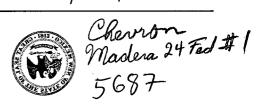
ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



| [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR [D] Other: Specify For the swhich Apply, or Does Not Apply [A] 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] X Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TY: OF APPLICATION INDICATED ABOVE. [4] 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 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. | | | ADMINISTRATIVE APPLICATION CHECKLIST | |
|--|---------|--------------------------------------|---|------------------|
| Application Acronyms: [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downholo Commingling] [CTB-Lease Commingling] [PC-Pool/Lease Commingling] [PC-Pool/Lease Commingling] [PC-Pool/Lease Commingling] [PC-Pool/Lease Commingling] [PNS-Pressure Maintenance Expansion] [PNS-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] TYPE OF APPLICATION - Check Those Which Apply for [A] [A] Location - Spacing Unit - Simultaneous Dedication X NSL NSL NSP SD NSP SD NSP SD NSP SD NSP SD NSP SD NSP NSP SD NSP | TI | HIS CHECKLIST IS MA | | ND REGULATIONS |
| [A] Location - Spacing Unit - Simultaneous Dedication X | Applic | [NSL-Non-Star [DHC-Dowr [PC-Po | s: indard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedition inhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Comm ingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measureme [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] | ingling] ent] |
| [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX | [1] | | Location - Spacing Unit - Simultaneous Dedication | ~ |
| [D] Other: Specify | | | Commingling - Storage - Measurement | REC Page 2 |
| NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [A] | | [C] | | 3 < |
| [2] NOTIFICATION REQUIRED 10: - Check Those which Apply, or Does Not Apply [A] | | [D] | Other: Specify | |
| [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] X Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TY OF APPLICATION INDICATED ABOVE. [4] 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 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. | [2] | | | |
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| [E] For all of the above, Proof of Notification or Publication is Attached, and/or, [F] X Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYLOF APPLICATION INDICATED ABOVE. [4] 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 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. | | [C] | Application is One Which Requires Published Legal Notice | |
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| | approv | val is accurate ar | nd complete to the best of my knowledge. I also understand that no action wil | |
| Pamela A. Boring, RE. Handle (L. Tokuna) Petroleum Engineer 8/17/20 | | | | <i>į</i> . |
| | | | - TWYNIA U WENNA | 8/17/2007 |
| Print or Type Name Signature Title Date | Print c | or Type Name | | Date |

_pboring@chevron.com e-mail Address



August 13, 2007

Pamela A. Boring, P.E. Production Engineer Sundown-Mabee-Dollarhide Chevron U.S.A. Inc. 15 Smith Road Midland, Texas 79705 Tel 432-687-7879 Fax 432-687-7871 pboring@chevron.com

Request for Administrative Approval Unorthodox Well Location Madera Federal 24 #1 1310' FSL & 1310' FWL, ULM, Sec. 24, T. 26S, R. 34E Lea County, NM

New Mexico Oil Conservation Division Attention: David Brooks 1220 S. St. Francis Dr. Santa Fe, NM 87505

Dear Mr. Brooks:

Attached is a copy of an administrative application for NMOCD approval for an unorthodox well location.

The Madera Federal 24 #1 was completed on 4/29/05 as a gas well. Since that time, the GOR of the well has dropped to below 8700, necessitating reclassification as an oil well. Reclassification as an oil well results in this well being in an unorthodox location. Review of location plats indicate that Chevron owns all acreage within a 40 acre spacing unit of the Madera Federal 24 #1 location. Therefore, notification of offset operators is not required.

If you have any questions concerning this application, please call me at (432) 687-7879.

Sincerely,

Pamela A. Boring, P.E.

Lamela a. Lorung

Attachments

| 14 | 13 26S-34E | 18 |
|--|------------------|--|
| 23 | 811355-001 24 | 1) 81137 811389-09937 811384-000 811385-000 811387-000 811386-000 811386-000 811388-000 811383-000 811383-000 811383-000 |
| 26 | 811355-002 25 | 30 |
| This document may include proprietary, confidential and copyrighted data. For internal use only, Portion | 811348-000 3 (a | 31 |

32000

32,05

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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 October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

| 1220 S. St. Franc | is Dr., Santa | Fe, NM 87 | 505 | • | | | | ☐ AME | NDED REPORT | |
|--|---------------------------|-----------|----------------------------|--------------------------|-------------------------|------------------|---------------|--------------------------|------------------------|--|
| | | V | VELL LO | CATION | N AND ACR | EAGE DEDIC | CATION PLA | ΛT | | |
| 'API Number | | | | ² Pool Code | | ³ Pool Name | | | | |
| 30-025-36666 | | | | 96776 WILDCAT - WOLFCAME | | | CAMP | | | |
| Property Code | | <u> </u> | ⁵ Property Name | | | | | ⁶ Well Number | | |
| | | | MADERA "24" FEDERAL | | | | | 1 . | | |
| 'OGRID | No. | | ³ Operator Name | | | | | | [°] Elevation | |
| 241333 | | , | CHEVRON MIDCONTINENT, L.P. | | | | | | 3197' | |
| | | | | | ¹⁰ Surface 1 | Location | | | | |
| UL or lot no. | | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| M N | 24 | 26-S | 34-E | | 1310 | SOUTH | 1310 | WEST | LEA | |
| 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 | |
| The state of the s | | | | | | | | | | |
| 12 Dedicated Acre | es ¹¹³ Joint o | r Infill | ⁴ Consolidation | Code 15 Or | der No. | | | | | |
| 40 | ` | | | | | | | | | |

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.

| I | 16 | | | 17 OPERATOR CERTIFICATION |
|------|----------------|----------|----------|--|
| Ĭ | | | | I hereby certify that the information contained herein is true and complete to the best of |
| ۱ | | | | my knowledge and bettef, and that this organization either owns a working interest or |
| ۱ | | | | unleased mineral interest in the land including the proposed bottom hole location or has |
| ۱ | | | | a right to drill this well at this location pursuant to a contract with an owner of such a |
| | | | | mineral or working interest, or to a voluntary pooling agreement or a compulsory |
| ı | | | | pooling order heretofore entered by the division. |
| | | | | Sense Pinkerno 37-2007 |
| | | | | |
| ı | | | | Signature Date |
| ł | | | | DENISE PINKERTON REGULATORY, SPECIALIST |
| f | | | | Printed Name |
| ļ | | | | |
| | | | | |
| | | | | |
| ı | | | | |
| Ì | | | | ¹⁸ SURVEYOR CERTIFICATION |
| | | | | I hereby certify that the well location shown on this plat was plotted from |
| ı | | | | 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. |
| ĺ | | 1 . | | |
| ŀ | | t1 | | Date of Survey |
| 4 | | 1r | | Signature and Seal of Professional Surveyor: |
| 1 | 1310' | | | |
| K | , 010 | | | |
| 1 | ~ \ <u>`</u> | | | |
| | <i>,</i> | | | |
| 1 | \mathcal{L} | | | |
| $\ $ | ✓ | | | Certificate Number |
| | | | | |
| Ĺ | +++ | <u> </u> | <u> </u> | <u> </u> |
| | 1 1 1 | T | | |

Brooks, David K., EMNRD

From: PARHAM.

PARHAM, TAMI D [TPARHAM@chevron.com]

Sent:

Thursday, September 20, 2007 2:29 PM

To:

Brooks, David K., EMNRD

Cc:

Boring, Pamela A (PBoring)

Subject: RE: NSL Application - Madera Fed 24 #1

David.

Per our conversation, the ownership in the SW4 of Sec 24 has consistent ownership. There are other parties that are involved, however they are the same throughout the whole SW4, and Chevron is the operator. Please let me know if any more information is needed.

Thanks, Tami Parham (432)687-7144

From: Boring, Pamela A (PBoring)

Sent: Wednesday, September 19, 2007 8:37 AM

To: PARHAM, TAMI D

Subject: FW: NSL Application - Madera Fed 24 #1

Tami: Do you know if this is true...i.e. do we have 100% WI in that guarter section?

Pamela A. Boring, P. E.
Production Engineer
Chevron North America E&P Co.
MidContinent Alaska
Midland, Texas
432-687-7879 (Office)
432-631-3273 (Cellular)

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

Sent: Tuesday, September 18, 2007 6:43 PM

To: Boring, Pamela A (PBoring)

Subject: NSL Application - Madera Fed 24 #1

Ms. Boring

I have before me your referenced NSL application.

The application states that "Chevron owns all acreage within a 40 acre spacing unit of the Madera Federal 24 #1 location." I do not understand for certain what this means. Given the location of this well, for notice requirements not to apply Chevron would have to be the 100% working interest owner in the entire SW/4 of Section 24. If that is the case, please confirm, and we will proceed to process this application.

Thanks for your attention.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD

Sent: Tuesday, September 18, 2007 4:43 PM

To: 'pboring@chevron.com'

Subject: NSL Application - Madera Fed 24 #1

Ms. Boring

I have before me your referenced NSL application.

The application states that "Chevron owns all acreage within a 40 acre spacing unit of the Madera Federal 24 #1 location." I do not understand for certain what this means. Given the location of this well, for notice requirements not to apply Chevron would have to be the 100% working interest owner in the entire SW/4 of Section 24. If that is the case, please confirm, and we will proceed to process this application.

Thanks for your attention.

David K. Brooks Legal Examiner 505-476-3450