

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 15167 (Reopened)
ORDER NO. R-13862-A**

**APPLICATION OF CHEVRON U. S. A. INC. TO AMEND ORDER NO. R-13862
TO COMPULSORY POOL ADDITIONAL MINERAL INTERESTS IN THE
APPROVED SPACING AND PRORATION UNIT, LEA COUNTY, NEW
MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on November 20, 2014, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 27th day of February, 2015, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) Upon the application of Chevron U. S. A. Inc. ("Chevron", OGRID 4323), in Case No. 15167, the Division issued Order No. R-13862 on July 16, 2014, creating a 160-acre non-standard oil spacing and proration unit and project area in the North Red Hills-Bone Spring Pool (Code 96434) consisting of the W/2 E/2 of Section 14, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling uncommitted interests in this spacing unit ("the Unit").

(3) Chevron is operator of the Gramma Ridge 14 24 34 Well No. 1H (API No. 30-025-41811) which is dedicated to this Unit.

(4) Chevron has recently discovered additional interests in the Unit that were not notified and pooled under Case No. 15167.

(5) Chevron appeared at the hearing with attorney and landman who testified that additional owners have interests within the Unit area. Those owners could not be located; therefore, notice to these owners of the hearing was published in the Lovington

Leader newspaper on November 6, 2014. Exhibits 9 and 10 were admitted and contain (i) an affidavit as to these facts and (ii) a copy of the newspaper notice.

(6) No other party appeared at the hearing, or otherwise opposed the granting of this application.

(7) In order to protect correlative rights and prevent waste, Chevron's request to have these interests pooled according to all terms and conditions of Order No. R-13862 should be approved.

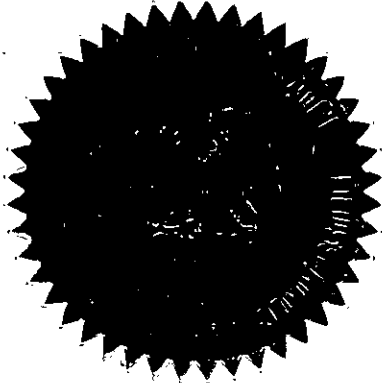
IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of Chevron U. S. A. Inc., additional interests as detailed in Exhibit 9 of this Case No. 15167 (Reopened) are hereby pooled and are subject to all terms and conditions within Division Order No. R-13862.

(2) All provisions of Division Order No. R-13862 remain in full force and effect.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director