATED ABOVE.  30-015-41121	,
	oval is <b>accurate</b> a	ATION: I hereby certify that the informatic ve and complete to the best of my knowledge. at the equired information and notifications are si	is
	Note	e: Statement must be completed by an individual	
Adan	n Rankin	See Attachments /201	2
Print	or Type Name	Signature	



Adam G. Rankin Phone 505-954-7294 Fax 505-983-6043 agrankin@hollandhart.com

April 30, 2013

## **VIA HAND DELIVERY**

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

TECENED OUD

Re: Application to Amend Order NSL-6792.

Dear Ms. Bailey:

Chesapeake Operating, Inc., (OGRID No. 147179) agent for Chevron USA, Inc. (OGRID No. 4323) hereby seeks an amendment to the above-referenced administrative approval of its unorthodox well location for the Hayhurst 16 25 27 State 2H well. NSL-6792 approved a surface location 150 FNL and 1780 FEL and a bottom-hole location 200 FSL and 1780 FEL. The first perforations were estimated to be 330 FNL and 1780 FEL and the last perforations were projected to be approximately 200 FSL and 1780 FEL.

Chesapeake hereby seeks to amend NSL-6792 to approve a surface location 175 FNL and 1733 FEL with a terminus location 250 FSL and 1733 FEL. The first perforations are proposed to be 330 FNL and 1733 FEL and the last perforations are requested to be approximately 250 FSL and 1733 FEL.

**Exhibit A** is the revised Well Location and Acreage Dedication Plat (Form C-102), which shows that the proposed Hayhurst 16 25 27 State 2H well encroaches on the spacing and proration unit to the South.

As with the original application, the operator of spacing and proration unit to the South is Chevron, which is the applicant for this non-standard location; therefore, the affected parties under the rules are the working interest owners in the encroached-upon spacing and proration unit to the South. In this case, Chevron owns 100 percent of the working interest in the encroached-upon spacing and proration unit to the South.



Your attention to this application is appreciated.

Sincerely,

Adam G. Rankin

ATTORNEY FOR CHESAPEAKE OPERATING, INC.

Enclosures

District 1
1625 N. French Dr., Hobbs, NM 88240
Phome: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesie, NM 88210
Phome: (575) 748-1283 Fax: (575) 748-9730
District III
1909 Rio Bissans Read, Azice, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1270 S. St. Frencis Dr., Santa Fe, NM 87505
Phome: (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

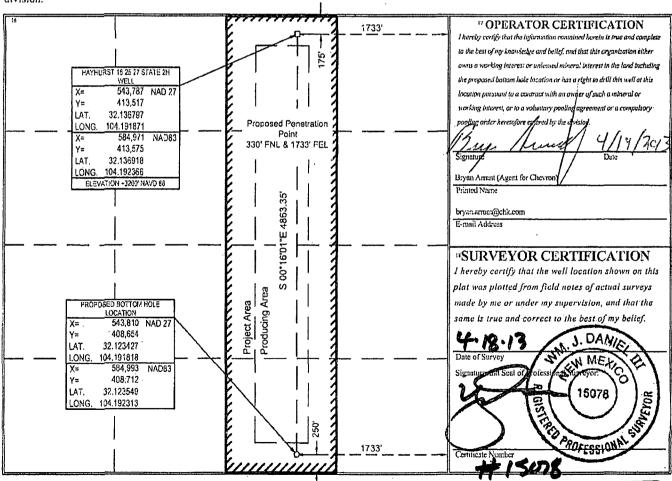
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office



### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			'Pool C	ode	<sup>3</sup> Pool Name					
	30-015-41	121	97810	5	WILDCAT G-02 S2527 15A; BONE SPRING					
<sup>4</sup> Property Code				S Property Nume					6 Well Number	
39726			HAYHURST 16 25 27 STATE						2H	
'OGRID No.					9 Elevation					
4323			CHEVRON U.S.A. INC.						3200'	
				□ Sur	face Locat	ion				
UL or lot no.	Section	Township	Range .	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County	
В	16	25 SOUTH	27 EAST, N.M.P.M.		175'	NORTH	1733'	EAST	EDDY	
			<sup>11</sup> Bottom H	ole Locat	ion If Diffe	erent From S	urface			
UL or lat no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	16	25 SOUTH	27 EAST, N.M.P.M.		250'	SOUTH	1733'	EAST	EDDY	
12 Dedicated A	cres 13 Join	i o: Infill	14 Consolidation Code 15	Order No.						
160										

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.





Adam G. Rankin Phone 505-954-7294 Fax 505-983-6043 agrankin@hollandhart.com

April 30, 2013

RECEIVED OUD # 2

### VIA HAND DELIVERY

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

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Enclosures

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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

API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Code <sup>3</sup> Pool Neme							
30-015-41121	97816	WILDCAT	A; BONE SPRING	}					
<sup>4</sup> Property Code	3 p	6	Well Number						
39726	39726 HAYHURST 16 25 27 STATE								
'OGRID No.	OGRID No.								
1 4323	CHEVE	ON U.S.A. INC.			3200'				
□ Surface Location									
UL or lot no. Section Township	Range Lot Idn	Feet from the North/South line	Feet from the	East/West line	County				

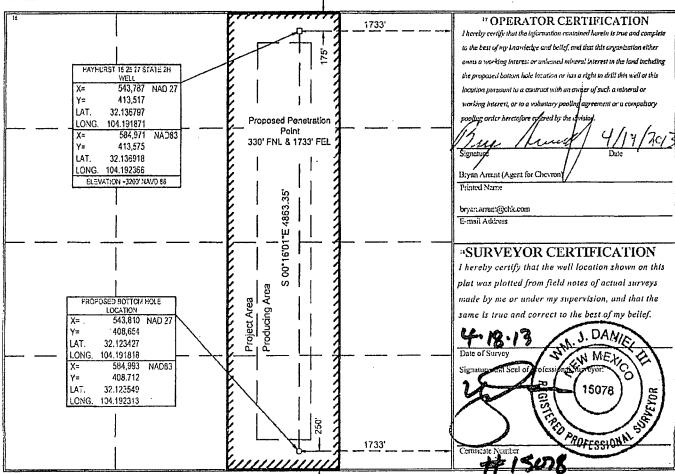
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County

B 16 25 SOUTH 27 EAST, N.M.P.M. 175' NORTH 1733' EAST EDDY

" 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
0	16	25 SOUTH	27 EAST, N.M.P.M.		250'	SOUTH	1733'	EAST	EDDY
<sup>12</sup> Dedicated Acres   <sup>13</sup> Joint o: Infil   <sup>14</sup> Consolidation Code   <sup>13</sup> Order No.									
160									

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EXHIBIT