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| RECEIVED: 05/17/22 | REVIEWER: LRL | TYPE: NSL | APP NO: pLEL2214540633 |
|---------------------------|----------------------|------------------|-------------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Chevron U.S.A. Inc. **OGRID Number:** 4323
Well Name: CO Viper 4 33 Fed 403H **API:** 30-025-49758
Pool: WC-025 G-06 S253209L; Bone Spring **Pool Code:** 96715

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

| <u>FOR OCD ONLY</u> | |
|--------------------------|------------------------------|
| <input type="checkbox"/> | Notice Complete |
| <input type="checkbox"/> | Application Content Complete |

3) **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 this 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.

Adam G. Rankin

Print or Type Name

Signature

5/17/2022
Date

505-954-7294
Phone Number

AGR Rankin@hollandhart.com
e-mail Address



Adam G. Rankin
Phone (505) 954-7294
AGRankin@hollandhart.com

May 17, 2022

VIA ONLINE FILING

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

**Re: Chevron U.S.A. Inc.
Request for Administrative Approval of Unorthodox Well Location**

CO Viper 4 33 Fed 403H well
E/2 of Section 33, T24S, R32E, and NE/4 of Section 4, T25S, R32E
Lea County, New Mexico
WC-025 G-06 S253209L; Bone Spring pool [96715]
API No. 30-025-49758

Dear Ms. Sandoval:

Chevron U.S.A. Inc. (OGRID No. 4323), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the WC-025 G-06 S253209L; Bone Spring pool [96715], seeks administrative approval of an unorthodox well location for its **CO Viper 4 33 Fed 403H well** (API No. 30-025-49758), in a 480-acre, more or less, spacing unit underlying the E/2 of Section 33, T24S, R32E, and NE/4 of Section 4, T25S, R32E, Lea County, New Mexico.

The proposed location is as follows:

- Surface location: 1821' FSL and 2241' FEL (Unit J) of Section 4
- Bottom hole location: 25' FNL and 550' FEL (Unit A) of Section 33
- First take point: 2615' FNL and 550' FEL (Unit H) of Section 4
- Last take point: 100' FNL and 550' FEL (Unit A) of Section 33

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the southern boundary of

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

| | | |
|----------|------------|------------------|
| Alaska | Montana | Utah |
| Colorado | Nevada | Washington, D.C. |
| Idaho | New Mexico | Wyoming |

the spacing unit – thus encroaching on the N/2SE/4 of Section 4, T25S, R32E. Approval of the unorthodox, completed interval will allow Chevron to use its preferred well spacing plan for horizontal wells in this area, which will maximize recovery and prevent waste.

Exhibit A is a Form C-102 showing the proposed CO Viper 4 33 Fed 403H well encroaches on the spacing unit/tracts to the south in the N/2SE/4 of Section 4, T25S, R32E.

Exhibit B is a plat showing the proposed CO Viper 4 33 Fed 403H well in relation to adjoining spacing unit/tracts to the south. Exhibit B also identifies the ownership of the affected spacing unit, showing that it is owned by Chevron U.S.A. Inc. as 100% working interest owner. In addition, the exhibit identifies that these are BLM leases. Accordingly, the “affected persons”¹ are the applicant, Chevron U.S.A. Inc., and the United States Bureau of Land Management.

Exhibit C is a spreadsheet listing all affected persons and includes tracking information demonstrating that each of the affected persons was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected persons:

| Type | Affected Party | Location |
|--------------------------------------|--|-------------------------|
| Operator/ Working Interest | Chevron U.S.A. Inc. | N/2SE/4 of Section 4 |
| Federal/State Mineral Interest | United States Bureau of Land Management | N/2SE/4 of Section 4 |

Your attention to this matter is appreciated.

Sincerely,



Adam G. Rankin
**ATTORNEY FOR
 CHEVRON U.S.A. INC.**

¹ See NMAC §§ 19.15.2.7.A(8) [defining “affected persons” as, “in the absence of an operator, or with respect to an application wherein the operator of the spacing unit or identified tract is the applicant, each working interest owner”] and 19.15.4.12.A(2)(a).

EXHIBIT A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
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

| | | | | | |
|--------------------------------|--|---|--|--|----------------------------------|
| ¹ API Number | | ² Pool Code 96715 | | ³ Pool Name WC-025 G-06 S253209L;BONE SPRING | |
| ⁴ Property Code | | ⁵ Property Name CO VIPER 4 33 FED | | | ⁶ Well Number 403H |
| ⁷ OGRID No. 4323 | | ⁸ Operator Name CHEVRON U.S.A. INC. | | | ⁹ Elevation 3474' |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| J | 4 | 25 SOUTH | 32 EAST, N.M.P.M. | | 1821' | SOUTH | 2241' | EAST | LEA |

¹¹ 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 |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| A | 33 | 24 SOUTH | 32 EAST, N.M.P.M. | | 25' | NORTH | 550' | EAST | LEA |

| | | | |
|--------------------------------------|---|----------------------------------|-------------------------|
| ¹² Dedicated Acres 480 | ¹³ Joint or Infill INFILL | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--------------------------------------|---|----------------------------------|-------------------------|

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.

¹⁶

| | | | |
|------------------------------------|---------------------|---------------------------|---------------------|
| CO VIPER 4 33 FED NO. 403H WELL | | PROPOSED FIRST TAKE POINT | |
| X= 702,780' | Y= 421,485' | X= 704,486' | Y= 422,351' |
| LAT. 32.157082° N | LONG. 103.678080° W | LAT. 32.159435° N | LONG. 103.672549° W |
| X= 743,965' | Y= 421,543' | X= 745,672' | Y= 422,409' |
| LAT. 32.157206° N | LONG. 103.678557° W | LAT. 32.159558° N | LONG. 103.673026° W |
| ELEVATION +3474' NAVD 88 | | | |

| | |
|--------------------|---------------------|
| PROPOSED MID-POINT | |
| X= 704,532' | Y= 424,967' |
| LAT. 32.166624° N | LONG. 103.672350° W |
| X= 745,717' | Y= 425,025' |
| LAT. 32.166748° N | LONG. 103.672828° W |

| | | | |
|--------------------------|---------------------|-------------------------------|---------------------|
| PROPOSED LAST TAKE POINT | | PROPOSED BOTTOM HOLE LOCATION | |
| X= 704,497' | Y= 430,146' | X= 704,497' | Y= 430,221' |
| LAT. 32.180861° N | LONG. 103.672359° W | LAT. 32.181068° N | LONG. 103.672359° W |
| X= 745,682' | Y= 430,204' | X= 745,682' | Y= 430,279' |
| LAT. 32.180985° N | LONG. 103.672839° W | LAT. 32.181191° N | LONG. 103.672838° W |

CORNER COORDINATES TABLE (NAD 27)

A - Y=430198.06, X=699760.40
 B - Y=424915.87, X=699799.62
 C - Y=419627.04, X=699671.73
 D - Y=430224.84, X=702403.47
 E - Y=422301.39, X=702385.92
 F - Y=430251.61, X=705046.53
 G - Y=424972.86, X=705081.74
 H - Y=422331.32, X=705036.16
 I - Y=419689.78, X=704990.58

¹⁷ **OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has 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 pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ **SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from 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.

02/18/2020
Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number _____

CO Viper 4 33 Fed 403H Well

Offsetting Tract
Chevron U.S.A. Inc.
1400 Smith St.
Houston, TX 77002

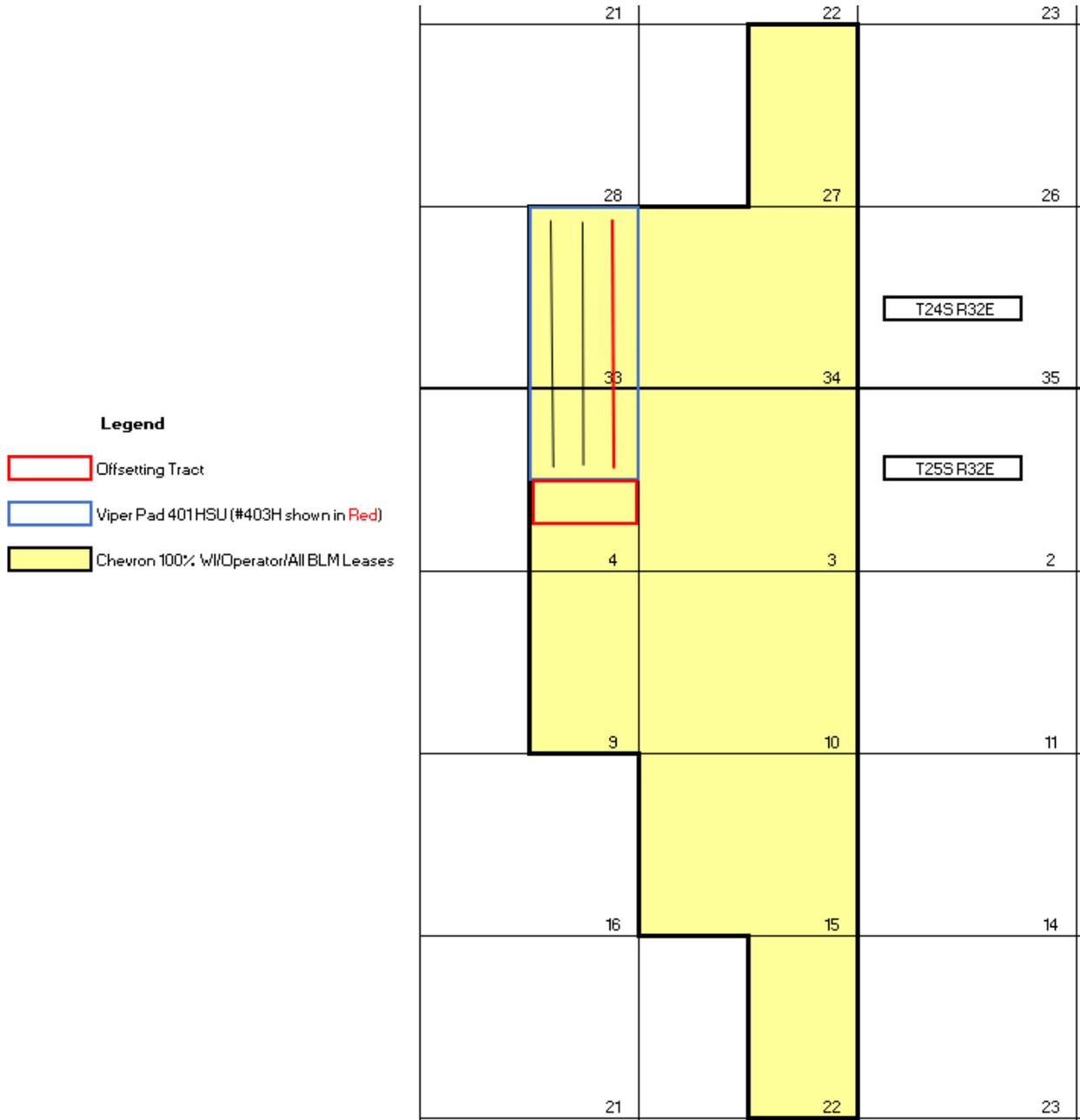


EXHIBIT B

| ADDR1 | ADDR2 | ADDR3 | ADDR4 | ADDR5 | ADDR6 |
|---|--------------------|----------|-------|-------|-------|
| United States Bureau of Land Management | 301 Dinosaur Trail | Santa Fe | NM | 87508 | |
| United States Bureau of Land Management | 620 E Greene St. | Carlsbad | NM | 88220 | |

EXHIBIT C



Adam G. Rankin
Phone (505) 954-7294
AGRankin@hollandhart.com

May 11, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Chevron U.S.A. Inc.
Request for Administrative Approval of Unorthodox Well Location

CO Viper 4 33 Fed 403H well
E/2 of Section 33, T24S, R32E, and NE/4 of Section 4, T25S, R32E
Lea County, New Mexico
WC-025 G-06 S253209L; Bone Spring pool [96715]
API No. 30-025-49758

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Kevin Stubbs
Chevron U.S.A. Inc.
(713) 372-9914
KevinStubbs@chevron.com

Sincerely,

Adam G. Rankin
ATTORNEY FOR
CHEVRON U.S.A. INC.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
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www.hollandhart.com

| | | |
|----------|------------|------------------|
| Alaska | Montana | Utah |
| Colorado | Nevada | Washington, D.C. |
| Idaho | New Mexico | Wyoming |

| Parent ID | Mail Date | Name | Address | City | ST | Zip | MailClass | TrackingNo | Well |
|-----------|------------|---|------------------|----------|----|------------|---|------------------------|--|
| 31309 | 05/11/2022 | United States Bureau of Land Management | 301 Dinosaur Trl | Santa Fe | NM | 87508-1560 | Certified with Return Receipt (Signature) | 9414811898765879035898 | 72375 - Chevron - Grizzly 407H-409H, 416h-418h, CO Viper 401H-403H NSL notice list - 1 |
| 31309 | 05/11/2022 | United States Bureau of Land Management | 620 E Greene St | Carlsbad | NM | 88220-6292 | Certified with Return Receipt (Signature) | 9414811898765879035881 | 72375 - Chevron - Grizzly 407H-409H, 416h-418h, CO Viper 401H-403H NSL notice list - 2 |

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 107499

CONDITIONS

| | |
|--|--|
| Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706 | OGRID: 4323 |
| | Action Number: 107499 |
| | Action Type: [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| llowe | NSL - 8369 is approved. The approved Order can be retrieved at the following OCD: website. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx | 5/25/2022 |