

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Erin Taylor**  
Acting Cabinet Secretary

**Ben Shelton**  
Deputy Secretary

**Albert C.S. Chang**  
Division Director  
Oil Conservation Division



**ADMINISTRATIVE NON-STANDARD LOCATION**

Deana M. Bennett  
[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

**Administrative Order NSL – 9311**  
**(Supersedes NSL – 9088)**

**Chevron U.S.A., Inc. [OGRID 7323]**  
**CO 4 9 Federal Com Well No. 412H**  
**API No. 30-025-53499**

Reference is made to your application received on March 23<sup>rd</sup>, 2026.  
This order supersedes NSL-9088. The FTP was drilled beyond the tolerance allowed for the previously approved NSL order.

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2270 FNL & 1442 FEL	G	04	25S	32E	Lea
First Take Point	2625 FSL & 253 FEL	I	04	25S	32E	Lea
Last Take Point	100 FSL & 351 FEL	P	09	25S	32E	Lea
Terminus	82 FSL & 350 FEL	P	09	25S	32E	Lea

**Proposed Horizontal Spacing Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SE/4 Section 04 E/2 Section 09	480	Wildcat; Bone Spring	96715

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 dedicate a horizontal well at a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates,

1220 South St. Francis Drive, 3<sup>rd</sup> Floor • Santa Fe, New Mexico 87505  
Phone (505) 476-3441 • [www.emnrd.state.nm.us/ocd](http://www.emnrd.state.nm.us/ocd)

Administrative Order NSL – 9311 (Supersedes NSL – 9088)

Chevron U.S.A., Inc.

Page 2 of 2

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 well shall be no closer than 100 feet for a well within 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 15 feet to the northern edge and 253 – 328 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 04, encroachment to the SE/4 NE/4

Section 03, encroachment to the W/2 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.

Division understands you are seeking this unorthodox location due to the FTP located within an irregular section of the horizontal spacing unit within the Bonespring formation underlying the SE/4 of Section 04 and the E/2 of Section 09. Due to the irregular section this location is non-standard, this request is approved to protect the correlative rights of all affected parties.

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.



**Albert C.S. Chang**  
Division Director  
AC/lrl

**Date:** 5/10/2026

ID NO. 565681

NSL - 9311

Revised March 23, 2017

RECEIVED: <b>03/23/26</b>	REVIEWER:	TYPE:	APP NO:
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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 49 Federal Com 412H **API:** 30-025-54205  
**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

<b>FOR OCD ONLY</b>	
<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.**

Deana M. Bennett  
 Print or Type Name

*Deana M Bennett*  
 Signature

March 23, 2026  
 Date

505-848-1834  
 Phone Number

deana.bennett@modrall.com  
 e-mail Address



MODRALL SPERLING

L A W Y E R S

March 23, 2026

VIA E-FILING

Director Albert Chang

*And*

OCD Engineering Bureau

Oil Conservation Division

New Mexico Department of Energy,

Minerals and Natural Resources

1220 South Saint Francis Drive

Santa Fe, New Mexico 87505

Deana M. Bennett

505.848.1834

dmb@modrall.com

**RE: Application of Chevron U.S.A. Inc. for additional administrative approval of unorthodox well location for its CO 4 9 Federal Com 412H well located in a 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico**

Dear Director Chang /OCD Engineering Bureau:

In August 2025, Chevron U.S.A. Inc. ("Chevron") (OGRID No. 4323) sought approval of a non-standard location for its CO 4 9 Federal Com 412H well (API No. 30-025-53499) (the "Well") located in the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico, and will be in the WC-025 G-06 S253209L; Bone Spring pool (Pool Code 96715). The Division granted Chevron's application on November 10, 2025, and issued Order NSL-9088.

Chevron has drilled the Well and its as built location with respect to a portion of the completed lateral is closer than 330' from the outer boundary of the spacing unit. As a result, Chevron is requesting a second NSL approval for that portion of the Well's completed lateral that is closer than 330' from the outer boundary of the spacing unit. An updated C-102 for the Well is attached as Exhibit A.

The Well is drilled in the WC-025 G-06 S253209L; Bone Spring Pool, which is an oil pool subject to the state-wide rules, which establish a 330' setback requirement for the completed interval to the outer boundary of the spacing unit. The Well's **completed interval** will encroach towards the W/2 of Section 3, Township 25 South, Range 32 East, which requires an NSL approval. As shown on Exhibit A, this is a horizontal well that will be drilled as follows:

- Surface Hole Location: 2270' FNL & 1442' FEL of Section 4-T25S-R32E;
- Bottom Hole Location: 82' FSL & 350' FEL of Section 9-T25S-R32E;
- First Take Point: 2625' FSL<sup>1</sup> & 253' FEL of Section 4-T25S-R32E;

<sup>1</sup> Chevron's initial NSL application identified the FTP at 2615' FSL line. In preparing the as-drilled C-102, the surveyor noted that the SE/4 of Section 4 is slightly irregular and the distance between the south line and the mid-section line is 2650' as opposed to standard 2640'. This is shown on the C-102, which I have highlighted in blue for your convenience. As a result, the distance between the mid line is the same as in the original NSL application, *i.e.*, 25 feet (2560'-2625'=25'), and therefore no additional NSL approval is necessary for the FTP.

- Last Take Point: 100' FSL & 351' FEL of Section 9-T25S-R32E.

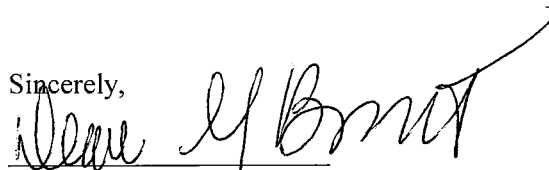
The Well's completed lateral is at a standard location in the E/2 of Section 9 and therefore does not encroach upon the W/2 of Section 10 and no notice is required for that tract.

Chevron also provides a map of the area, attached as Exhibit B, which shows the tracts upon which the unorthodox location will encroach.

**Chevron is the operator and owns 100% of the working interest in the W/2 of Section 3, Township 25 South, Range 32 East.** Pursuant to Rule 19.15.4.12(A)(2) and Rule 19.15.2.7(A)(3), Chevron is thus only providing notice to the Bureau of Land Management. Proof of mailing along with a copy of the letter sent to the Bureau of Land Management are included in Exhibit C. Chevron's landman has provided a letter confirming the ownership in the W/2 of Section 3, Township 25 South, Range 32 East, which is included as Exhibit D.

Your attention to this matter is appreciated.

Sincerely,



Deana M. Bennett

*Attorney for Chevron U.S.A. Inc.*

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input checked="" type="checkbox"/> As Drilled
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WELL LOCATION INFORMATION

API Number 30-025-53499	Pool Code 96715	Pool Name WC-025 G-06 S253209L; BONE SPRING
Property Code 336238	Property Name CO 4 9 FEDERAL COM	Well Number 412H
OGRID No. 4323	Operator Name CHEVRON U.S.A. INC.	Ground Level Elevation 3490'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from North	Ft. from East	Latitude	Longitude	County
G	4	25S	32E	N/A	2270	1442	32.160495° N	103.676097° W	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from South	Ft. from East	Latitude	Longitude	County
P	9	25S	32E	N/A	82	350	32.137942° N	103.672566° W	LEA

Dedicated Acres 480	Infill or Defining Well INFILL	Defining Well API 30-025-53498	Overlapping Spacing Unit (Y/N) NO	Consolidation Code P, C
Order Numbers. NSL-9088			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from South	Ft. from East	Latitude	Longitude	County
I	4	25S	32E	N/A	2625	253	32.159447° N	103.672253° W	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from South	Ft. from East	Latitude	Longitude	County
I	4	25S	32E	N/A	2625	253	32.159447° N	103.672253° W	LEA

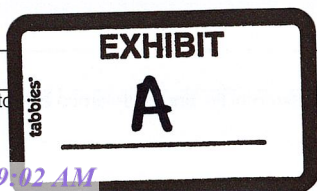
Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from South	Ft. from East	Latitude	Longitude	County
P	9	25S	32E	N/A	100	351	32.137992° N	103.672566° W	LEA

Unitized Area or Area of Uniform Interest CA PENDING	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 3490'
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys.</p> <div style="text-align: center;">  <p><i>Chad Harcrow</i></p> </div>
Signature _____ Date _____	Signature and Seal of Professional Surveyor CHAD HARCROW
Printed Name _____	Certificate Number 17777 Date of Survey Surveyed date of 06/24/21 obtained from initial submittal C102.
Email Address _____	

Note: No allowable will be assigned to this well if it has been consolidated or a non-standard unit has been approved by the division.



ACREAGE DEDICATION PLATS

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.

(NAD 27 NM E)

<b>CO 4 9 FEDERAL COM</b>	<b>FTP</b>	<b>PPP</b>
<b>NO. 412H WELL</b>	X=704,725.99	X=704,662.83
X=703,534.18	Y=422,312.13	Y=419,686.47
Y=422,686.09	LAT.32.159323°N	LAT.32.152107°N
LAT.32.160371°N	LONG.103.671776°W	LONG.103.672032°W
LONG.103.675619°W		

<b>LTP</b>	<b>ACTUAL BHL/TL</b>
X=704,676.60	X=704,676.81
Y=414,506.50	Y=414,488.55
LAT.32.137868°N	LAT.32.137818°N
LONG.103.672090°W	LONG.103.672090°W

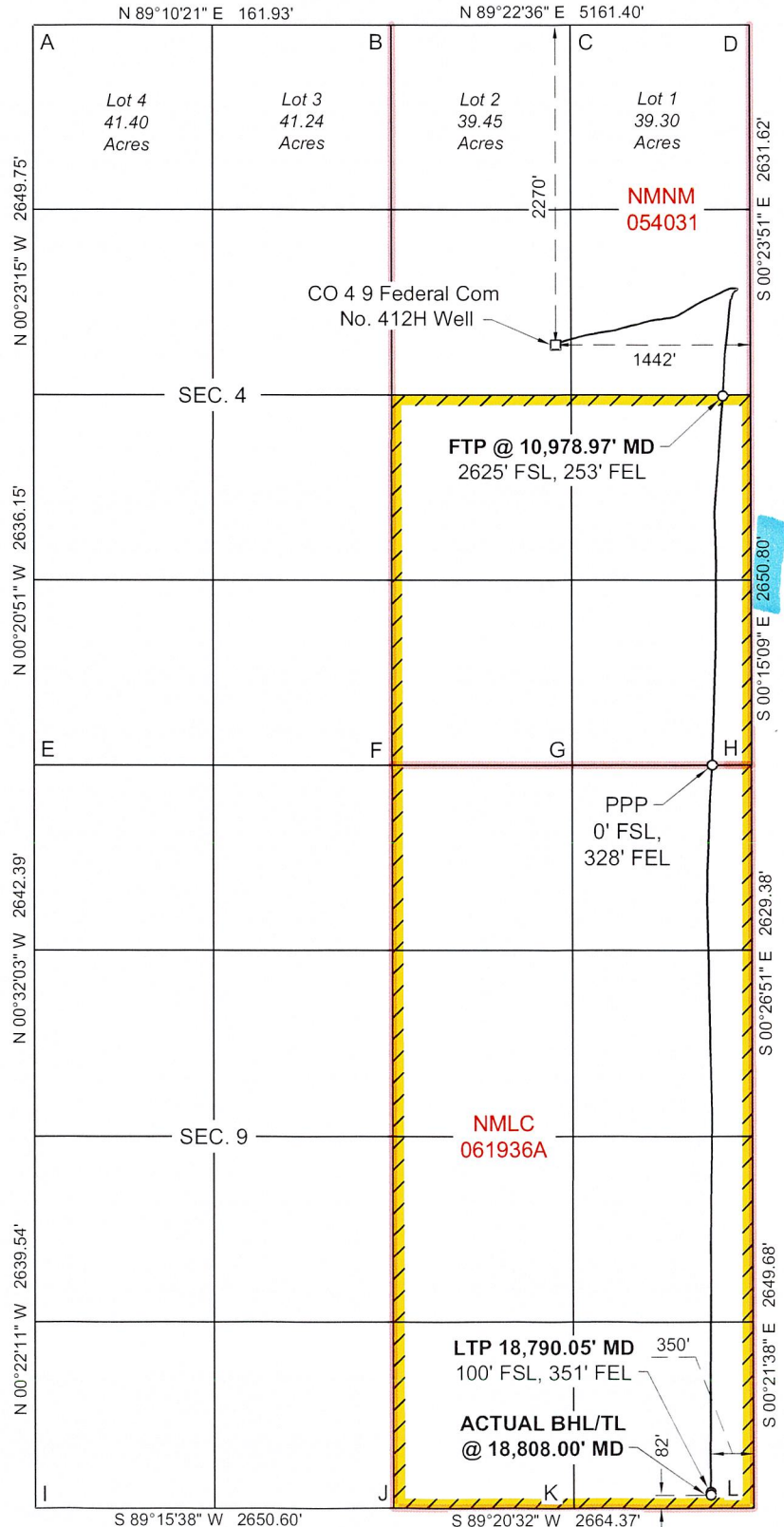
(NAD 83/2011 NM E)

<b>CO 4 9 FEDERAL COM</b>	<b>FTP</b>	<b>PPP</b>
<b>NO. 412H WELL</b>	X=745,911.13	X=745,848.08
X=744,719.29	Y=422,370.27	Y=419,744.55
Y=422,744.25	LAT.32.159447°N	LAT.32.152231°N
LAT.32.160495°N	LONG.103.672253°W	LONG.103.672509°W
LONG.103.676097°W		

<b>LTP</b>	<b>ACTUAL BHL/TL</b>
X=745,862.08	X=745,862.29
Y=414,564.47	Y=414,546.52
LAT.32.137992°N	LAT.32.137942°N
LONG.103.672566°W	LONG.103.672566°W

CORNER COORDINATES  
(NAD 27 NM E)

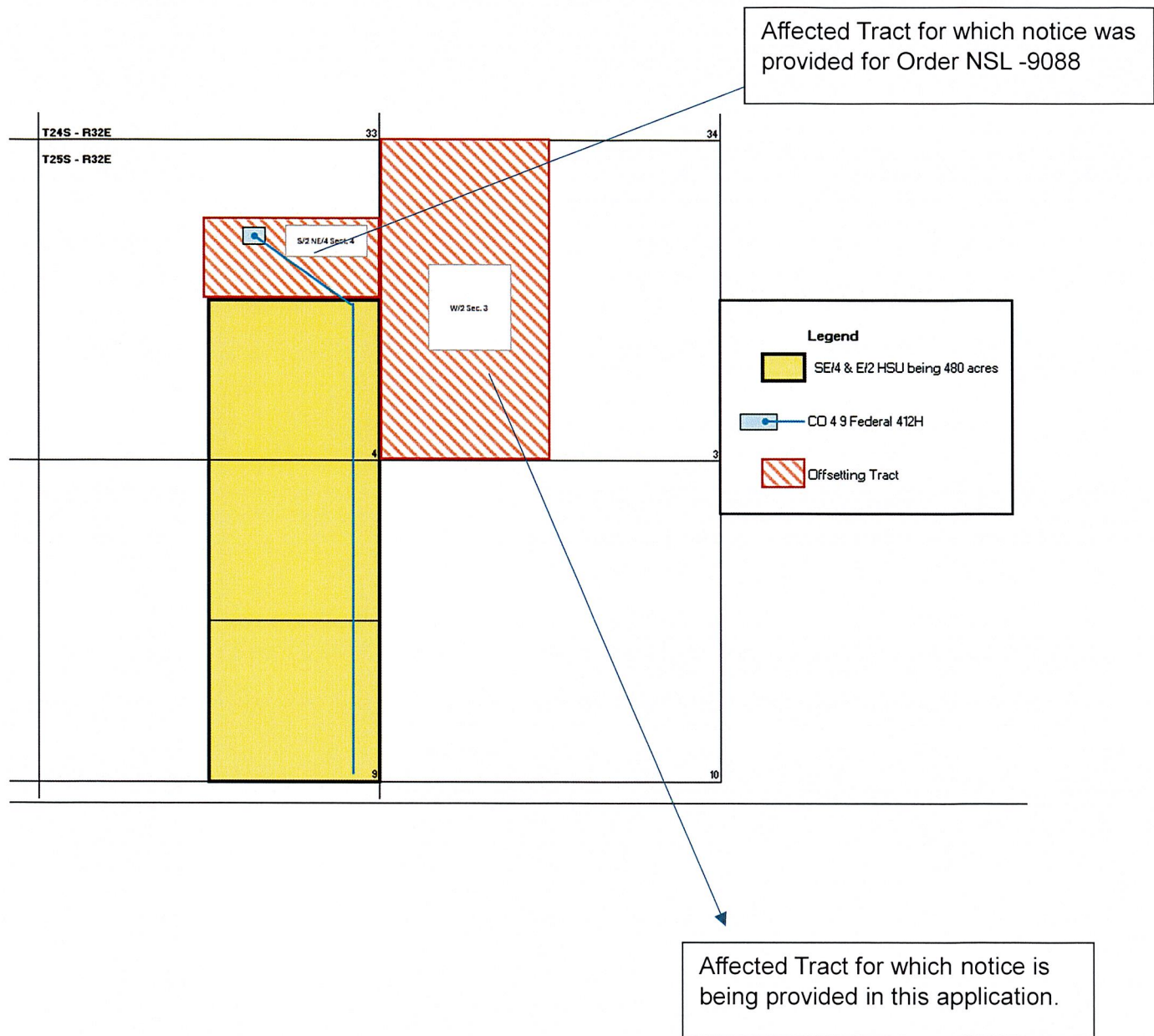
- A - X=699637.58, Y=424913.28 1916 GLO BC
- B - X=702299.08, Y=424942.82
- C - X=703629.84, Y=424957.30
- D - X=704960.59, Y=424971.78 1916 GLO BC
- E - X=699671.49, Y=419627.49 1939 GLO BC
- F - X=702335.60, Y=419665.28 1939 GLO BC
- G - X=703663.06, Y=419677.36
- H - X=704990.53, Y=419689.45 1939 GLO BC
- I - X=699713.16, Y=414345.73 1939 GLO BC
- J - X=702363.54, Y=414379.94 1939 GLO BC
- K - X=703695.64, Y=414395.23
- L - X=705027.74, Y=414410.53 1939 GLO BC



# Offset Operators and WI Owners

NSL Well: CO 4 9 Federal Com 412H (30-025-53499)

Pool Code: [96715]WC-025 G-06 S253209L; BONE SPRING



Offsetting Tract in Township 25 South, Range 32 East:

W/2 Section 3:

Operator/Working Interest Owner:	Chevron U.S.A. Inc. (100% WI)
Federal/State Mineral Interest Owner:	Bureau of Land Management





Nicholas Angelle  
Land Representative

March 23, 2026

**VIA EMAIL**

OCD Engineering Bureau  
Oil Conservation Division  
Energy, Minerals and Natural Resource Department  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

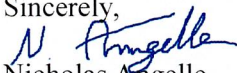
Re: Non-Standard Location Application  
CO 4 9 FEDERAL COM 412H  
Lea County, New Mexico

Dear OCD Engineering Bureau:

I am a landman for Chevron U.S.A. Inc. ("Chevron"). Chevron requested administrative approval of a non-standard location ("NSL") for the CO 4 9 FEDERAL COM 412H well's first take point (the "Well"), and the Division issued Order NSL-9088 approving the NSL. Chevron has drilled the Well and its as built location with respect to a portion of the completed lateral is closer than 330' from the outer boundary of the spacing unit. As a result, Chevron is requesting a second NSL approval for that portion of the Well's completed lateral that is closer than 330' from the outer boundary of the spacing unit. As noted in the NSL application materials for this Well, the Well's unorthodox location for the completed lateral will encroach towards the W/2 of Section 3, Township 25 South, Range 32 East.

As a landman for Chevron, I have knowledge of the ownership of the W/2 of Section 3, Township 25 South, Range 32 East. I confirm that Chevron is the operator and owns 100% of the working interest in the W/2 of Section 3, Township 25 South, Range 32 East, which is the tract upon which the Well's completed lateral will encroach.

Thank you for your consideration.

Sincerely,  
  
Nicholas Angelle  
Land Representative

Mid-Continent Business Unit  
North America Exploration and Production Company  
Chevron U.S.A. Inc.  
6301 Deauville Blvd., Midland, Texas 79706  
Tel 713 372 3026 Fax 866 908-3881  
nicholasangelle@chevron.com





Deana M. Bennett  
 505.848.1834  
 dmb@modrall.com

March 23, 2026

**VIA CERTIFIED MAIL**

**TO AFFECTED PARTIES**

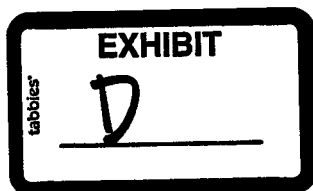
**RE: Application of Chevron U.S.A. Inc. for additional administrative approval of unorthodox well location for its CO 4 9 Federal Com 412H well located in a 480-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 9 and the SE/4 of Section 4, Township 25 South, Range 32 East, Lea County, New Mexico**

Dear Sir or Madam:

Enclosed is a copy of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to these applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above-referenced applications. If no objection is received within this twenty-day period, the applications may be approved administratively by the Division.

Sincerely,

Deana M. Bennett  
*Attorney for Chevron U.S.A. Inc.*



Modrall Sperling  
 Roehl Harris & Sisk P.A.

500 Fourth Street NW  
 Suite 1000  
 Albuquerque,  
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 Albuquerque,  
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 www.modrall.com

Released to Imaging: 5/11/2026 9:49:02 AM

Karlene Schuman  
Modrall Sperling Roehl Harris & Sisk P.A.  
500 Fourth Street, Suite 1000  
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
03/23/2026

Firm Mailing Book ID: 307470

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0147 4660 08	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$2.17	\$5.30	\$2.82	\$0.00	83420.053 Chevron 4 9 Fed Com 412H
<b>Totals:</b>			<b>\$2.17</b>	<b>\$5.30</b>	<b>\$2.82</b>	<b>\$0.00</b>	
<b>Grand Total:</b>						<b>\$10.29</b>	

List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
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1

Received by OCD: 3/23/2026 2:08:10 PM

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 565681

**CONDITIONS**

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 565681
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	3/25/2026