


COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| Case: 22352 | APPLICANT'S RESPONSE |
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| Date: January 18, 2022 | |
| Applicant | Chevron U.S.A. Inc. |
| Designated Operator & OGRID (affiliation if applicable) | Chevron U.S.A. Inc. (OGRID No. 4323) |
| Applicant's Counsel: | Holland & Hart LLP |
| Case Title: | APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | N/A |
| | SD 24 13 FED P416 wells |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Wolfcamp |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Wolfcamp formation |
| Pool Name and Pool Code: | WC-025 G-08 S263205N;UPPER WOLFCAMP [98065] |
| Well Location Setback Rules: | Statewide Horizontal well rules |
| Spacing Unit Size: | 640 acres, more or less |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 640 acres, more or less |
| Building Blocks: | quarter-quarter sections |
| Orientation: | North/South |
| Description: TRS/County | E/2 of Sections 13 and 24, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico. |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Yes |
| Other Situations | |

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| Depth Severance: Y/N. If yes, description | No |
| Proximity Tracts: If yes, description | Yes |
| Proximity Defining Well: if yes, description | SD 24 13 FED P416 #18H well will remain within 330 feet of the E/2 E/2 of Sections 13 and 24 to allow inclusion of this acreage in a standard horizontal spacing uni |
| Applicant's Ownership in Each Tract | Exhibit C-3 |
| Well(s) | |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | |
| Well #1 | <p>SD 24 13 FED P416 Well No. 17H, API No. 30-025-PENDING SHL:248 feet from the south line and 2205 feet from the east line, SW/4 SE/4 (Unit O) of Section 24, Township 26 South, Range 32 East, NMPPM. BHL:25 feet from the north line and 2170 feet from the east line, NW/4 NE/4 (Unit B) of Section 13, Township 26 South, Range 32 East, NMPPM..</p> <p>Completion Target: Wolfcamp Well Orientation:south/north Completion Location expected to be:standard</p> |
| Well #2 | <p>SD 24 13 FED P416 Well No. 18H, API No. 30-025-PENDING SHL:248 feet from the south line and 2180 feet from the east line, SW/4 SE/4 (Unit O) of Section 24, Township 26 South, Range 32 East, NMPPM. BHL:25 feet from the north line and 1430 feet from the east line, NW/4 NE/4 (Unit B) of Section 13, Township 26 South, Range 32 East, NMPPM..</p> <p>Completion Target: Wolfcamp Well Orientation:south/north Completion Location expected to be:proximity tract well</p> |
| Well #3 | <p>SD 24 13 FED P416 Well No. 19H, API No. 30-025-PENDING SHL:248 feet from the south line and 2155 feet from the east line, SW/4 SE/4 (Unit O) of Section 24, Township 26 South, Range 32 East, NMPPM. BHL:25 feet from the north line and 690 feet from the east line, NE/4 NE/4 (Unit A) of Section 13, Township 26 South, Range 32 East, NMPPM..</p> <p>Completion Target: Wolfcamp Well Orientation:south/north Completion Location expected to be:standard</p> |

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| Horizontal Well First and Last Take Points | Exhibit C-2 |
| Completion Target (Formation, TVD and MD) | Exhibit C-5 |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$7,000 |
| Production Supervision/Month \$ | \$700 |
| Justification for Supervision Costs | Exhibit C, C-5 |
| Requested Risk Charge | Exhibit C |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit B |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit E |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit F |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit C-3 |
| Tract List (including lease numbers and owners) | Exhibit C-3 |
| Pooled Parties (including ownership type) | Exhibit C-3 |
| Unlocatable Parties to be Pooled | N/A |
| Ownership Depth Severance (including percentage above & below) | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit C-5 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit C-4 |
| Chronology of Contact with Non-Joined Working Interests | Exhibit C-6 |
| Overhead Rates In Proposal Letter | Exhibit C-5 |
| Cost Estimate to Drill and Complete | Exhibit C-5 |
| Cost Estimate to Equip Well | Exhibit C-5 |
| Cost Estimate for Production Facilities | Exhibit C-5 |
| Geology | |
| Summary (including special considerations) | Exhibit D, D-1, D-2 |
| Spacing Unit Schematic | Exhibit D, D-1, D-2 |

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| Gunbarrel/Lateral Trajectory Schematic | Exhibit D-1 |
| Well Orientation (with rationale) | Exhibit D, D-1, D-2, D-3 |
| Target Formation | Exhibit D, D-1, D-2, D-3 |
| HSU Cross Section | Exhibit D-1, D-3 |
| Depth Severance Discussion | Exhibit C |
| Forms, Figures and Tables | |
| C-102 | Exhibit C-2 |
| Tracts | Exhibit C-4 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit C-4 |
| General Location Map (including basin) | Exhibits C-1 D-1 |
| Well Bore Location Map | Exhibit D-1 |
| Structure Contour Map - Subsea Depth | Exhibit D-2 |
| Cross Section Location Map (including wells) | Exhibit D-1 |
| Cross Section (including Landing Zone) | Exhibit D-3 |
| Additional Information | |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
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| Printed Name (Attorney or Party Representative): | Michael H. Feldewert |
| Signed Name (Attorney or Party Representative): |  |
| Date: | 18-Jan-22 |