

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

**APPLICATIONS OF CHEVRON U.S.A. INC.
FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO**

CASE NOS. 22343 & 22344

**APPLICATIONS OF CIMAREX ENERGY CO.
FOR HORIZONTAL SPACING UNITS
AND FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO**

CASE NOS. 22519 & 22520

NOTICE OF SUPPLEMENTAL EXHIBITS

Chevron U.S.A. Inc. provides notice that it is supplementing the evidentiary record in these cases by submitting the attached Exhibits H through L.

Respectfully submitted,

HOLLAND & HART, LLP



Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
(505) 983-6043
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com

ATTORNEYS FOR CHEVRON U.S.A. INC.

CERTIFICATE OF SERVICE

I hereby certify that on March 17, 2022, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
505-982-2043
jamesbruc@aol.com

Attorney for Cimarex Energy Co.

Kyle Perkins
MRC Permian Company
Vice President and Assistant General Counsel
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240
TEL: (972) 371-5202
kperkins@matadorresources.com

Attorney for MRC Permian Company



Michael H. Feldewert

CASE NO. 22297

**APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO**

CIMAREX ENERGY CO.'S EXHIBIT LIST (PART I)

- A. Landman's Affidavit
- B. Geologist's Affidavit
- C. Application and Proposed Notice
- D. Affidavit of Mailing
- E. Affidavit of Publication
- F. Pooling Checklist

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. H
Submitted by: Chevron U.S.A. Inc.
Hearing Date: March 18, 2022
Case Nos. 22343-22344**

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

APPLICATIONS OF CIMAREX ENERGY CO. OF
COLORADO FOR A HORIZONTAL SPACING UNIT
AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22297

SELF-AFFIRMED STATEMENT OF RILEY MORRIS

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

I, being duly sworn on oath, state the following:

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.

2. I am employed as a Landman with Cimarex Energy Co. ("Cimarex"), and I am familiar with the subject application and the lands involved.

3. I graduated in 2010 from Texas Tech University with a bachelor's degree in Business Administration with an emphasis on Energy Commerce. I have worked at Cimarex for approximately 3 years, and I have been working in New Mexico for 3 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division ("Division") and made a matter of record.

4. This affidavit is submitted in connection with the filing by Cimarex of the above-referenced spacing and compulsory pooling applications pursuant to 19.15.4.12.A(1).

5. Cimarex seeks an order pooling all uncommitted mineral interest in the Bone Spring formation (Purpose Sage; Wolfcamp, Gas; Pool Code: 98220) underlying a standard 640-acre,

EXHIBIT

A

more or less, horizontal spacing and proration unit comprised of the W/2 of Sections 29 and 32, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

6. Under Case No. 22297:

a. Cimarex seeks to dedicate the **Southern Hills 32-29 State Fed Com 3H Well** (API 30-015-pending/#####) as an initial well, horizontally drilled from a surface location in SE/4 SW/4 (Unit N) of Section 32 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 29; approximate TVD of 8,830'; approximate TMD of 18,830'; FTP in Section 32: 827' FSL, 330' FWL; LTP in Section 29: 100' FNL, 330' FWL.

b. Cimarex seeks to dedicate the **Southern Hills 32-29 State Fed Com 4H Well** (API 30-015-pending/#####) as an initial well, horizontally drilled from a surface location in SE/4 SW/4 (Unit N) of Section 32 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 29; approximate TVD of 8,830'; approximate TMD of 18,830'; FTP in Section 32: 834' FSL, 2,112' FWL; LTP in Section 29: 100' FNL, 2,2112' FWL.

7. The wells will be unorthodox in location, and the 100' setback of the take points do not comply with the special field rules for the Purple Sage, Wolfcamp, pursuant to Order No. R-14262; Cimarex will be applying administratively to the NMOCD for approval of the non-standard locations.

8. Cimarex has a horizontal well, the Cottonwood Hills 32 State Com (API No. 30-015-39967), in the W/2 of Section 32, in the Wolfcamp formation. The proposed HSU will overlap this 320-acre unit in the W/2, and Cimarex respectfully requests approval, to the

extent necessary, for the overlapping units.

9. The proposed C-102 for each well is attached as **Exhibit A-1**.

10. A general location plat and a plat outlining the units being pooled is attached hereto as **Exhibit A-2**, which show the location of the proposed well within the unit. The location of each well is orthodox, and it meets the Division's offset requirements.

11. The parties being pooled, the nature of their interests, and their last known addresses are listed on **Exhibit A-2** attached hereto. **Exhibit A-2** includes information regarding working interest owners and overriding royalty interest owner.

12. There are no depth severances in the Bone Spring formation in this acreage.

13. I provided the law firm of James Bruce a list of names and addresses for the uncommitted ORRI owners shown on **Exhibit A-2**. In compiling these addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the wells are located, and of phone directories and did computer searches to locate the contact information for parties entitled to notification. All working interest owners were locatable and noticed; there were zero unlocatable parties who were overriding interest owners. Cimarex published notice in the Carlsbad Current Argus, a newspaper of general circulation in Eddy County, New Mexico, to account for any unlocatable parties and cover any contingencies regarding notice.

14. Cimarex has made a good faith effort to negotiate with the interest owners, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for its development within the proposed horizontal spacing unit. **Exhibit A-4** provides a chronology and history of contacts with the owners.

15. The interest owners being pooled have been contacted regarding the proposed wells but have failed or refused to voluntarily commit their interest in the wells. However, Cimarex has been in ongoing discussions with some of the interest owners to voluntarily enter into a Joint Operating Agreement. If a mutually agreeable Joint Operating Agreement is reached between Cimarex and another interest owner or owners, Cimarex requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and protection of correlative rights.

16. The interest owners being pooled have been contacted regarding the proposed wells, and the working interest owners have voluntarily committed their interests in the wells. This pooling application has been submitted for approval in order to account for the overriding royalty interest owners.

17. **Exhibit A-3** is a sample proposal letter and the AFEs for each proposed well. The estimated cost of the wells set forth in the AFEs is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

18. Cimarex requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Cimarex requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

19. Cimarex requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners to the extent needed.

20. Cimarex requests that it be designated operator of the units and wells.

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: (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

ATTACHMENT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
	98220	Purple Sage; Wolfcamp, Gas
⁴ Property Code	⁵ Property Name	
	So. Hills 32-29 State Fed Com	
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
215099	CIMAREX ENERGY CO.	3244.5'

¹⁰ Surface Location

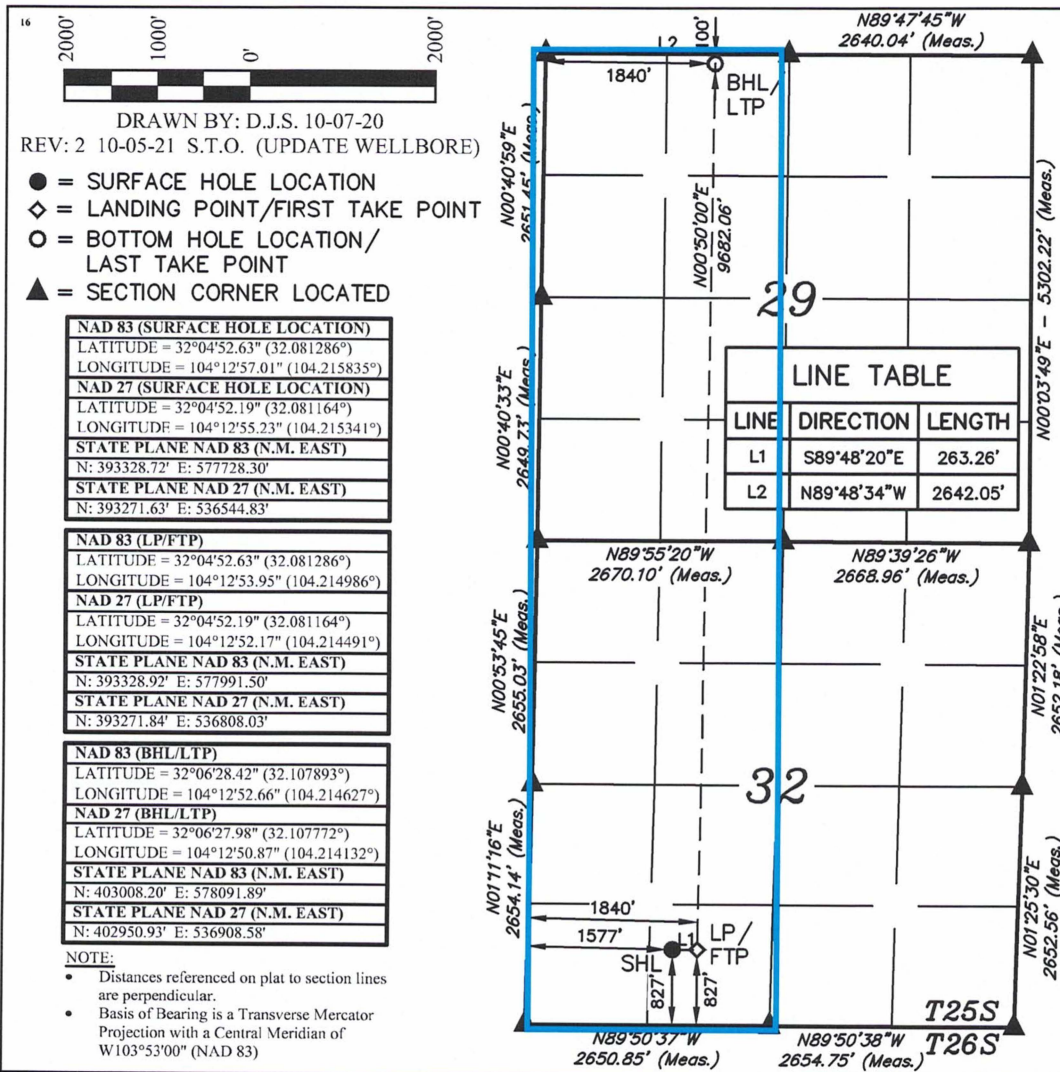
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	32	25S	27E		827	SOUTH	1577	WEST	EDDY

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
C	29	25S	27E		100	NORTH	1840	WEST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	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.



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.

Fatima Vasquez 10/05/2021
Signature Date

Fatima Vasquez
Printed Name

fvasquez@cimarex.com
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.

August 31, 2020
Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number:

District I
1623 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 Number	² Pool Code	³ Pool Name
	98220	Purple Sage; Wolfcamp, Gas
⁴ Property Code	⁵ Property Name	
	So. Hills 32-29 State Fed Com	
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
215099	CIMAREX ENERGY CO.	3244.7'

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
N	32	25S	27E		834	SOUTH	1595	WEST	EDDY

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
C	29	25S	27E		100	NORTH	2315	WEST	EDDY
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	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.

¹⁶

NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 32°04'52.70" (32.081305°)	
LONGITUDE = 104°12'56.79" (104.215775°)	
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 32°04'52.26" (32.081184°)	
LONGITUDE = 104°12'55.01" (104.215280°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 393335.71' E: 577747.03'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 393278.62' E: 536563.57'	

NAD 83 (LP/FTP)	
LATITUDE = 32°04'52.70" (32.081305°)	
LONGITUDE = 104°12'48.43" (104.213452°)	
NAD 27 (LP/FTP)	
LATITUDE = 32°04'52.26" (32.081184°)	
LONGITUDE = 104°12'46.65" (104.212957°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 393336.61' E: 578466.58'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 393279.51' E: 537283.10'	

NAD 83 (BHL/LTP)	
LATITUDE = 32°06'28.41" (32.107893°)	
LONGITUDE = 104°12'47.14" (104.213093°)	
NAD 27 (BHL/LTP)	
LATITUDE = 32°06'27.98" (32.107772°)	
LONGITUDE = 104°12'45.35" (104.212598°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 403008.61' E: 578566.80'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 402951.33' E: 537383.47'	

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.

Fatima Vasquez 10/05/2021
Signature Date

Fatima Vasquez
Printed Name

fvasquez@cimarex.com
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.

August 31, 2020
Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number:

● = SURFACE HOLE LOCATION
◆ = LANDING POINT/FIRST TAKE POINT
○ = BOTTOM HOLE LOCATION/LAST TAKE POINT
▲ = SECTION CORNER LOCATED

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

2000'
1000'
0
2000'

SCALE

DRAWN BY: D.J.S. 10-07-20
REV: 2 10-05-21 S.T.O. (UPDATE WELLBORE)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S89°49'57"E	719.72'

18

17

16

19

20

21

SOUTHERN HILLS 32-29

30

29

28

25S 27E

67.775% WI
55.553333% NRI

31

32

33

ATTACHMENT 2

6

5

4

26S 27E



SOUTHERN HILLS OWNERSHIP
Eddy County, NM



Scale: 1"=1000' CRS: NAD 1983 StatePlane New Mexico East
Date: 6/9/2021 Author: jgw



Southern Hills - 2 Mile WFMP



XEC Leasehold

8

9

Owner	Address	Total Unit WI	Total Unit NRI	Total Unit ORRI/RI
Cimarex Energy Co.	600 N. Marienfeld St., Ste. 600 Midland, TX 79701	0.67775000	0.55553333	0.00000000
ABO Petroleum, Inc.	P.O. Box 900 Artesia, NM 88211	0.11110000	0.09721250	0.00000000
Chevron USA Inc.	1400 Smith Street Houston, TX 77002	0.10000000	0.08333333	0.00000000
Oxy Y-1 Company	5 Greenway Plaza, Ste. 110 Houston, TX 77046	0.11115000	0.09725625	0.00000000
COG Operating, LLC	600 W. Illinois Ave. Midland, TX 79701	0.00000000	0.00000000	0.02083125
United States of America	c/o Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508	0.00000000	0.00000000	0.06250000
State of New Mexico	c/o Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, NM 87501	0.00000000	0.00000000	0.08333334

Chevron USA Inc.
6301 Deauville Blvd.
Midland, TX 79706

MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

MRC Permian LKE Co. LLC
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

Premier Oil & Gas Inc.
1096 Mechem Drive, Suite G-16
Ruidoso, NM 88345

COG Operating LLC
600 W. Illinois
Midland, TX 79701

Family Tree Corporation
915 S. Pearl Street
Denver, CO 80209

Christi Lea Rucker
243 S. Buena Vista St., Apt. B
Redlands, CA 92373

EnCore Permian Holdings LP
P. O. Box 1113
Midland, TX 79702

PetroLima, LLC
P. O. Box 1113
Midland, TX 79702

Francine Marilyn Hepler
59500 Ramsey Rd., Apt. 568
Anza, CA 92539

Robert Hepler
41175 Mount Rd.
Anza, CA 92539

Belinda Lee Hepler
59500 Ramsey Rd.
Anza, CA 92539

Zella Marie Hepler
1303 East Orchid Lane #15
Carlsbad, NM 88220

Marla Risher
2007 W. Pepper Tree Cir.
Carlsbad, NM 88220

Camarie Oil & Gas, LLC
2502 Camarie
Midland, TX 79705

United States of America
c/o Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220

State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87501

ABO Petroleum LLC
PO Box 900
Artesia, NM 88211

OXY Y-1 Company
5 Greenway Plaza Suite 110
Houston, TX 77046

Ross Duncan Properties LLC
P.O. Box 647
Artesia, NM 88211

Nora Wright
1303 E. Orchard Ln., TRLR 15
Carlsbad, NM 88220

Betty Jonas
607 E. Hill Ave.
Gallup, NM 87301

Weslyn Hepler
1303 E. Orchard Ln., TRLR 18
Carlsbad, NM 88220

Eryn Hepler
603 N. 9th St.
Carlsbad, NM 88220

Charlene Hepler
4309 Sycamore St.
Carlsbad, NM 88220

Sam L. Shackelford
1096 Mechem Drive
Ruidoso, NM 88345

Doug J. Schutz
P.O. Box 973
Santa Fe, NM 87504

Big Three Energy Group, LLC
P.O. Box 429
Roswell, NM 88202

Featherstone Development Corp.
P.O. Box 429
Roswell, NM 88202

Prospector, LLC
P.O. Box 429
Roswell, NM 88202

Xplor Resources, LLC
1104 N. Shore Drive
Carlsbad, NM 88220

Xplor Resources, LLC
1104 N. Shore Drive
Carlsbad, NM 88220

Cimarex Energy Co.
600 N. Marienfeld St.
Suite 600
Midland, TX 79701
Main: 432.571.7800



September 3, 2021

Chevron U.S.A. Inc.
1400 Smith Street
Houston, TX 77002

**Re: Proposal to Drill
Southern Hills 32-29 State Fed Com 3H & 4H
W2 Section 32 and 29, Township 25 South, Range 27 East
Eddy County, NM**

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Southern Hills 32-29 State Fed Com 3H & 4H wells at a legal location in Section 32, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

Southern Hills 32-29 State Fed Com 3H - The intended surface hole location for the well is 827'FSL & 1,577'FWL of Section 32, Township 25 South, Range 27 East, and the intended bottom hole location 100'FNL & 1,840'FWL of Section 29, Township 25 South, Range 27 East. The well is proposed to be drilled vertically to the Wolfcamp formation and laterally in a northerly direction within the formation to the referenced bottom hole location. Total vertical depth of the well is proposed to be approximately 8,830'.

Southern Hills 32-29 State Fed Com 4H - The intended surface hole location for the well is 834'FSL & 1,595'FWL of Section 32, Township 25 South, Range 27 East, and the intended bottom hole location 100'FNL & 2,315'FWL of Section 29, Township 25 South, Range 27 East. The well is proposed to be drilled vertically to the Wolfcamp formation and laterally in a northerly direction within the formation to the referenced bottom hole location. Total vertical depth of the well is proposed to be approximately 8,830'.

Cimarex Energy Co. is proposing these wells under the terms of a new Operating Agreement, which is included for your review and approval. It has the following general provisions:

- 100%/300% Non-Consenting Penalty;
- \$8000 Drilling and \$800 Producing Rate; and
- Cimarex Energy Co. named as Operator.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

ATTACHMENT 3

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the White City 32-29 Fed Com wells. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

If we do not reach an agreement within 30 days of the date of this letter, Cimarex may apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest in to a horizontal spacing unit for the proposed well.

Please call the undersigned with any questions or comments.

Respectfully,



Riley C. Morris
Sr. Landman
432.620.1966
rmorris@cimarex.com

**ELECTION TO PARTICIPATE
Southern Hills 32-29 State Fed Com 3H**

_____ Chevron U.S.A. Inc. elects **TO** participate in the proposed Southern Hills 32-29 State Fed Com 3H well.

_____ Chevron U.S.A. Inc. elects **NOT** to participate in the proposed Southern Hills 32-29 State Fed Com 3H well.

Dated this _____ day of _____, 2021.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Southern Hills 32-29 State Fed Com 3H well, then:

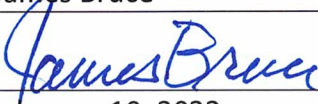
_____ Chevron U.S.A. Inc. elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Chevron U.S.A. Inc. elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case:	22297
Date:	February 17, 2022
Applicant	Cimarex Energy Co.
Designated Operator & OGRID (affiliation if applicable)	Cimarex Energy Co./OGRID No.215099
Applicant's Counsel:	James Bruce
Case Title:	Application of Cimarex Energy Co. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Chevron U.S.A. Inc./Holland & Hart LLP MRC Permian Company/Kyle Perkins
Well Family	Southern Hills wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Wolfcamp formation
Pool Name and Pool Code:	Purple Sage; Wolfcamp, Gas /Pool Code 98220
Well Location Setback Rules:	Purple Sage special pool rules and current horizontal well rules
Spacing Unit Size:	Half sections/320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	
Orientation:	South - North
Description: TRS/County	W/2 §29 and W/2 §32-25S-27E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibit A-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	Southern Hills 32-29 State Fed. Com. Well No. 3H API No. 30-015-Pending SHL: 827 FSL & 1577 FWL §32 BHL: 100 FNL & 1840 FWL §29 FTP: 827 FSL & 1840 FWL §32 LTP: 100 FNL & 1840 FWL §29 Wolfcamp/TVD 8830 feet/MD 18830 feet

	Southern Hills 32-29 State Fed. Com. Well No. 4H API No. 30-015-Pending SHL: 834 FSL & 1595 FWL §32 BHL: 100 FNL & 2315 FWL §29 FTP: 834 FSL & 2315 FWL §32 LTP: 100 FNL & 2315 FWL §29 Wolfcamp/TVD 9083 feet/MD 19083 feet
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A, page 3
Requested Risk Charge	Cost + 200%/Exhibit A, page 4
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit E
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibits A-2
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Yes. See Exhibits A-2 and D
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (<i>i.e.</i> Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3
Cost Estimate for Production Facilities	Exhibit A
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibits A-1 and B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Standup/Exhibit B
Target Formation	Wolfcamp

HSS Cross Section:	Exhibit B-5
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit A-2
Well Bore Location Map	Exhibits A-1 and B-4
Structure Contour Map - Subsea Depth	Exhibit B-1
Cross Section Location Map (including wells)	Exhibit B-5
Cross Section (including Landing Zone)	Exhibit B-5
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	February 10, 2022

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: (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

NM OIL CONSERVATION Form C-102
ARTESIA DISTRICT Revised August 1, 2011
Submit one copy to appropriate District Office
JUL 21 2017
 AMENDED REPORT
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43658		² Pool Code 97816		³ Pool Name WC-015-S2S271SA Bone Spring	
⁴ Property Code 315640		⁵ Property Name COTTONBERRY 20 FEDERAL COM		⁶ Well Number 4H	
⁷ OGRID No. 215099		⁸ Operator Name CIMAREX ENERGY CO.		⁹ Elevation 3138.5'	

¹⁰ Surface Location

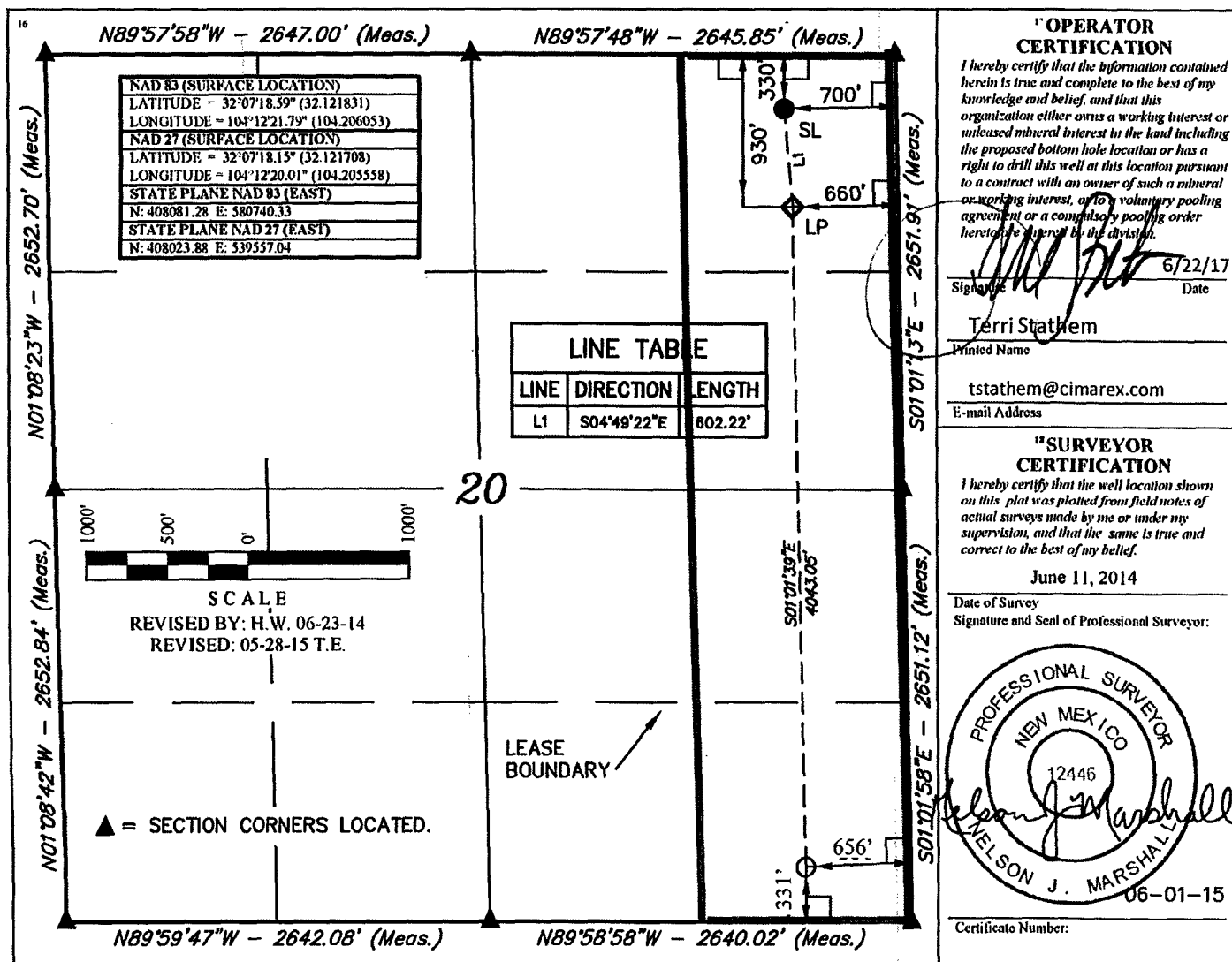
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	20	25S	27E		330	NORTH	700	EAST	EDDY

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
P	20	25S	27E		331	SOUTH	656	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowance will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. I
Submitted by: Chevron U.S.A. Inc.
Hearing Date: March 18, 2022
Case Nos. 22343-22344

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: (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

JUN 5 2019 AMENDED REPORT
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-45148	² Pool Code 97494	³ Pool Name Cottonwood Draw; Bone Spring
⁴ Property Code 322224	⁵ Property Name COTTONBERRY 20 FEDERAL	⁶ Well Number 5H
⁷ OGRID No. 215099	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3148.9'

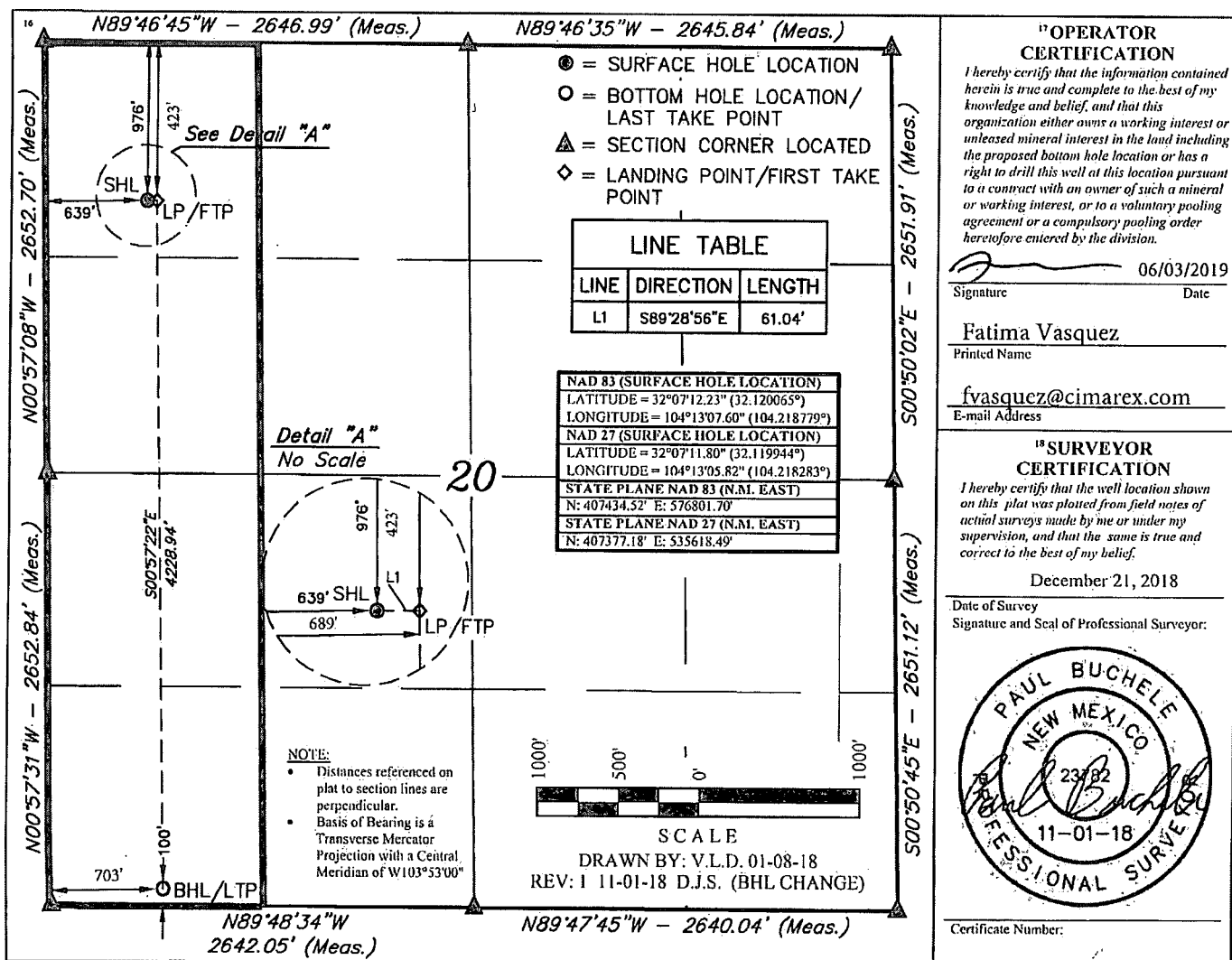
" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	25S	27E		976	NORTH	639	WEST	EDDY

" 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	20	25S	27E		100	SOUTH	703	WEST	EDDY
¹¹ Dedicated Acres 160		¹³ Joint or 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.



NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-102

Revised August 1, 2011

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-0161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-0720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8176 Fax: (505) 334-8170

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 and Natural Resources Department

JAN 05 2015

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30015-42160	Pool Code 13367	Pool Name Cottonwood Draw Bone Spring
Property Code 312447	Property Name WHITE CITY "8" FEDERAL	Well Number 3H
GRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3220'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	8	25 S	27 E		330	SOUTH	2030	WEST	EDDY

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
C	8	25 S	27 E		330	NORTH	1977	WEST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	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

PROPOSED BOTTOM HOLE LOCATION
Lot - N 32°09'03.55"
Long - W 104°12'52.41"
NMSPC- N 418683.5
E 578095.4
(NAD-83)

SURFACE LOCATION
Lat - N 32°08'17.62"
Long - W 104°12'51.67"
NMSPC- N 414043.5
E 578164.2
(NAD-83)

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.

Cristen Burdell 12/18/14
Signature Date
Cristen Burdell
Printed Name
cburdell@cimarex.com
Email Address

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.

Date Surveyed
Signature & Seal of Professional Surveyor
Gary L. Jones
Certificate No. Gary L. Jones 7977
BASIN SURVEYS 28628

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. J

Submitted by: Chevron U.S.A. Inc.

Hearing Date: March 18, 2022

Case Nos. 22343-22344

NM OIL CONSERVATION
ARTESIA DISTRICT

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (505) 393-0101 Fax: (505) 393-0720

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3400 Fax: (505) 476-3482

OIL CONSERVATION DIVISION
1220 South St. Francis
Santa Fe, New Mexico 87505

Submit one copy to appropriate District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 3001542161	Pool Code 13367	Pool Name Cottonwood Draw; Bone Spring
Property Code 312447	Property Name WHITE CITY "8" FEDERAL	Well Number 4H
OGRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3235'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	8	25 S	27 E		330	SOUTH	2030	EAST	EDDY

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
B	8	25 S	27 E		330	NORTH	1970	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

N: 419012.2 E: 576114.5 PROPOSED BOTTOM HOLE LOCATION Lat - N 32°09'03.53" Long - W 104°12'37.48" NMSPC- N 418684.1 E 579411.8 (NAD-83) <i>actual?</i>	N: 419013.8 E: 578752.2 B.H.O.	N: 419014.3 E: 581389.0 1980'	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: <i>Terry Stathem</i> Terry Stathem Date: 11-18-15

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Carlsbad Field Office

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No. NMNM97126
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. WHITE CITY 8 FEDERAL 2H
9. API Well No. 30-015-41609-00-S1
10. Field and Pool or Exploratory Area WC015G02S252715A-BONE SPRING
11. County or Parish, State EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other
2. Name of Operator CIMAREX ENERGY COMPANY OF CO Contact: PATRICIA HOLLAND E-Mail: pholland@cimarex.com
3a. Address 600 N MARIENFELD STE 600 MIDLAND, TX 79701
3b. Phone No. (include area code) Ph: 918-560-7081
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T25S R27E SWSW 330FSL 330FWL 32.081765 N Lat, 104.131145 W Lon

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Venting and/or Flaring
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Cimarex Energy Co. respectfully requests permission to intermittently flare at the Whit City 8 Federal CDP Flare, approximately 6,000 MCF, from July through December 2019, due to pipeline capacity.

Wells:
White City 8 Federal 2H 30-015-41609
White City 8 Federal 3H 30-015-42160
White City 8 Federal 4H 30-015-42161
White City 8 Federal 5H 30-015-41610

NM OIL CONSERVATION
ARTESIA DISTRICT
Accepted for record
AUG 21 2019
NMOCD
8/21/19
RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #474217 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad Committed to AFMS for processing by PRISCILLA PEREZ on 07/18/2019 (19PP2853SE)	
Name (Printed/Typed) PATRICIA HOLLAND	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 07/18/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>/s/ Jonathon Shepard</u>	Title <u>Petroleum Engineer</u>	Date <u>JUL 25 2019</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office <u>Carlsbad Field Office</u>		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. K
Submitted by: Chevron U.S.A. Inc.
Hearing Date: March 18, 2022
Case Nos. 22343-22344

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval to Flare Gas

1. Approval not to exceed 180 days from date of submission.
2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i – iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.101 - 3179.104.

Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Carlsbad Field Office

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No. NMNM130854
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. COTTONBERRY 20 FEDERAL 5H

9. API Well No. 30-015-45148-00-X1

10. Field and Pool or Exploratory Area COTTONWOOD DRAW-BONE SPRING

11. County or Parish, State EDDY COUNTY, NM

1. Type of Well [X] Oil Well [] Gas Well [] Other

2. Name of Operator CIMAREX ENERGY COMPANY Contact: PATRICIA HOLLAND E-Mail: pholland@cimarex.com

3a. Address 600 N MARIENFELD STE 600 MIDLAND, TX 79701

3b. Phone No. (include area code) Ph: 918.560.7081

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T25S R27E NWNW 976FNL 639FWL 32.120064 N Lat, 104.218781 W Lon

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones.

Cimarex Energy Co. respectfully requests permission to intermittently flare at the Cottenberry 20-1H 5H CDP Flare, approximately 1,488 mcfpd from April through June, due to high line pressure.

Wells: Cottonberry 20 Federal 1H - 30-015-45147 Cottonberry 20 Federal 5H - 30-015-45148

Accepted for record RECEIVED NMOC DISTRICT/ARTESIA O.C.D. AUG 21 2019

14. I hereby certify that the foregoing is true and correct. Electronic Submission #463560 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 04/30/2019 (19PP1870SE) Name (Printed/Typed) PATRICIA HOLLAND Title REGULATORY ANALYST Signature (Electronic Submission) Date 04/30/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jonathon Shepard Petroleum Engineer Carlsbad Field Office MAY 02 2019

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

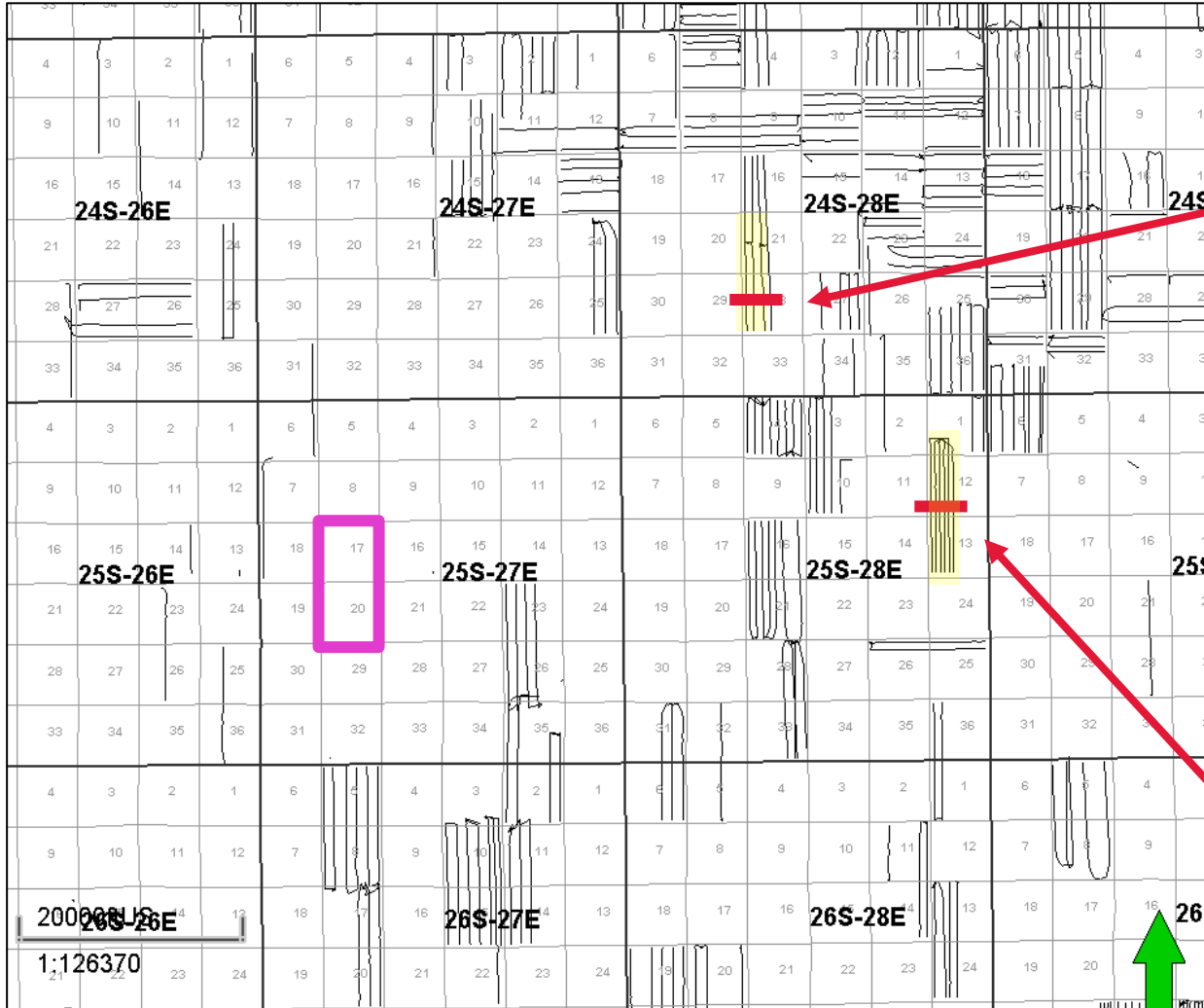
Conditions of Approval to Flare Gas

1. Approval not to exceed 180 days from date of submission.
2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i - iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

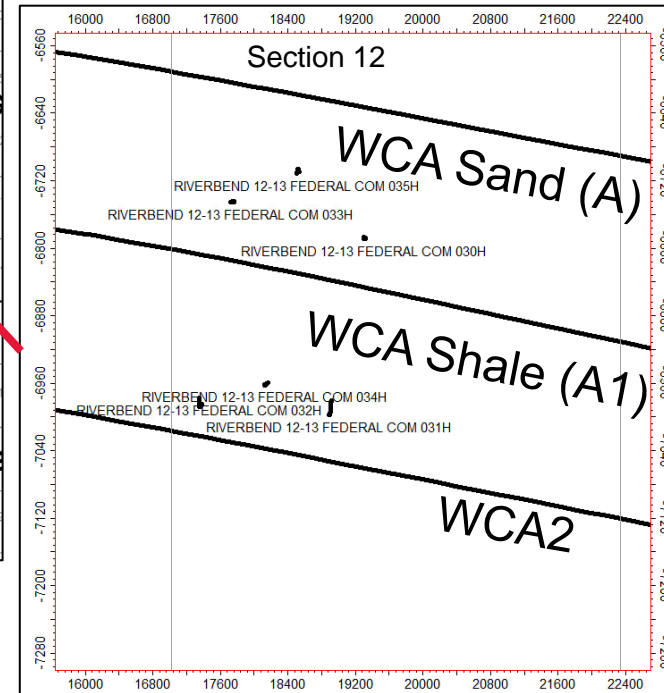
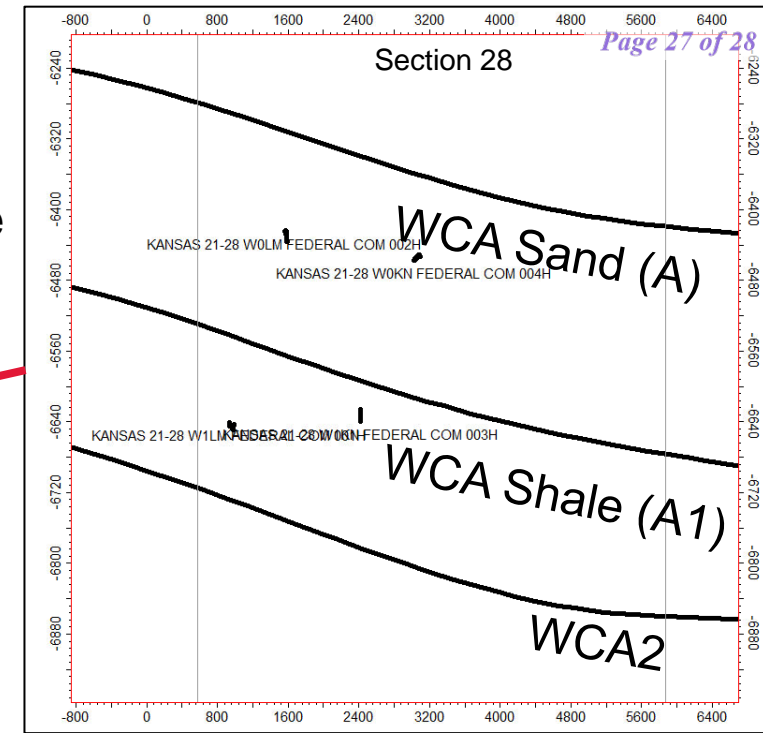
Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.101 - 3179.104.

WCA Shale Wells to the North



Mewbourne
 Kansas 21-28
 8 wps
 WCA sand/shale
 stagger



Cimarex
 Riverbend 12-13
 12+ wps
 WCA sand/shale
 stagger

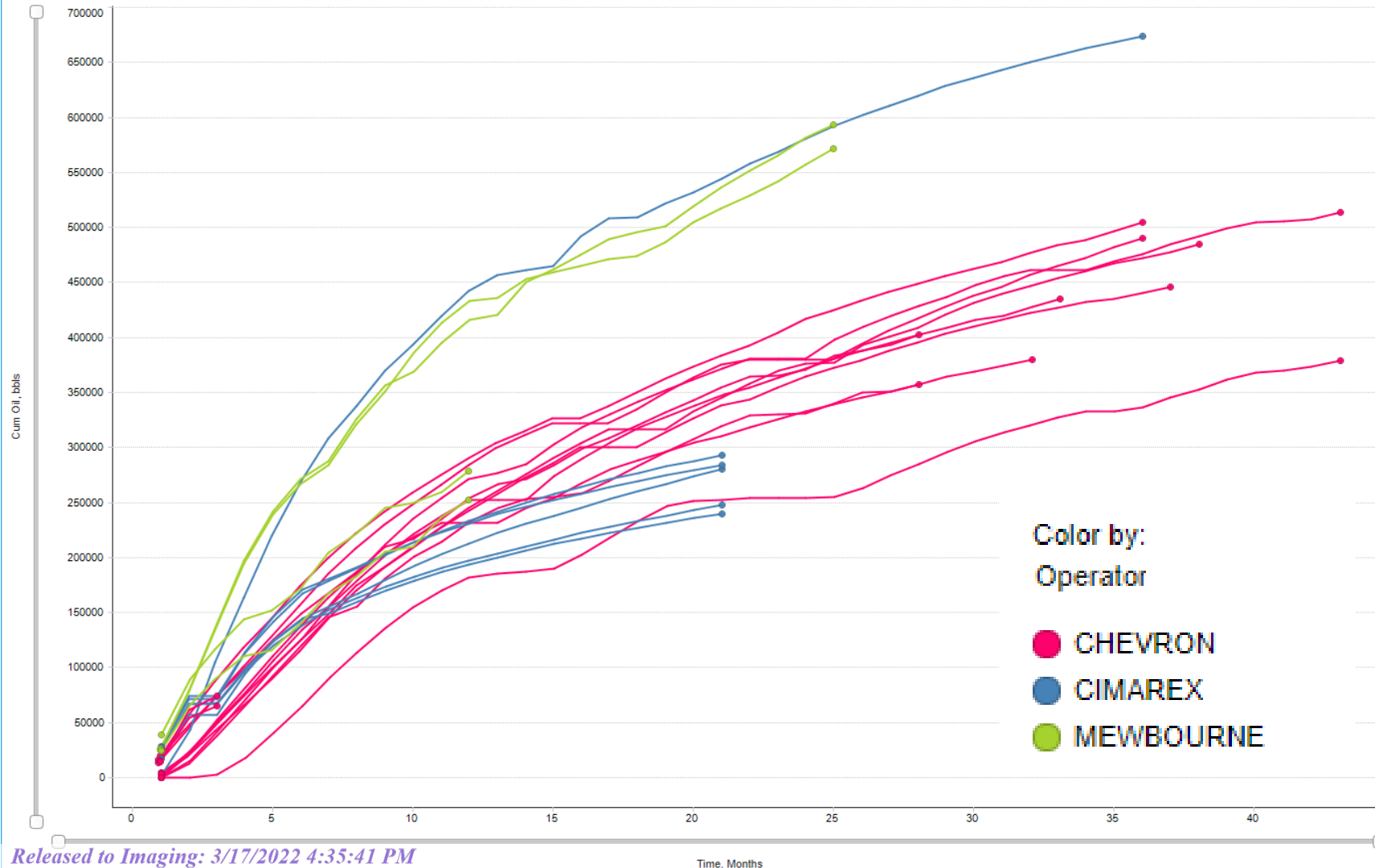
BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. L
 Submitted by: Chevron U.S.A. Inc.
 Hearing Date: March 18, 2022
 Case Nos. 22343-22344

Sections 17/20 Force Pool



WCA Shale Wells to the North

Normalization: 9800 ft, Data Sets Enabled: ncp_3



WCA Sand(A)/Shale(A1) Winerack is proven viable North of Chevron's existing production by:

1. Cimarex's Riverbend (Blue)
 1. 12+ wps spacing winerack
2. Mewbourne's Kansas (Green)
 1. 8 wps spacing winerack
3. Chevron wells used in Coterra exhibits (Pink)
 1. 6wps Shale Only