From: Angelle, Nicholas
To: Lowe, Leonard, EMNRD

Subject: [EXTERNAL] Re: C-102 Clarification DL 15 22 Federal Com #419H well

Date: Thursday, April 24, 2025 12:28:26 PM

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

Hi Leonard,

The letters on the Plat are reference labels for corner coordinates as shown on legend to the left side of the plat page at the bottom, they are not unit letters.

I hope this clarifies for you.

Let me know if there are any other questions.

Get Outlook for iOS

From: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov>

Sent: Thursday, April 24, 2025 12:22:28 PM

To: Angelle, Nicholas <nicholasangelle@chevron.com>

Subject: [**EXTERNAL**] C-102 Clarification DL 15 22 Federal Com #419H well

Be aware this external email contains an attachment and/or link.

Ensure the email and contents are expected. If there are concerns, please submit suspicious messages to the Cyber Intelligence Center using the Report Phishing button.

Attached is the C-102 for an application pending with the OCD.

Please clarify the unit letters referenced on your C-102.

Leonard R. Lowe

Engineering Bureau
OCD - EMNRD
5200 Oakland Blvd.
Albuquerque, N.M. 87113
Cell Number: 505-584-8351
http://www.emnrd.state.nm.us/ocd/

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Melanie Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary Gerasimos "Gerry" Razatos Division Director (Acting) Oil Conservation Division



Adam G. Rankin agrankin@hollandhart.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8923

Chevron U.S.A. Inc. [OGRID 4323] DL 15 22 Federal Com Well No. 419H API No. 30-025-52281

Reference is made to your application received on March 17th, 2025.

Proposed Location

_	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	348 FSL & 840 FWL	M	10	22S	33E	Lea
First Take Point	25 FNL & 330 FWL	D	15	22S	33E	Lea
Last Take Point	100 FSL & 330 FWL	M	22	22S	33E	Lea
Terminus	25 FSL & 330 FWL	M	22	22S	33E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 Section 15	640	Wildcat; Bone Spring	97846
W/2 Section 22			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an oil well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8923 Chevron U.S.A., Inc. Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 25 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 10, encroachment to the SW/4 SW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location to avoid wasting resources and reducing production from current and future well development in the area. All while protecting the correlative rights within the Bone Spring formation underlying the W/2 of Section 15 and the W/2 of Section 22.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

Date: 4/30/2025

GERASIMOS RAZATOS DIRECTOR (ACTING)

GR/lrl

ed by OCD: 3/17/2025 2:16	:02 PM		Rey	vised March 23, 20
ID NO. 443188	1	NSL - 8923	Rev	rised Widien 23, 20
RECEIVED: 03/17/25	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCD I	DIVISION USE ONLY	
1.	- Geolog	ICO OIL CONSERV gical & Engineering Francis Drive, Sant	g Bureau –	NORWATON STATE
THE CHECKIE		TRATIVE APPLICATION APPLICATIO		EC AND
		R ALL ADMINISTRATIVE APPLIC REQUIRE PROCESSING AT THE	ATIONS FOR EXCEPTIONS TO DIVISION RUI DIVISION LEVEL IN SANTA FE	LES AIND
plicant: Chevron U.S.A. Inc	:.		OGRID Numbe	er: 4323
II Name: DL 15 22 Federa	l Com 419H		API: 30-025-52281	
	one Spring		Pool Code: 978	46

	INDICATED BELOW
1)	TYPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication INSL NSP(PROJECT AREA) NSP(PRORATION UNIT) SD
	B. Check one only for [I] or [II] [I] Commingling - Storage - Measurement DHC DTB PC DOLS DOLM [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR FOR OCD ONLY
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

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.

	March 17, 2025
Adam G. Rankin	Date
Print or Type Name	505-954-7294
	Phone Number
	agrankin@hollandhart.com
Signature	e-mail Address



March 17, 2025

VIA ONLINE FILING

Gerasimos Razatos, Acting Division Director Oil Conservation Division 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

DL 15 22 Federal Com #419H well

W/2 of Sections 15 and 22, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico

WC-025 G-06 S223322J; Bone Spring [97846]

API No. 30-025-52281

Dear Mr. Razatos:

Chevron U.S.A., Inc. ("Chevron") (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 S223322J; Bone Spring [97846], seeks administrative approval of an unorthodox well location for its **DL 15 22 Federal Com #419H** well (API No. 30-025-52281), in a 640-acre, more or less, spacing unit underlying the W/2 of Sections 15 and 22, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

The DL 15 22 Federal Com #419H well is an infill well. DL 15 22 Narwhal Fed Com #220H is the defining well. The location for the DL 15 22 Federal Com #419H oil well is as follows:

- Surface hole location: 348' FSL and 840' FWL (Unit M) of Section 10
- First take point: 25' FNL and 330' FWL (Unit D) of Section 15
- Last take point: 100' FSL and 330' FWL (Unit M) of Section 22
- Bottom hole location: 25' FSL and 330' FWL (Unit M) of Section 22

Since this acreage is governed by the Division's statewide rules, the proposed first take point for this well will be unorthodox because it is closer than the standard offsets to the northern boundary of the spacing unit—thus, encroaching on the spacing unit comprising the W/2 of Sections 3 and



10, Township 22 South, Range 33 East (Chevron's Dagger Lake 10 3 Federal Com spacing unit) to the north.

Chevron respectfully requests administrative approval of a non-standard location for the proposed **DL 15 22 Federal Com #419H** well. Chevron requests approval of this non-standard location because it is necessary to avoid causing wasted resources and reducing production from current and future well development in the area.

Exhibit A is a Form C-102 showing the **DL 15 22 Federal Com #419H** well encroaches on the DL 10 3 Federal Com spacing unit to the north. Also, included is the Form C-102 for the DL 15 22 Narwhal Federal Com #220H, the defining well for the spacing unit.

Exhibit B is a plat for the surrounding area that shows the proposed DL 15 22 Federal Com #419H well in relation to the adjoining unit to the north. The offsetting <u>DL 10 3 Federal Com spacing unit to the north</u> includes the following other working interest owners: CJM Resources, LP; CML Exploration LLC; Patterson Petroleum LLC; and RHR-711 LLC. In addition, the offsetting DL 10 3 Federal Com spacing unit includes Bureau of Land Management (BLM) leases. Accordingly, the "affected persons" are the other working interest owners in the DL 10 3 Federal Com spacing unit to the north and the BLM.

Exhibit C is a spreadsheet listing all affected persons and includes tracking information demonstrating that each of the affected persons requiring notice 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 Chevron provided notice:

Туре	Affected Party	Location
Federal Mineral Interest	Bureau of Land Management	
	CJM Resources, LP	W/2 of Sections 2 % 10
Working Interest	CML Exploration LLC	W/2 of Sections 3 & 10, T22S-R33E
	Patterson Petroleum LLC	122 3- K33E
	RHR-711 LLC	

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).



Your attention to this matter is appreciated.

Sincerely,

Adam G. Rankin

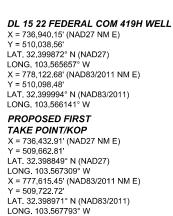
ATTORNEY FOR CHEVRON U.S.A., INC.

Phone:		441 Fax: (55) 4	76-3462			e of New Mexico nerals & Natural Re	sources			<u>C-102</u>
Phone:	l Information (505) 629-6	116			OIL CONS	Revised July 9, 2024 Submit Electronically via OCD Permitting				
	Phone Direc www.emnrd.	tory Visit: nm.gov/ocd/co	ntact-us/							
1				İ				Submittal Type:	☐ Amende	d Report
								1390.	☐ As Drille	ed
1 DI N	. 1		T	-	-	TION INFORMATIO	N	-		
	lumber - 5-52281		Pool Code 97846			Pool Name WC-025 G-06 S223322.	J;BONE SPR	UNG		
33503			Property Na DL 15 22 F	EDERAL	•				Well Numb	per
OGRI 4323	D No.		Operator N CHEVRON		NC.				Ground Lev 3562'	vel Elevation
Surfac	e Owner: 🗆	State □ Fee □	☐ Tribal 🗵 F	ederal □N	N/A	Mineral Owner:] State □ Fe	e □ Tribal 🛭	I Federal □N	J/A
					Surf	ace Location				
UL M	Section 10	Township 22 SOUTH	Range 33 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 348' SOUTH	Ft. from E/W 840' WEST	Latitude 32.39999		ongitude 3.566141° W	County LEA
	_				Botton	1 Hole Location				
UL M	Section 22	Township 22 SOUTH	Range 33 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' SOUTH	Ft. from E/W 330' WEST	Latitude 32.37008		ongitude 3.567763° W	County LEA
Dedica 640	ated Acres	Infill or Defi	ining Well	Defining 30-025-4	g Well API 49082	Overlapping Spacing Unit (Y/N) Consolidation Code NO C				
Order	Numbers I	PLC854B				Well setbacks are u	nder Commo	on Ownership	: ⊠Yes □No	□N/A
					Kick O	Off Point (KOP)				
UL D	Section 15	Township 22 SOUTH	Range 33 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' NORTH	Ft. from E/W 330' WEST	Latitude 32.39897		ongitude 3.567793° W	County LEA
		•			First T	ake Point (FTP)				
UL D	Section 15	Township 22 SOUTH	Range 33 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 25' NORTH	Ft. from E/W 330' WEST	Latitude 32.39897		ongitude 3.567793° W	County LEA
					Last Ta	ake Point (LTP)				
UL M	Section 22	Township 22 SOUTH	Range 33 EAST, N.M.P.M.	Lot N/A	Ft. from N/S 100' SOUTH	Ft. from E/W 330' WEST	Latitude 32.37029.		ongitude 3.567763° W	County LEA
Unitiz		rea of Uniform		Spacing	Unit Type 🛛 Ho	rizontal Vertical	Gro	und Floor Ele	evation: 3562'	
ODED	ATOD CED	TIFICATIONS	1			SURVEYOR CERTIF	TICATIONS			
					1					
best of that this the land at this unlease pooling If this v the comminerative well	my knowledge is organization d including the location pursued mineral integer order heretofwell is a horizo sent of at least l interest in ea	proposed botton ant to a contract rest, or to a volu ore entered by the intal well, I furthe t one lessee or ow ch tract (in the ta interval will be lo	if the well is a vorking interest on hole location with an owner nary pooling a edivision. The certify that the core of a working the core of a working the core of or for the core of a working the core of or for or o	vertical or d or unleased or has a rig of a workin, greement of his organiza ng interest o rmation) in	lirectional well, mineral interest in ght to drill this well g interest or r a compulsory ution has received or unleased which any part of	I hereby certify that the wactual surveys made by n to the best of my belief. See Sheet 2 of 2 for plat.		supervision, la ME 2300	Addition the same	e is true and correct
Signatu			Date			Signature and Seal of Pro	fessional Surv			INFILL Well
Printed	Name					Certificate Number	Date of Su	rvey		
Email .	Address							C	08/30/2	EXHIBIT

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

See Sheet 1 of 2 for notes & certification.



PPP #1 X = 736,443.32' (NAD27 NM E)

Y = 508,367.75'
LAT. 32.395289° N (NAD27)
LONG. 103.567305° W
X = 777,625.89' (NAD83/2011 NM E)
Y = 508,427.63'
LAT. 32.395411° N (NAD83/2011)
LONG. 103.567790° W

PPP #2

X = 736,464.52' (NAD27 NM E) Y = 505,727.92' LAT. 32.388033° N (NAD27) LONG. 103.567298° W X = 777,647.16' (NAD83/2011 NM E) Y = 505,787.74' LONG. 103.567782° W

PROPOSED MID POINT

X = 736,475.13' (NAD27 NM E) Y = 504,407.89' LAT. 32.384404° N (NAD27) LONG. 103.567294° W X = 777,657.80' (NAD83/2011 NM E) Y = 504,467.68' LAT. 32.384526° N (NAD83/2011) LONG. 103.567778° W

PROPOSED LAST TAKE POINT X = 736,516.72' (NAD27 NM E)

Y = 499,230.62'
LAT. 32.370173° N (NAD27)
LONG. 103.567279° W
X = 777,699.52' (NAD83/2011 NM E)
Y = 499,290.28'
LAT. 32.370295° N (NAD83/2011)
LONG. 103.567763° W

PROPOSED BOTTOM HOLE LOCATION X = 736,517.32' (NAD27 NM E)

LONG. 103.567279° W X = 777,700.13' (NAD83/2011 NM E) Y = 499,215.28' LAT. 32.370088° N (NAD83/2011) LONG. 103.567763° W

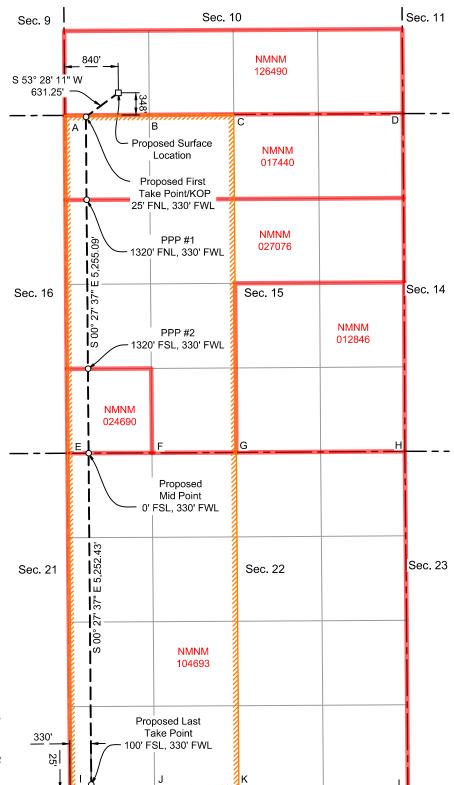
Y = 499,155.63' LAT. 32.369967° N (NAD27)

CORNER COORDINATES
TABLE (NAD 27)

A - X=736102.72, Y=509685.81
B - X=737422.67, Y=509693.78
C - X=738742.61, Y=509701.75
D - X=741384.61, Y=509713.53
E - X=736144.86, Y=504406.30
F - X=737464.48, Y=504412.66
G - X=738784.10, Y=504419.02
H - X=741415.47, Y=504437.51
I - X=736187.53, Y=499128.78
J - X=737505.70, Y=499136.03
K - X=738823.86, Y=499143.28

L - X=741462.53, Y=499158.27

Sec. 28 1



Proposed Bottom

Hole Location

Sec. 27

Sec. 26

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: (575) 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 Numbe	r	² Pool Code	³ Pool Name			
30-025-49082 97846 WC-025 G-06 S223322J;BONE			ONE SPRING			
⁴ Property Code		⁵ Pr	⁶ Well Number			
331069		DL 15 22 NA	220H			
⁷ OGRID No.		⁸ O _I	9 Elevation			
4323		CHEVR	3563'			

	¹⁰ Surface Location								
UL or lot no.	Section	Township	Range	Lot Idr	Feet from the	North/South line	Feet from the	East/West line	County
N	10	22 SOUTH	33 EAST, N.M.P.M		860'	SOUTH	1815'	WEST	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
M	22	22 SOUTH	33 EAST, N.M.P.M	•	25'	SOUTH	1254'	WEST	LEA
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 C			15 Order No.						
640									

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.

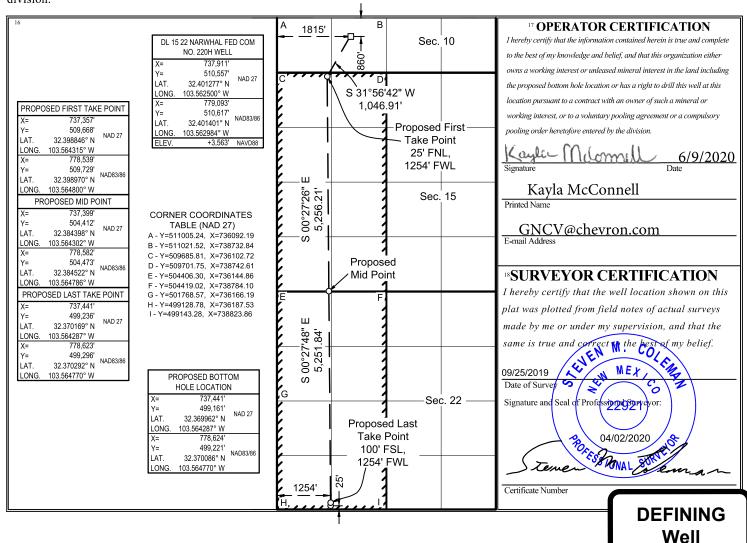
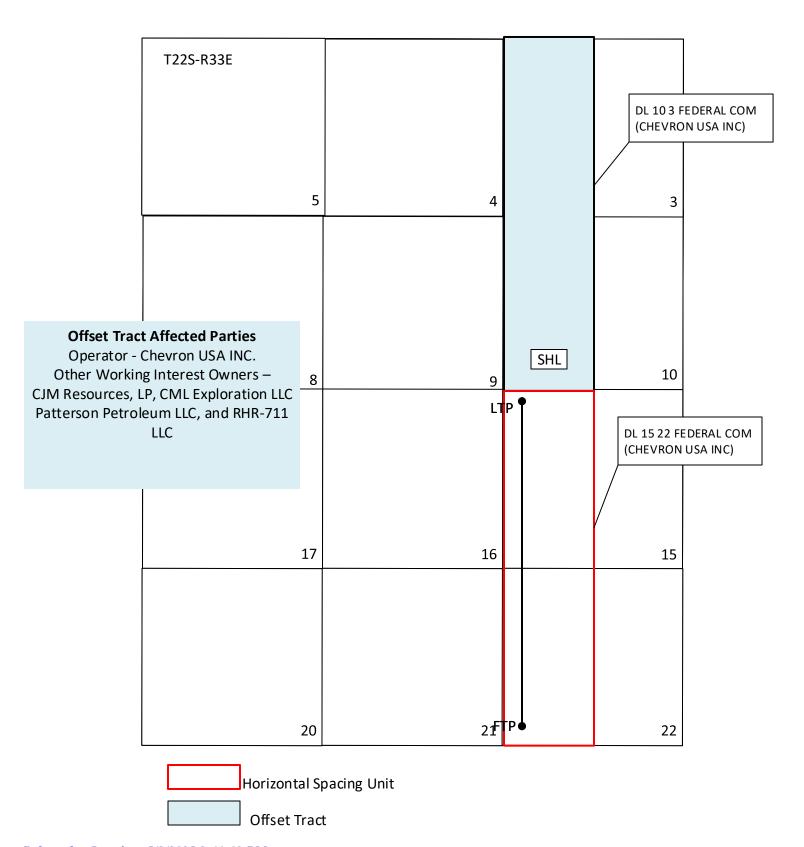




EXHIBIT B

DL 15 22 FEDERAL COM 419H





Individual/Company	Representative	Address
Bureau of Land Management		301 Dinosaur Trail, Santa Fe, NM 87508
CJM Resources, LP	Attn: David Murphy	508 W. Wall St., Ste. 1250 Midland, TX 79701
CML Exploration, LLC	Attn: Kyle Kana	Barton Oaks Plaza One, Ste. 435 901 Mopac Expressway South Austin, TX 78746
Patterson Petroleum LLC	Attn: Donna Hartman	P.O. Box 1416 Snyder, TX 79550
RHR-711, LLC	Attn: John Osborne	316 Bailey Ave. Fort Worth, TX 76107



March 7, 2025

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Chevron U.S.A., Inc.

Request for Administrative Approval of Unorthodox Well Location

DL 15 22 Federal Com #419H well W/2 of Sections 15 and 22, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico WC-025 G-06 S223322J; Bone Spring [97846]

API No. 30-025-52281

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 the date this application is received by 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:

Nicholas Angelle Chevron U.S.A., Inc. (713) 372-3026 nicholasangelle@chevron.com

Sincerely,

Adam G. Rankin

ATTORNEY FOR CHEVRON U.S.A., INC.

Chevron DL 419H-421H NSL Postal Delivery Report

						Your item was delivered to the
						front desk, reception area, or
						mail room at 12:33 pm on
						March 10, 2025 in SANTA FE,
9414811898765451728965	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	NM 87508.
						Your item was delivered to the
						front desk, reception area, or
						mail room at 11:44 am on
	Cjm Resources, Lp, Attn David					March 10, 2025 in MIDLAND,
9414811898765451728903	Murphy	508 W Wall St Ste 1250	Midland	TX	79701-5069	TX 79701.
						Your item was delivered to an
						individual at the address at
	Cml Exploration, LLC, Attn					11:30 am on March 11, 2025
9414811898765451728996	Kyle Kana	901 S Mopac Expy Ste I430,	l Austin	TX	78746-5788	in AUSTIN, TX 78746.
						Your item was delivered to an
						individual at the address at
	Patterson Petroleum LLC, Attn					10:37 am on March 11, 2025
9414811898765451728941	Donna Hartman	PO Box 1416	Snyder	TX	79550-1416	in SNYDER, TX 79549.
						Your item was delivered to an
						individual at the address at
	Rhr-711, LLC, Attn John					10:49 am on March 13, 2025
9414811898765451728989	Osborne	316 Bailey Ave	Fort Worth	TX	76107-1828	in FORT WORTH, TX 76107.

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 443188

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	443188
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Cre By	eated	Condition	Condition Date
llo	owe	None	3/20/2025