

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

**APPLICATION OF CHEVRON U.S.A. INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 22822



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

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22822

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- Exhibit C.7: Resume of Mandy Brewer

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

Case: 22822	APPLICANT'S RESPONSE
Date: June 2, 2022	
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	Chevron U.S.A. Inc. (4323)
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris & Sisk, P.A. (Earl DeBrine, Deana Bennett, Jamie Allen, and Bryce Smith)
Case Title:	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	CONOCOPHILLIPS COMPANY and COG PRODUCTION LLC Ocean Munds-Dry Elizabeth A. Ryan CONOCOPHILLIPS 1048 Paseo de Peralta Santa Fe, New Mexico 87501 (505) 780-8000 (505) 428-0485 FAX ocean.munds-dry@conocophillips.com beth.ryan@conocophillips.com
Well Family	Grizzly
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	WC-025 G-07 S243225C; LWR BONE SPRING (Pool Code 97964), and WC-025 G-06 S253209L; BONE SPRING (Pool Code 96715)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	640 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	40 acres
Orientation:	North-South

EXHIBIT


tabbles®

A

Description: TRS/County	E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Y
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	Y
Proximity Defining Well: if yes, description	The completed interval for the CO Grizzly 34 27 Fed Com 408H well will be less than 330' from the adjoining tracts and the Division's rules allow for the inclusion of proximity tracts within the proposed spacing unit.
Applicant's Ownership in Each Tract	Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Exhibit B.2 and Exhibit B, paragraph 9.
Well #1	<p>CO Grizzly 34 27 Fed Com 407H API: Not yet assigned SHL: 192 feet from the North line and 1,700 feet from the East line, Section 3, Township 25 South, Range 32 East, NMPM. BHL: 25 feet from the North line and 2,310 feet from the East line, Section 27, Township 24 South, Range 32 East, NMPM. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Non-Standard. See also Exhibit B.2 for C-102.</p>
Well #2	<p>CO Grizzly 34 27 Fed Com 408H API: Not yet assigned SHL: 192 feet from the North line and 1,625 feet from the East line, Section 3, Township 25 South, Range 32 East, NMPM. BHL: 25 feet from the North line and 1,430 feet from the East line, Section 27, Township 24 South, Range 32 East, NMPM. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Non-Standard. See also Exhibit B.2 for C-102.</p>

Well #3	<p>CO Grizzly 34 27 Fed Com 409H API: Not yet assigned SHL: 192 feet from the North line and 1,575 feet from the East line, Section 3, Township 25 South, Range 32 East, NMPM. BHL: 25 feet from the North line and 550 feet from the East line, Section 27, Township 24 South, Range 32 East, NMPM. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Non-Standard. See also Exhibit B.2 for C-102.</p>
Horizontal Well First and Last Take Points	Exhibit B.2
Well #1	<p>CO Grizzly 34 27 Fed Com 407H FTP: 25 feet from the South line and 2,310 feet from the East Line, Section 34, Township 24 South, Range 32 East, NMPM. LTP: 100 feet from the North line and 2,310 feet from the East line of Section 27, Township 24 South, Range 32 East, NMPM.</p>
Well #2	<p>CO Grizzly 34 27 Fed Com 408H FTP: 25 feet from the South line and 1,430 feet from the East Line, Section 34, Township 24 South, Range 32 East, NMPM. LTP: 100 feet from the North line and 1,430 feet from the East line of Section 27, Township 24 South, Range 32 East, NMPM.</p>
Well #3	<p>CO Grizzly 34 27 Fed Com 409H FTP: 25 feet from the South line and 550 feet from the East Line, Section 34, Township 24 South, Range 32 East, NMPM. LTP: 100 feet from the North line and 550 feet from the East line of Section 27, Township 24 South, Range 32 East, NMPM.</p>
Completion Target (Formation, TVD and MD)	See Exhibits B.2 and B.5.
Well #1	<p>CO Grizzly 34 27 Fed Com 407H Formation: Bone Spring TVD: Approximately 10,525' MD: Approximately 21,302'</p>
Well #2	<p>CO Grizzly 34 27 Fed Com 408H Formation: Bone Spring TVD: Approximately 10,800' MD: Approximately 21,302'</p>

Well #3	CO Grizzly 34 27 Fed Com 409H Formation: Bone Spring TVD: Approximately 10,500' MD: Approximately 21,302'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	See Exhibit B, Paragraph 26
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	See Exhibits B.1 and B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	N/A
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6
Cost Estimate to Equip Well	Exhibit B.6
Cost Estimate for Production Facilities	Exhibit B.6
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.2
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.3
Well Orientation (with rationale)	Exhibit C.6

Target Formation	Exhibit C.2
HSU Cross Section	Exhibit C.5
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibit C.2
Structure Contour Map - Subsea Depth	Exhibit C.3
Cross Section Location Map (including wells)	Exhibit C.4
Cross Section (including Landing Zone)	Exhibit C.5
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Bryce H. Smith
Signed Name (Attorney or Party Representative):	
Date:	Tuesday, May 31, 2022

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

APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 22822

SELF AFFIRMED DECLARATION OF KEVIN STUBBS

Kevin Stubbs hereby states and declares as follows:

1. I am over the age of 18, I am a Land Representative for Chevron U.S.A. Inc. (“Chevron”), and I have personal knowledge of the matters stated herein. I have previously been qualified by the Oil Conservation Division (“Division”) as an expert in petroleum land matters.
2. My area of responsibility at Chevron includes the area of Lea County in New Mexico.
3. I am familiar with the application filed by Chevron in this case, which is attached as **Exhibit B.1**.
4. I am familiar with the status of the lands that are subject to the application.
5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.
6. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit.
7. No opposition is expected because the working interest owner being pooled, COG Production LLC, has entered its appearance and indicated it does not oppose the presentation of Chevron’s case by affidavit.



8. In this case, Chevron seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

9. Chevron seeks to dedicate the above-referenced horizontal spacing unit to the following three proposed wells: (1) the **CO Grizzly 34 27 Fed Com 407H**; (2) **CO Grizzly 34 27 Fed Com 408H**; and (3) **CO Grizzly 34 27 Fed Com 409H**. These wells are to be horizontally drilled.

10. Attached as **Exhibit B.2** are the proposed C-102s for the wells.

11. The C-102s identify the proposed surface hole location, the first take point, and the bottom hole location. The C-102s also identify the pool and pool code.

12. The Division's field office has instructed Chevron that there are two different Bone Spring pools which will be developed in the proposed spacing unit.

13. The wells will develop the WC-025 G-07 S243225C; LWR BONE SPRING pool (Pool code 97964), and the WC-025 G-06 S253209L; BONE SPRING (Pool Code 96715).

14. Both pools are oil pools with 40-acre building blocks.

15. Both pools are governed by the state-wide horizontal well rules.

16. At the direction of the Division's field office, Chevron re-submitted the C-102s to show both pools. At the Division's request, two C-102s were provided for each well, with one pool code on each C-102. *See Exhibit B.2.* However, during this process, the outline and "dedicated acres" of the proposed spacing unit shown on the C-102s was changed to show a 320-acre spacing unit. *See id.* Chevron is in the process of correcting these C-102s to show the correct dedicated

acreage of 640-acres covering the entire E/2 of Sections 27 and 34 and will submit updated C-102s once this is corrected.

17. The completed interval for the **CO Grizzly 34 27 Fed Com 408H** well is expected to be less than 330 feet from the adjoining quarter-quarter section tracts to allow for the inclusion of such offsetting proximity tracts within the proposed spacing unit for the wells under Division Rule 19.15.16.15(B)(1)(b).

18. Although in the application Chevron asked for approval of unorthodox well locations, in May of 2022, Chevron (through counsel) filed administrative applications with the Division seeking approval of the same. Chevron expects these administrative applications to be approved as it owns 100% of the working interest in the tracts adjoining the unorthodox well locations.

19. There are no depth severances within the proposed spacing unit.

20. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests.

21. I have conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.

22. In my opinion, Chevron has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well.

23. **Exhibit B.4** is a summary of my contacts with the working interest owners.

24. **Exhibit B.5** is a sample of a well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed surface hole and bottom hole locations and approximate TVD/MD for the well.

25. **Exhibit B.6** contains the Authorization for Expenditures for the proposed wells. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

26. Chevron requests overhead and administrative rates of \$8000.00/month for drilling a well and \$800.00/month for a producing 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. Chevron requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

27. Chevron requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

28. Chevron requests that it be designated operator of the wells.

29. The parties Chevron is seeking to pool were notified of this hearing.

30. Chevron seeks to pool overriding royalty interest owners, and they were also provided with a copy of Chevron's application with the notice of this hearing, but have not responded to Chevron or entered an appearance in this case.

31. **Exhibit B.7** is an affidavit of notice prepared by counsel for Chevron that shows the parties who were notified of this hearing and the status of whether they received notice.

32. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

33. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

34. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: May 31, 2022



Kevin Stubbs

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

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22822

APPLICATION

Chevron U.S.A. Inc. ("Chevron" or "Applicant") (OGRID No. 4323), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico. In support of this application, Chevron states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico to form a 640-acre, more or less, Bone Spring horizontal spacing unit.

3. Applicant plans to drill the following proposed wells to a depth sufficient to test the Bone Spring formation:

- **CO Grizzly 34 27 Fed Com 407H** to be drilled from a surface location in NW/4 NE/4 of Section 3 (Unit B) to a bottom hole location in NW/4 NE/4 of Section 2 (Unit B).
- **CO Grizzly 34 27 Fed Com 408H** to be drilled from a surface location in NW/4 NE/4 of Section 3 (Unit B) to a bottom hole location in NW/4 NE/4 of Section 27 (Unit B).



- **CO Grizzly 34 27 Fed Com 409H** to be drilled from a surface location in NW/4 NE/4 of Section 3 (Unit B) to a bottom hole location in NE/4 NE/4 of Section 27 (Unit A).

4. The completed interval for the **CO Grizzly 34 27 Fed Com 408H** well is expected to be less than 330 feet from the adjoining quarter-quarter section tracts to allow for the inclusion of such offsetting proximity tracts within the proposed spacing unit for the wells under Division Rule 19.15.16.15(B)(1)(b).

5. Because the proposed first take point for each well is located approximately 25' FSL of Section 34, Chevron intends to submit an administrative application with the Division for approval of the unorthodox location for each well. In the event the administrative application is denied, Chevron requests that the Division approve the unorthodox location for each well at the June 2, 2022 hearing in this case.

6. Applicant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

7. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 2, 2022, and, after notice and hearing as required by law, the Division enter an order:

A. Creating an approximated 640-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico;

C. Designating Applicant as the operator of the horizontal spacing unit and the wells to be drilled thereon;

D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;

E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of wells.

G. If necessary, approving the unorthodox location for the well.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Earl E. DeBrine, Jr.

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Attorneys for Chevron U.S.A. Inc.

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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 97964	³ Pool Name WC-025 G-07 S243225C;LWR BONE SPRING
⁴ Property Code	⁵ Property Name CO GRIZZLY 34 27 FED COM	
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁶ Well Number 407H
		⁹ Elevation 3503'

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
B	3	25 SOUTH	32 EAST, N.M.P.M.		192'	NORTH	1700'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	24 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	2310'	EAST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill Infill	¹⁴ Consolidation Code	¹⁵ 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.

<p>¹⁶</p> <table border="1"> <tr> <th>CO GRIZZLY 34 27 FED COM 407H WELL</th> <th>PROPOSED FIRST TAKE POINT</th> </tr> <tr> <td>X= 708,659 Y= 424,815 LAT. 32.186138° N LONG. 103.659015° W</td> <td>X= 708,052 Y= 425,027 LAT. 32.166729° N LONG. 103.680975° W</td> </tr> <tr> <td>X= 749,845 Y= 424,874 LAT. 32.166261° N LONG. 103.659492° W</td> <td>X= 749,237 Y= 425,085 LAT. 32.166852° N LONG. 103.681452° W</td> </tr> <tr> <td colspan="2">ELEVATION +3503' NAVD 88</td> </tr> </table> <table border="1"> <tr> <th>PROPOSED LAST TAKE POINT</th> <th>PROPOSED BOTTOM HOLE LOCATION</th> </tr> <tr> <td>X= 707,989 Y= 435,459 LAT. 32.195406° N LONG. 103.660968° W</td> <td>X= 707,963 Y= 435,534 LAT. 32.195612° N LONG. 103.660968° W</td> </tr> <tr> <td>X= 749,173 Y= 435,517 LAT. 32.195530° N LONG. 103.661447° W</td> <td>X= 749,173 Y= 435,592 LAT. 32.195736° N LONG. 103.661447° W</td> </tr> </table> <p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=435530.36, X=705011.33 B - Y=435555.75, X=707654.57 C - Y=435568.44, X=708976.20 D - Y=435581.13, X=710297.82 E - Y=424972.86, X=705081.74 F - Y=424998.44, X=707721.68 G - Y=423677.43, X=707704.98 H - Y=423690.10, X=709028.00 I - Y=425011.22, X=709041.66 J - Y=425024.01, X=710361.63</p>	CO GRIZZLY 34 27 FED COM 407H WELL	PROPOSED FIRST TAKE POINT	X= 708,659 Y= 424,815 LAT. 32.186138° N LONG. 103.659015° W	X= 708,052 Y= 425,027 LAT. 32.166729° N LONG. 103.680975° W	X= 749,845 Y= 424,874 LAT. 32.166261° N LONG. 103.659492° W	X= 749,237 Y= 425,085 LAT. 32.166852° N LONG. 103.681452° W	ELEVATION +3503' NAVD 88		PROPOSED LAST TAKE POINT	PROPOSED BOTTOM HOLE LOCATION	X= 707,989 Y= 435,459 LAT. 32.195406° N LONG. 103.660968° W	X= 707,963 Y= 435,534 LAT. 32.195612° N LONG. 103.660968° W	X= 749,173 Y= 435,517 LAT. 32.195530° N LONG. 103.661447° W	X= 749,173 Y= 435,592 LAT. 32.195736° N LONG. 103.661447° W		<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>11/03/2020 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p><i>Not to be used for construction, bidding, recordation, conveyance, sales, or engineering design.</i></p> <p>PRELIMINARY</p> <p>Certificate Number _____</p>
	CO GRIZZLY 34 27 FED COM 407H WELL	PROPOSED FIRST TAKE POINT														
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1220 South St. Francis Dr.
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Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 96715	³ Pool Name WC-025 G-06 S253209L; BONE SPRING
⁴ Property Code	⁵ Property Name CO GRIZZLY 34 27 FED COM	
⁶ Well Number 407H	⁸ Operator Name CHEVRON U.S.A. INC.	
⁷ OGRID No. 4323	⁹ Elevation 3503'	

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
B	3	25 SOUTH	32 EAST, N.M.P.M.		192'	NORTH	1700'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	24 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	2310'	EAST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97964	³ Pool Name WC-025 G-07 S243225C;LWR BONE SPRING
⁴ Property Code	⁵ Property Name CO GRIZZLY 34 27 FED COM	
⁶ Well Number 408H	⁷ OGRID No. 4323	
⁸ Operator Name CHEVRON U.S.A. INC.		⁹ Elevation 3504'

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
B	3	25 SOUTH	32 EAST, N.M.P.M.		192'	NORTH	1625'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	24 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	1430'	EAST	LEA

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¹ API Number	² Pool Code 96715	³ Pool Name WC-025 G-06 S253209L; BONE SPRING
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⁷ OGRID No.	⁸ Operator Name CHEVRON U.S.A. INC.	⁶ Well Number 408H
		⁹ Elevation 3504'

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A	27	24 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	550'	EAST	LEA

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Revised August 1, 2011
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 96715	³ Pool Name WC-025 G-06 S253209L; BONE SPRING
⁴ Property Code	⁵ Property Name CO GRIZZLY 34 27 FED COM	
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁶ Well Number 409H ⁹ Elevation 3504'

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
B	3	25 SOUTH	32 EAST, N.M.P.M.		192'	NORTH	1575'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	24 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	550'	EAST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill Infill	¹⁴ Consolidation Code	¹⁵ 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.

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>CO GRIZZLY 34 27 FED COM 409H WELL</th> <th>PROPOSED FIRST TAKE POINT</th> </tr> <tr> <td>X= 708,784 Y= 424,817 LAT. 32.166139° N LONG. 103.656811° W</td> <td>X= 709,812 Y= 425,044 LAT. 32.166745° N LONG. 103.655287° W</td> </tr> <tr> <td>X= 749,970 Y= 424,875 LAT. 32.166262° N LONG. 103.659088° W</td> <td>X= 750,997 Y= 425,102 LAT. 32.166869° N LONG. 103.655765° W</td> </tr> <tr> <td colspan="2" style="text-align: center;">ELEVATION +3504' NAVD 88</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>PROPOSED LAST TAKE POINT</th> <th>PROPOSED BOTTOM HOLE LOCATION</th> </tr> <tr> <td>X= 709,748 Y= 435,476 LAT. 32.195422° N LONG. 103.655279° W</td> <td>X= 709,748 Y= 435,551 LAT. 32.195628° N LONG. 103.655279° W</td> </tr> <tr> <td>X= 750,933 Y= 435,534 LAT. 32.195546° N LONG. 103.655757° W</td> <td>X= 750,933 Y= 435,609 LAT. 32.195752° N LONG. 103.655757° W</td> </tr> </table> <p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=435530.36, X=705011.33 B - Y=435555.75, X=707654.57 C - Y=435568.44, X=708976.20 D - Y=435581.13, X=710297.82 E - Y=424972.86, X=705081.74 F - Y=424998.44, X=707721.68 G - Y=423677.43, X=707704.98 H - Y=423690.10, X=709028.00 I - Y=425011.22, X=709041.66 J - Y=425024.01, X=710361.63</p>	CO GRIZZLY 34 27 FED COM 409H WELL	PROPOSED FIRST TAKE POINT	X= 708,784 Y= 424,817 LAT. 32.166139° N LONG. 103.656811° W	X= 709,812 Y= 425,044 LAT. 32.166745° N LONG. 103.655287° W	X= 749,970 Y= 424,875 LAT. 32.166262° N LONG. 103.659088° W	X= 750,997 Y= 425,102 LAT. 32.166869° N LONG. 103.655765° W	ELEVATION +3504' NAVD 88		PROPOSED LAST TAKE POINT	PROPOSED BOTTOM HOLE LOCATION	X= 709,748 Y= 435,476 LAT. 32.195422° N LONG. 103.655279° W	X= 709,748 Y= 435,551 LAT. 32.195628° N LONG. 103.655279° W	X= 750,933 Y= 435,534 LAT. 32.195546° N LONG. 103.655757° W	X= 750,933 Y= 435,609 LAT. 32.195752° N LONG. 103.655757° W		<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>11/03/2020 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p style="text-align: center; color: red;">PRELIMINARY</p> <p>Certificate Number _____</p>
CO GRIZZLY 34 27 FED COM 409H WELL	PROPOSED FIRST TAKE POINT															
X= 708,784 Y= 424,817 LAT. 32.166139° N LONG. 103.656811° W	X= 709,812 Y= 425,044 LAT. 32.166745° N LONG. 103.655287° W															
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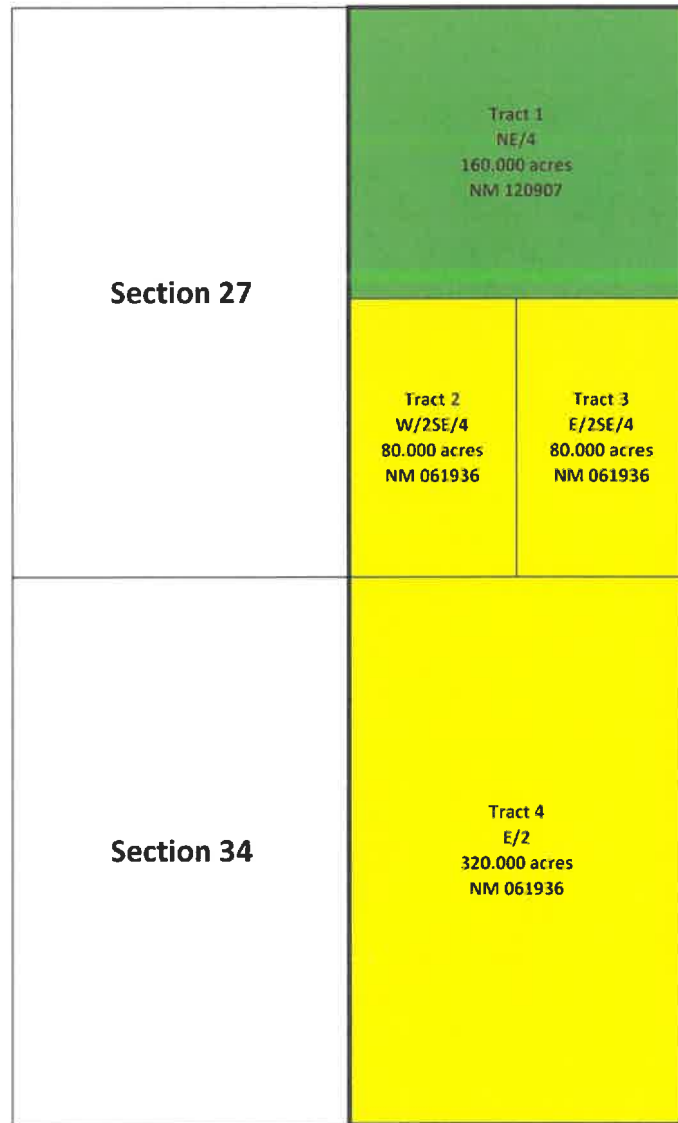
CHEVRON CASE NO. 22822
CO Grizzly 34 27 Fed Com #407H, 408H, 409H
T24S-R32E - E/2 of Sections 27 and 34
Lea County, NM



Tract 1 Ownership:
COG Production LLC



Tracts 2, 3, 4 Ownership:
Chevron U.S.A. Inc.



Seeking to compulsorily pool interests in Tracts 1, 2, 3, and 4.

WORKING INTEREST OWNERSHIP

Tract 1: NE/4 of Sec. 27, Township 24 South, Range 34 East (NM 120907)	
COG Production LLC	100.000000%
<u>Total</u>	<u>100.000000%</u>
Tract 2: W/2SE/4 of Sec. 27, Township 24 South, Range 34 East (NM 061936)	
Chevron U.S.A. Inc.	100.000000%
<u>Total</u>	<u>100.000000%</u>
Tract 3: E/2SE/4 of Sec. 27, Township 24 South, Range 34 East (NM 061936)	
Chevron U.S.A. Inc.	100.000000%
<u>Total</u>	<u>100.000000%</u>
Tract 4: E/2 of Sec. 34, Township 24 South, Range 34 East (NM 061936)	
Chevron U.S.A. Inc.	100.000000%
<u>Total</u>	<u>100.000000%</u>



UNIT RECAPITULATION

E/2 of Section 27 and the E/2 of Section 34, Township 24 South, Range 34 East

Chevron U.S.A. Inc.	75.000000%
COG Production LLC	25.000000%
<hr/>	
Total:	100.000000%

***Working Interests Chevron seeks to compulsorily pool are in bold print.**

Chevron is also seeking to pool all overriding royalty interest owners, as follows:

Malaga EF7, LLC
Malaga Royalty, LLC

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

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22822

PARTIES TO BE POOLED

Name	Interest
COG Production LLC	WIO
Malaga EF7, LLC	ORRI
Malaga Royalty, LLC	ORRI

Summary of Attempted Contacts

- Chevron conducted extensive title work to determine the working interest owners and other interest owners.
- Chevron searched public records, phone directory, and various different types of internet searches.
- Chevron sent a well proposal letter to the only other working interest owner, COG Production LLC (via its parent organization, ConocoPhillips Company (“COP”)), on or around February 22, 2022.
- Chevron enclosed a proposed Joint Operating Agreement (“JOA”) within the well proposal letter sent to COG Production LLC.
- Chevron and COG Production LLC have had multiple communications since Chevron proposed these wells. Chevron and COG Production LLC had extensive discussions involving a potential trade for COG Production LLC’s acreage in the proposed horizontal spacing unit. The table below demonstrates Chevron’s numerous attempts to contact COG Production LLC regarding these wells:

Date of Email/Phone Call	COP Contact	Topic
2/22/2022	Jennifer Midkiff	CO Grizzly Pad 1 Well Proposals/JOA
3/28/2022	Jennifer Midkiff	CO Grizzly Pad 1 Well Proposals/JOA
3/31/2022	Jennifer Midkiff	CO Grizzly Pad 1 Well Proposals/JOA
4/6/2022	Jennifer Midkiff	CO Grizzly Pad 1 Well Proposals/JOA
4/7/2022	Jennifer Midkiff	CO Grizzly Pad 1 Well Proposals/JOA
4/12/2022	Adam Reker	CO Grizzly Pad 1 Well Proposals/JOA
4/13/2022	Jennifer Midkiff	CO Grizzly Pad 1 Well Proposals/JOA
4/20/2022	Ryan Curry	CO Grizzly Pad 1 Well Proposals/JOA
4/26/2022	Ryan Curry	CO Grizzly Pad 1 Well Proposals/JOA
5/12/2022	Ryan Curry	CO Grizzly Pad 1 Well Proposals/JOA

- However, the parties were ultimately unable to reach an agreement regarding the trade and COG Production LLC never executed the proposed JOA.
- Chevron informed COG Production LLC that it intended to file compulsory pooling applications in the event the parties were unable to reach a trade agreement and COG Production LLC did not execute the proposed JOA.
- Chevron filed applications to force pool parties who had not entered in to an agreement.
- Chevron’s counsel sent notices of the compulsory pooling applications to the addresses of record for the uncommitted interest owners.





Kevin C. Stubbs
Land Representative

Chevron U.S.A. Inc.
1400 Smith Street Houston,
Texas 77002
Cel. 713-560-3512
KevinStubbs@chevron.com

VIA FEDEX

February 18, 2022

ConocoPhillips Company
Attn: Jennifer Midkiff
600 W. Illinois Ave.
Midland, TX 79701

RE: **Proposal To Drill**
CO Grizzly 34 27 Fed Com 407H
CO Grizzly 34 27 Fed Com 408H
CO Grizzly 34 27 Fed Com 4094
N/2NE/4 Section 3, T25S, R32E, E/2 Sections 34 and 27, T24S, R32E
Lea County, New Mexico

Dear Ms. Midkiff:

Chevron U.S.A. Inc. ("Chevron") hereby proposes to drill the following wells located in the N/2NE/4 of Section 3, Township 25 South, Range 32 East, and the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico, to be drilled from one surface pad location.

The intended surface hole location (SHL) and bottom hole location (BHL) for the wells are as follows:

CO Grizzly 34 27 Fed Com 407H
SHL: 192' FNL & 1,700' FEL Sec. 3
BHL: 25' FNL & 2,310' FEL Sec. 27
Formation: Bone Spring
TVD: 10,525'

CO Grizzly 34 27 Fed Com 408H
SHL: 192' FNL & 1,625' FEL Sec. 3
BHL: 25' FNL & 1,430' FEL Sec. 27
Formation: Bone Spring
TVD: 10,800'

CO Grizzly 34 27 Fed Com 409H
SHL: 287' FNL & 1,575' FEL Sec. 3
BHL: 25' FNL & 550' FEL Sec. 27
Formation: Bone Spring
TVD: 10,500'

The wells are proposed to be drilled vertically to the total vertical depth shown above and horizontally in a northern direction to the referenced bottom hole location. Total measured depth of the wells is proposed to be approximately 21,302' from surface to terminus. Please note that compliance with topography, cultural, and/or environmental concerns, among others, may require modifications to Chevron's intended procedure and/or location.

Enclosed are documents for your review and execution. Please see detailed AFEs for each well, reflecting estimated costs that will be incurred to drill, complete, and equip the wells associated with this proposal. If you intend to participate, please execute in the appropriate box on each AFE, for each



individual well, and return to the undersigned within 30 days of receipt of this proposal. The AFEs represent an estimated cost and are subject to change once wells are drilled/completed and actual costs are incurred. Parties electing to participate are responsible for their proportionate share of actual costs.

Also enclosed is an A.A.P.L. Form 610 – 1989 Model Form Operating Agreement with applicable Exhibits. Should you elect to participate in any of the wells, your execution of the JOA is required. Please execute in the appropriate line, notarize, and return to the undersigned within 30 days of receipt of this proposal.

Your interest can be found on the AFEs and Exhibit A to the proposed Operating Agreement. Please note that this interest is subject to change pending further title verification.

Chevron will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division within 30 days of your receipt of this letter. This will allow Chevron to move forward with planning and drilling the subject well(s) while allowing time to properly execute a JOA amongst the parties.

Please note that Chevron is open to discuss possible trades, assignments, etc. of your interest in the subject acreage. Should you be interested or have any questions, please feel free to contact me at the information listed above.

Sincerely,

Kevin Stubbs

Kevin C. Stubbs, CPL
Land Representative

Enclosures

A.A.P.L. FORM 610 - 1989
MODEL FORM OPERATING AGREEMENT

OPERATING AGREEMENT

DATED

February 1st , 2022 ,

OPERATOR Chevron U.S.A. Inc.

CONTRACT AREA E/2 of Sections 34 and 27, Township 24 South, Range 32 East
N.M.P.M., Lea County, New Mexico and further described in Exhibit "A".

COUNTY OF Lea , STATE OF New Mexico

COPYRIGHT 1989 - ALL RIGHTS RESERVED
AMERICAN ASSOCIATION OF PETROLEUM
LANDMEN, 4100 FOSSIL CREEK BLVD.
FORT WORTH, TEXAS, 76137, APPROVED FORM.

A.A.P.L. NO. 610 - 1989

- (Alternative 2 – Overhead) shall be covered by the overhead rates.
- (ii) Except as otherwise provided in Section II.13 (Ecological, Environmental, and Safety) and Section III.2 (Overhead – Major Construction and Catastrophe), or by approval of the Parties pursuant to Section I.6.A (General Matters), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for **Off-site** Technical Services, including third party Technical Services:
- (Alternative 1 – All Overhead) shall be covered by the overhead rates.
- (Alternative 2 – All Direct) shall be charged direct to the Joint Account.
- X** (Alternative 3 – Drilling Direct) shall be charged direct to the Joint Account, only to the extent such Technical Services are directly attributable to drilling, redrilling, deepening, or sidetracking operations, through completion, temporary abandonment, or abandonment if a dry hole. Off-site Technical Services for all other operations, including workover, recompletion, abandonment of producing wells, and the construction or expansion of fixed assets not covered by Section III.2 (Overhead - Major Construction and Catastrophe) shall be covered by the overhead rates.

Notwithstanding anything to the contrary in this Section III, Technical Services provided by Operator's Affiliates are subject to limitations set forth in Section II.7 (Affiliates). Charges for Technical personnel performing non-technical work shall not be governed by this Section III.1.A, but instead governed by other provisions of this Accounting Procedure relating to the type of work being performed.

B. Overhead—Fixed Rate Basis

- (1) The Operator shall charge the Joint Account at the following rates per well per month:
- Drilling Well Rate per month \$8,000 (prorated for less than a full month)
- Producing Well Rate per month \$800
- (2) Application of Overhead—Drilling Well Rate shall be as follows:
- (a) Charges for onshore drilling wells shall begin on the spud date and terminate on the date the drilling and/or completion equipment used on the well is released, whichever occurs later. Charges for offshore and inland waters drilling wells shall begin on the date the drilling or completion equipment arrives on location and terminate on the date the drilling or completion equipment moves off location, or is released, whichever occurs first. No charge shall be made during suspension of drilling and/or completion operations for fifteen (15) or more consecutive calendar days.
- (b) Charges for any well undergoing any type of workover, recompletion, and/or abandonment for a period of five (5) or more consecutive work days shall be made at the Drilling Well Rate. Such charges shall be applied for the period from date operations, with rig or other units used in operations, commence through date of rig or other unit release, except that no charges shall be made during suspension of operations for fifteen (15) or more consecutive calendar days.
- (3) Application of Overhead — Producing Well Rate shall be as follows:
- (a) An active well that is produced, injected into for recovery or disposal, or used to obtain water supply to support operations for any portion of the month shall be considered as a one-well charge for the entire month.
- (b) Each active completion in a multi-completed well shall be considered as a one-well charge provided each completion is considered a separate well by the governing regulatory authority.
- (c) A one-well charge shall be made for the month in which plugging and abandonment operations are completed on any well, unless the Drilling Well Rate applies, as provided in Sections III.1.B.(2)(a) or (b). This one-well charge shall be made whether or not the well has produced.

Chevron North American Exploration			Appropriation Request	
State New Mexico	Well Type Development	Field Delaware Basin	Well Name CO Grizzly 34 27 Fed Com 407H	
Area Cotton Draw	Objective SBU - Second Bonespring Upper	Date 2/15/2022	Project Engineer	Well Duration (days)
			Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Drilling AFE				
Cost Category		Code	Sub-code	Amount (\$)
Rig Daywork - All		7440	0001	\$ 548,786.22
Additional Rig Equipment		7440	0001	\$ 14,695.06
Company Labor - All		6601	0100	\$ 104,492.28
Contract Labor - All		7000	0200	\$ 22,279.29
Fuel & Utilities - All		7129	0100	\$ 98,096.53
Utilities not provided by contractor		7129	0300	\$ 7,624.94
Mobilization / De-Mobilization - All (carries Pad MOB costs)		7440	0003	\$ 493,055.00
Drilling & Completion Fluids - All		7190	1900	\$ 200,421.66
Materials, Supplies, & Parts - All		7190	0500	\$ 28,318.69
Transportation - All		7340	0300	\$ 139,984.47
Directional Survey - All		7440	0006	\$ 323,888.81
Drill String & Drill Bits - All		7440	0007	\$ 180,087.39
Equipment Rentals - All		7230	0100	\$ 189,333.85
Well Services - All		7230	0200	\$ 149,480.67
Solid Waste Disposal - All		7420	0300	\$ 72,603.70
Logging - Wireline - All		7440	0019	\$ -
Logging - Mud - All		7440	0021	\$ 13,124.36
Casing - All		7190	0022	\$ 851,519.46
Wellheads & Trees - All		7190	0110	\$ 31,391.26
Cement & Cementing - All		7440	0024	\$ 171,956.68
Sitework / Roads / Location - All		7450	0021	\$ 13,041.66
Technical Services: ETC, PRC, & Third Party - All		7450	0200	N/A
Total				\$ 3,654,182
Participation & Authorization			Share (%)	Amount (\$)
ConocoPhillips			25.000000%	\$913,545.50
Chevron U.S.A. Inc.			75.000000%	\$2,740,636.50
Approved (Print Name)			Approved (Signature)	
			Date	



Chevron North American Exploration			Appropriation Request	
State	Well Type	Field	Well Name	
New Mexico	Development	Delaware Basin	CO Grizzly 34 27 Fed Com 407H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Cotton Draw	SBU - Second Bonespring Upper	2/15/2022		9.3
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
Completions AFE				
Cost Category		Code	Sub-code	Amount (\$)
Workover Rigs				\$ 19,800
Snubbing Rigs				\$ 68,000
Company Labor				\$ 69,600
Safety Services				\$ 140,100
Fuel				\$ 252,500
Frac Water				\$ 514,000
Pressure Control Equipment				\$ 252,500
Downhole Rental Tools - Drill String and BHA				\$ 450,100
Drill Bits and Reamers				\$ 81,900
Drill Bits and Reamers				\$ 463,900
Pressure Pumping - Stimulation and Sand Control				\$ 1,066,900
D and C Misc Surface Rentals and Services				\$ 189,300
Coiled Tubing				\$ 104,800
D and C Waste Management				\$ -
Wireline - Cased Hole				\$ 61,600
Wireline - Cased Hole				\$ 173,800
OCTG				\$ 341,000
Completions Equipment and Installation Services				\$ 46,600
Surface Wellheads and Production Trees				\$ 45,700
Oilfield Site Prep and Maintenance Services				\$ 1,900
			Total	\$ 4,344,000
Participation & Authorization			Share (%)	Amount (\$)
ConocoPhillips			25.000000%	\$1,086,000.00
Chevron U.S.A. Inc.			75.000000%	\$3,258,000.00
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron U.S.A. Inc.			Appropriation Request	
SAP Code N/A	Well Type Development	Field Cotton Draw	Block Section 3 T25S-R32E	Well Name CO GRIZZLY 34 27 FED COM 407H
Lease Fed	Objective SBSG	Date 1/21/2021	Estimated By N/A	Duration (days) N/A
Est. Depth (ft MD) N/A	Drillship N/A	Rig Rate (\$/day) N/A	Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Facilities				
Cost Category		Code	Sub-code	Amount (\$)
Facility Modifications				68,053.33
Electrical Distribution System				82,856.67
Well Pad & Infrastructure				594,120.83
Gas Infrastructure				181,600.00
			Total	926,630.83
Participation & Authorization			Share (%)	Amount (\$)
				\$ -
				\$ -
COG Operating LLC			25.00000000%	\$ 231,657.71
Chevron U.S.A. Inc.			75.00000000%	\$ 694,973.13
Total			100%	\$ 926,630.83
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron North American Exploration			Appropriation Request	
State New Mexico	Well Type Development	Field Delaware Basin	Well Name CO Grizzly 34 27 Fed Com 408H	
Area Cotton Draw	Objective SBU - Second Bonespring Upper	Date 2/15/2022	Project Engineer	Well Duration (days)
			Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Drilling AFE				
Cost Category		Code	Sub-code	Amount (\$)
Rig Daywork - All		7440	0001	\$ 548,786.22
Additional Rig Equipment		7440	0001	\$ 14,695.06
Company Labor - All		6601	0100	\$ 104,492.28
Contract Labor - All		7000	0200	\$ 22,279.29
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Mobilization / De-Mobilization - All (carries Pad MOB costs)		7440	0003	\$ 493,055.00
Drilling & Completion Fluids - All		7190	1900	\$ 200,421.66
Materials, Supplies, & Parts - All		7190	0500	\$ 28,318.69
Transportation - All		7340	0300	\$ 139,984.47
Directional Survey - All		7440	0006	\$ 323,888.81
Drill String & Drill Bits - All		7440	0007	\$ 180,087.39
Equipment Rentals - All		7230	0100	\$ 189,333.85
Well Services - All		7230	0200	\$ 149,480.67
Solid Waste Disposal - All		7420	0300	\$ 72,603.70
Logging - Wireline - All		7440	0019	\$ -
Logging - Mud - All		7440	0021	\$ 13,124.36
Casing - All		7190	0022	\$ 851,519.46
Wellheads & Trees - All		7190	0110	\$ 31,391.26
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Sitework / Roads / Location - All		7450	0021	\$ 13,041.66
Technical Services: ETC, PRC, & Third Party - All		7450	0200	N/A
Total				\$ 3,654,182
Participation & Authorization			Share (%)	Amount (\$)
ConocoPhillips			25.000000%	\$913,545.50
Chevron U.S.A. Inc.			75.000000%	\$2,740,636.50
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron North American Exploration			Appropriation Request	
State New Mexico	Well Type Development	Field Delaware Basin	Well Name CO Grizzly 34 27 Fed Com 408H	
Area Cotton Draw	Objective SBU - Second Bonespring Upper	Date 2/15/2022	Project Engineer	Well Duration (days) 9.3
			Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Completions AFE				
Cost Category		Code	Sub-code	Amount (\$)
Workover Rigs				\$ 19,800
Snubbing Rigs				\$ 68,000
Company Labor				\$ 69,600
Safety Services				\$ 140,100
Fuel				\$ 252,500
Frac Water				\$ 514,000
Pressure Control Equipment				\$ 252,500
Downhole Rental Tools - Drill String and BHA				\$ 450,100
Drill Bits and Reamers				\$ 81,900
Drill Bits and Reamers				\$ 463,900
Pressure Pumping - Stimulation and Sand Control				\$ 1,066,900
D and C Misc Surface Rentals and Services				\$ 189,300
Coiled Tubing				\$ 104,800
D and C Waste Management				\$ -
Wireline - Cased Hole				\$ 61,600
Wireline - Cased Hole				\$ 173,800
OCTG				\$ 341,000
Completions Equipment and Installation Services				\$ 46,600
Surface Wellheads and Production Trees				\$ 45,700
Oilfield Site Prep and Maintenance Services				\$ 1,900
			Total	\$ 4,344,000
Participation & Authorization			Share (%)	Amount (\$)
ConocoPhillips			25.000000%	\$1,086,000.00
Chevron U.S.A. Inc.			75.000000%	\$3,258,000.00
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron U.S.A. Inc.			Appropriation Request	
SAP Code N/A	Well Type Development	Field Cotton Draw	Block Section 3 T25S-R32E	Well Name CO GRIZZLY 34 27 FED COM 408H
Lease Fed	Objective SBSG	Date 1/21/2021	Estimated By N/A	Duration (days) N/A
Est. Depth (ft MD) N/A	Drillship N/A	Rig Rate (\$/day) N/A	Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Facilities				
Cost Category		Code	Sub-code	Amount (\$)
Facility Modifications				68,053.33
Electrical Distribution System				82,856.67
Well Pad & Infrastructure				594,120.83
Gas Infrastructure				181,600.00
			Total	926,630.83
Participation & Authorization			Share (%)	Amount (\$)
				\$ -
				\$ -
COG Operating LLC			25.0000000%	\$ 231,657.71
Chevron U.S.A. Inc.			75.0000000%	\$ 694,973.13
Total			100%	\$ 926,630.83
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron North American Exploration			Appropriation Request	
State New Mexico	Well Type Development	Field Delaware Basin	Well Name CO Grizzly 34 27 Fed Com 409H	
Area Cotton Draw	Objective SBU - Second Bonespring Upper	Date 2/15/2022	Project Engineer	Well Duration (days)
			Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Drilling AFE				
Cost Category		Code	Sub-code	Amount (\$)
Rig Daywork - All		7440	0001	\$ 548,786.22
Additional Rig Equipment		7440	0001	\$ 14,695.06
Company Labor - All		6601	0100	\$ 104,492.28
Contract Labor - All		7000	0200	\$ 22,279.29
Fuel & Utilities - All		7129	0100	\$ 98,096.53
Utilities not provided by contractor		7129	0300	\$ 7,624.94
Mobilization / De-Mobilization - All (carries Pad MOB costs)		7440	0003	\$ 493,055.00
Drilling & Completion Fluids - All		7190	1900	\$ 200,421.66
Materials, Supplies, & Parts - All		7190	0500	\$ 28,318.69
Transportation - All		7340	0300	\$ 139,984.47
Directional Survey - All		7440	0006	\$ 323,888.81
Drill String & Drill Bits - All		7440	0007	\$ 180,087.39
Equipment Rentals - All		7230	0100	\$ 189,333.85
Well Services - All		7230	0200	\$ 149,480.67
Solid Waste Disposal - All		7420	0300	\$ 72,603.70
Logging - Wireline - All		7440	0019	\$ -
Logging - Mud - All		7440	0021	\$ 13,124.36
Casing - All		7190	0022	\$ 851,519.46
Wellheads & Trees - All		7190	0110	\$ 31,391.26
Cement & Cementing - All		7440	0024	\$ 171,956.68
Sitework / Roads / Location - All		7450	0021	\$ 13,041.66
Technical Services: ETC, PRC, & Third Party - All		7450	0200	N/A
Total				\$ 3,654,182
Participation & Authorization			Share (%)	Amount (\$)
ConocoPhillips			25.000000%	\$913,545.50
Chevron U.S.A. Inc.			75.000000%	\$2,740,636.50
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron North American Exploration			Appropriation Request	
State New Mexico	Well Type Development	Field Delaware Basin	Well Name CO Grizzly 34 27 Fed Com 409H	
Area Cotton Draw	Objective SBU - Second Bonespring Upper	Date 2/15/2022	Project Engineer	Well Duration (days) 9.3
			Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Completions AFE				
Cost Category		Code	Sub-code	Amount (\$)
Workover Rigs				\$ 19,800
Snubbing Rigs				\$ 68,000
Company Labor				\$ 69,600
Safety Services				\$ 140,100
Fuel				\$ 252,500
Frac Water				\$ 514,000
Pressure Control Equipment				\$ 252,500
Downhole Rental Tools - Drill String and BHA				\$ 450,100
Drill Bits and Reamers				\$ 81,900
Drill Bits and Reamers				\$ 463,900
Pressure Pumping - Stimulation and Sand Control				\$ 1,066,900
D and C Misc Surface Rentals and Services				\$ 189,300
Coiled Tubing				\$ 104,800
D and C Waste Management				\$ -
Wireline - Cased Hole				\$ 61,600
Wireline - Cased Hole				\$ 173,800
OCTG				\$ 341,000
Completions Equipment and Installation Services				\$ 46,600
Surface Wellheads and Production Trees				\$ 45,700
Oilfield Site Prep and Maintenance Services				\$ 1,900
			Total	\$ 4,344,000
Participation & Authorization			Share (%)	Amount (\$)
ConocoPhillips			25.000000%	\$1,086,000.00
Chevron U.S.A. Inc.			75.000000%	\$3,258,000.00
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron U.S.A. Inc.			Appropriation Request	
SAP Code N/A	Well Type Development	Field Cotton Draw	Block Section 3 T25S-R32E	Well Name CO GRIZZLY 34 27 FED COM 409H
Lease Fed	Objective SBSG	Date 1/21/2021	Estimated By N/A	Duration (days) N/A
Est. Depth (ft MD) N/A	Drillship N/A	Rig Rate (\$/day) N/A	Business Unit MCBU	Joint Venture Yes
Reason for Expenditure				
Facilities				
Cost Category		Code	Sub-code	Amount (\$)
Facility Modifications				68,053.33
Electrical Distribution System				82,856.67
Well Pad & Infrastructure				594,120.83
Gas Infrastructure				181,600.00
			Total	926,630.83
Participation & Authorization		Share (%)	Amount (\$)	
			\$	-
			\$	-
ConocoPhillips		25.0000000%	\$	231,657.71
Chevron U.S.A. Inc.		75.0000000%	\$	694,973.13
Total		100%	\$	926,630.83
Approved (Print Name)			Approved (Signature)	
			Date	

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

APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

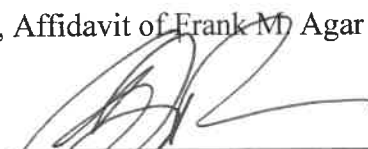
CASE NO. 22822

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

Earl E. DeBrine, Jr., attorney in fact and authorized representative of Chevron U.S.A. Inc., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced application was provided under a notice letter mailed May 5, 2022, attached, and that proof of receipt is attached hereto.


Further, another party entitled to notice which owns an overriding royalty interest, Malaga Royalty, LLC, had actual notice of the application and the June 2, 2022 hearing, waived its right to notice required by Rules 19.15.4.12A(1)(a) and (B) NMAC, and does not oppose presentation of this case by affidavit. *See* Ex. B.7.1, Affidavit of Frank M. Agar Jr.



Earl E. DeBrine, Jr.

SUBSCRIBED AND SWORN to before me this 31st day of May, 2022 by Earl E. DeBrine, Jr.

STATE OF NEW MEXICO
NOTARY PUBLIC
Kathleen T. Allen
Commission No. 1096071
July 22, 2022



Notary Public

My commission expires: _____



Transaction Report Details - CertifiedPro.net
 Firm Mail Book ID= 227339
 Generated: 5/13/2022 12:16:30 PM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	Address1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9336069904300095012124	2022-05-05 1:42 PM	83420.0050	ConocoPhillips Company	Attn: Jennifer Midkiff	600 W. Illinois Ave.	Midland	TX	79701	Delivered	Restricted Delivery, Return Receipt - Electronic, Certified Mail	2022-05-10 7:40 AM
9314869904300095012111	2022-05-05 1:42 PM	83420.0050	Malaga EF7, LLC		P.O. Box 2064	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2022-05-13 11:23 AM
9336069904300095012100	2022-05-05 1:42 PM	83420.0050	COG Production LLC		600 West Illinois Avenue	Midland	TX	79701	Delivered	Restricted Delivery, Return Receipt - Electronic, Certified Mail	2022-05-10 7:40 AM
9314869904300095012098	2022-05-05 1:42 PM	83420.0050	United States of America, B		301 Dinosaur Trail	Santa Fe	NM	87508	Delivered	Return Receipt - Electronic, Certified Mail	2022-05-09 1:38 PM

Kathleen Allen
 Modrall Sperling
 500 Fourth St. NW, Suite 1000
 Albuquerque NM 87102

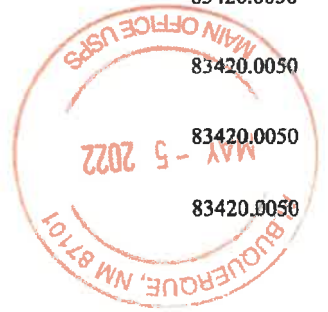
PS Form 3877

Type of Mailing: CERTIFIED MAIL
 05/05/2022

Firm Mailing Book ID: 227339

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0095 0120 98	United States of America, BLM 301 Dinosaur Trail Santa Fe NM 87508	\$1.36	\$3.75	\$1.85	\$0.00	83420.0050
2	9314 8699 0430 0095 0121 11	Malaga EF7, LLC P.O. Box 2064 Midland TX 79702	\$1.36	\$3.75	\$1.85	\$0.00	83420.0050
3	9336 0699 0430 0095 0121 00	COG Production LLC 600 West Illinois Avenue Midland TX 79701	\$1.36	\$3.75	\$1.85	\$6.00	83420.0050
4	9336 0699 0430 0095 0121 24	ConocoPhillips Company Attn: Jennifer Midkiff 600 W. Illinois Ave. Midland TX 79701	\$1.36	\$3.75	\$1.85	\$6.00	83420.0050
Totals:			\$5.44	\$15.00	\$7.40	\$12.00	
Grand Total:						\$39.84	

List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
4	4	<i>[Signature]</i>	





MODRALL SPERLING
L A W Y E R S

May 5, 2022

Earl E. DeBrine, Jr.
Tel: 505.848.1810
Fax: 505.848.9710
edebrine@modrall.com

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Chevron U.S.A. Inc. has filed the enclosed application with the New Mexico Oil Conservation Division:

CASE NO. 22822: Application of Chevron U.S.A. Inc. for compulsory pooling, Lea County, New Mexico. Chevron U.S.A. Inc. seeks an order from the Division pooling all uncommitted mineral interest owners within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico. The unit will be dedicated to **CO Grizzly 34 27 Fed Com 407H, CO Grizzly 34 27 Fed Com 408H, and CO Grizzly 34 27 Fed Com 409H** wells, to be horizontally drilled. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chevron U.S.A Inc. as operator of the well, a 200% charge for the risk involved in drilling and completing the wells, and the approval of the proposed unorthodox location for each well in the event the administrative NSL applications are denied by the Division. The unit is located approximately 30 miles northwest of Jal, New Mexico.

This application is currently set for hearing before a Division Examiner at **8:15 a.m. on June 2, 2022**. You may determine this information by accessing <http://www.emnrd.state.nm.us/OCD/hearings.html> and scrolling down to "Hearing Notices" under "OCD Hearings." During the COVID-19 Public Health Emergency, the hearings will be conducted remotely. Instructions to appear can also be found under the above provided instructions. As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but

Modrall Spierling
Roehl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102
PO Box 2168
Albuquerque,
New Mexico 87103-2168
Tel: 505.848.1800
www.modrall.com

AFFECTED PARTIES
Chevron U.S.A. Inc. / Case No. 22822
May 5, 2022
Page 2

in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

/s/ Earl E. DeBrine, Jr.

Earl E. DeBrine, Jr.
Attorney for Applicant

EED/hta/W4402334.DOCX
Enclosures: as stated

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

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22822

APPLICATION

Chevron U.S.A. Inc. ("Chevron" or "Applicant") (OGRID No. 4323), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico. In support of this application, Chevron states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico to form a 640-acre, more or less, Bone Spring horizontal spacing unit.
3. Applicant plans to drill the following proposed wells to a depth sufficient to test the Bone Spring formation:
 - **CO Grizzly 34 27 Fed Com 407H** to be drilled from a surface location in NW/4 NE/4 of Section 3 (Unit B) to a bottom hole location in NW/4 NE/4 of Section 2 (Unit B).
 - **CO Grizzly 34 27 Fed Com 408H** to be drilled from a surface location in NW/4 NE/4 of Section 3 (Unit B) to a bottom hole location in NW/4 NE/4 of Section 27 (Unit B).

- **CO Grizzly 34 27 Fed Com 409H** to be drilled from a surface location in NW/4 NE/4 of Section 3 (Unit B) to a bottom hole location in NE/4 NE/4 of Section 27 (Unit A).

4. The completed interval for the **CO Grizzly 34 27 Fed Com 408H** well is expected to be less than 330 feet from the adjoining quarter-quarter section tracts to allow for the inclusion of such offsetting proximity tracts within the proposed spacing unit for the wells under Division Rule 19.15.16.15(B)(1)(b).

5. Because the proposed first take point for each well is located approximately 25' FSL of Section 34, Chevron intends to submit an administrative application with the Division for approval of the unorthodox location for each well. In the event the administrative application is denied, Chevron requests that the Division approve the unorthodox location for each well at the June 2, 2022 hearing in this case.

6. Applicant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

7. The pooling of interests in the proposed horizontal well spacing unit will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 2, 2022, and, after notice and hearing as required by law, the Division enter an order:

A. Creating an approximated 640-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico;

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 of Sections 34 and 27, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico;
- C. Designating Applicant as the operator of the horizontal spacing unit and the wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of wells.
- G. If necessary, approving the unorthodox location for the well.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Earl E. DeBrine, Jr.

Earl E. DeBrine, Jr.
Deana M. Bennett
Jamie L. Allen
Bryce H. Smith
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
dbennett@modrall.com
jla@modrall.com
bsmith@modrall.com
Attorneys for Chevron U.S.A. Inc.

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

APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 22822

AFFIDAVIT OF FRANK M. AGAR JR.

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

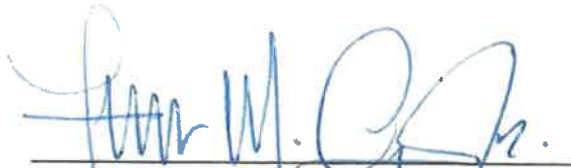
Frank M. Agar Jr., being duly sworn, deposes and states:

1. I am over the age of 18 and I have personal knowledge of the matters stated herein.
2. I am the registered agent of Malaga Royalty, LLC and am authorized to conduct business on its behalf.
3. Malaga Royalty, LLC has actual knowledge of Chevron U.S.A. Inc.'s application in Case Number 22822 which is set for hearing before the Oil Conservation Division on June 2, 2022.
4. Malaga Royalty, LLC has chosen not to appear at the hearing in Case Number 22822.
5. Malaga Royalty, LLC does not oppose the presentation of Case Number 22822 by affidavit.
6. Malaga Royalty, LLC hereby waives the right to receive notice of the hearing required by Rules 19.15.4.12A(1)(a) and (B) in Case Number 22822 in light of the fact that it had actual notice of the hearing.

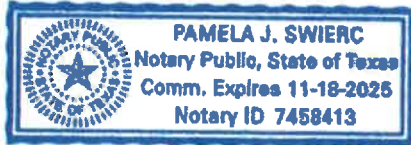


7. Pursuant to Rule 1-011 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NOT.


FRANK M. AGAR JR., as registered agent
and authorized representative of MALAGA
ROYALTY, LLC

SUBSCRIBED AND SWORN to before me this 31st day of May, 2022 by Frank M. Agar Jr. on behalf of Malaga Royalty, LLC.




Notary Public

My commission expires: 11-18-25

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

APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 22822

SELF AFFIRMED DECLARATION OF MANDY BREWER

Mandy Brewer hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Chevron U.S.A. Inc. (“Chevron”), and have personal knowledge of the matters stated herein.

2. I graduated in 2015 with a B.S. in Geological Engineering, in 2017 with a M.S. in Geoscience, and in 2018 with a B.S. in Petroleum Engineering, all from Montana Technological University. I started working for Chevron in February of 2019 and began my current role as a geologist in Lea County, New Mexico in July of 2021.

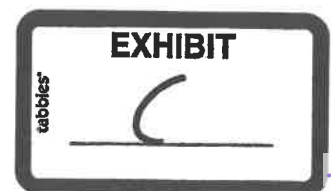
3. My area of responsibility at Chevron includes the area of Lea County in New Mexico.

4. I am familiar with the application filed by Chevron in this case.

5. **Exhibit C.1** is a location map showing Chevron’s Cotton Draw development area as a red polygon.

6. **Exhibit C.2** is a location map showing the approximate location of the proposed CO Grizzly Pad 1 wells. The CO Grizzly 34 27 Fed Com 407H, CO Grizzly 34 27 Fed Com 408H, and CO Grizzly 34 27 Fed Com 409H wells are the red lines.

7. **Exhibit C.3** is an a ‘gun barrel’ (illustrative cross-section) of the horizontal wells.



8. **Exhibit C.4** is a structure map of the upper Second Bone Spring Formation that shows a gentle dip to the east. The contour lines are in 50' intervals and colored a light purple. The map also shows the location of cross-section A-A', which is shown in Exhibit C.12.

9. **Exhibit C.5** is a stratigraphic cross-section hung on the top of the upper Bone Spring Formation. The well logs on the cross-section give a representative sample of the upper Bone Spring Formation in the area.

10. **Exhibit C.6** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper. CO Grizzly Pad 1 wells are oriented south-north to optimize fracture growth along the SHmax direction.

11. **Exhibit C.7** is a copy of my resume.

12. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

13. In my opinion, the granting of Chevron's application is in the interests of conservation and the prevention of waste.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: May 31, 2022

Mandy N Brewer 5/31/22
Mandy N Brewer

Location of Chevron development area

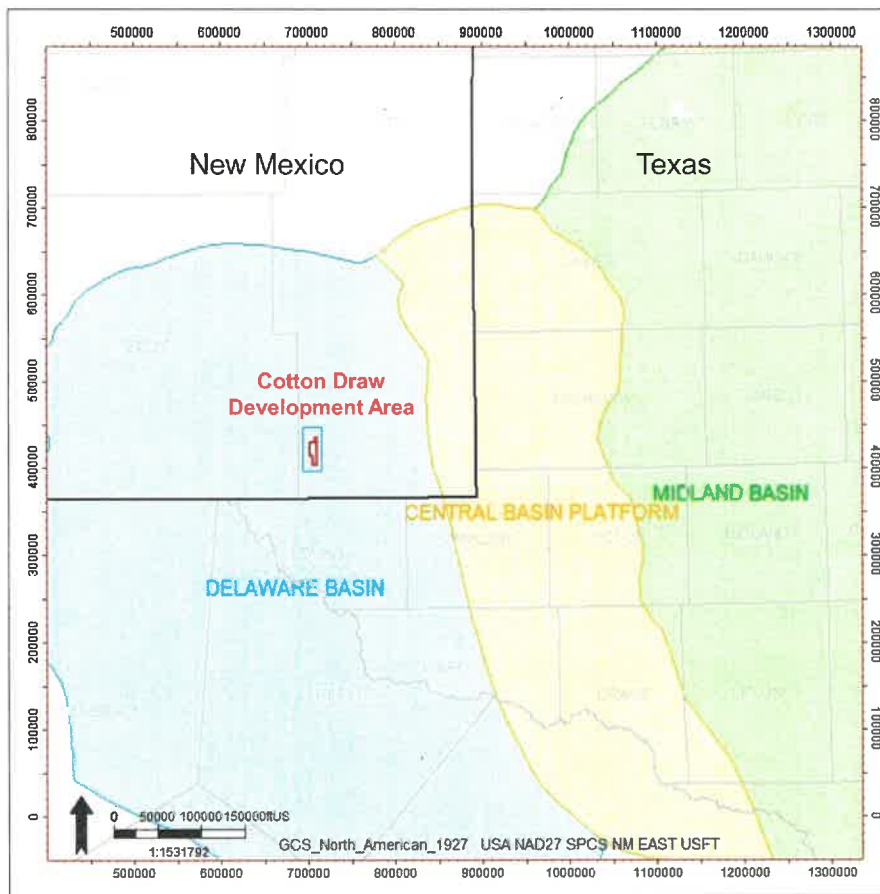
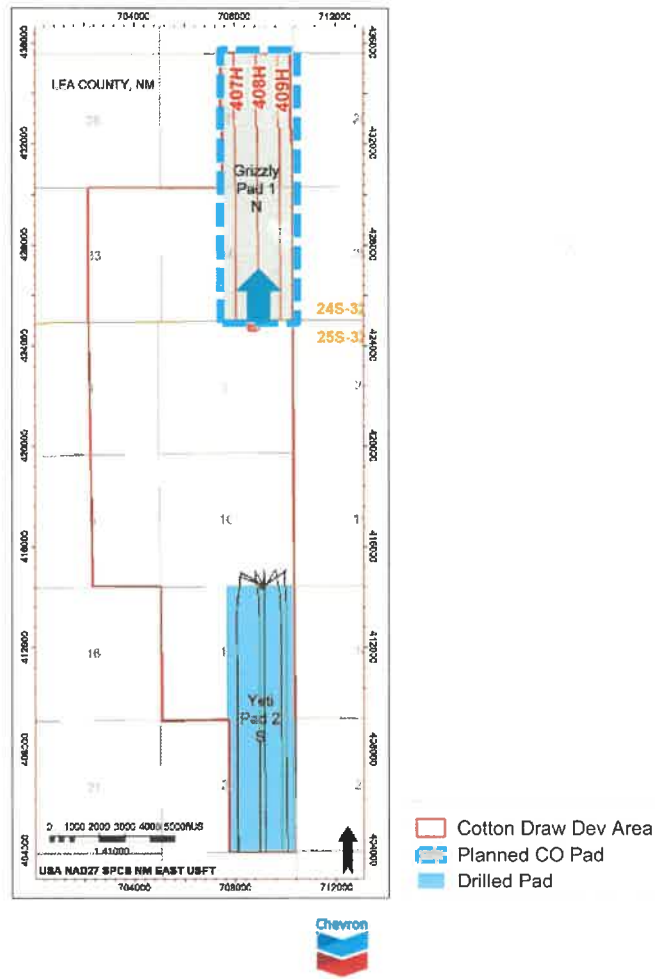


EXHIBIT
C.1

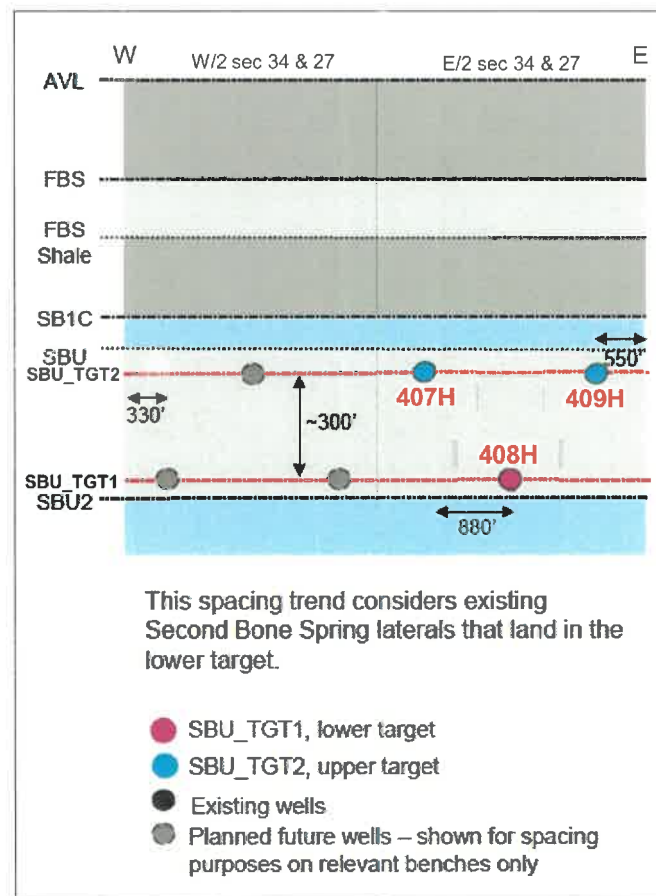
tabbles

Location map of CO Grizzly Pad 1 wells



Gun barrel of horizontal wells

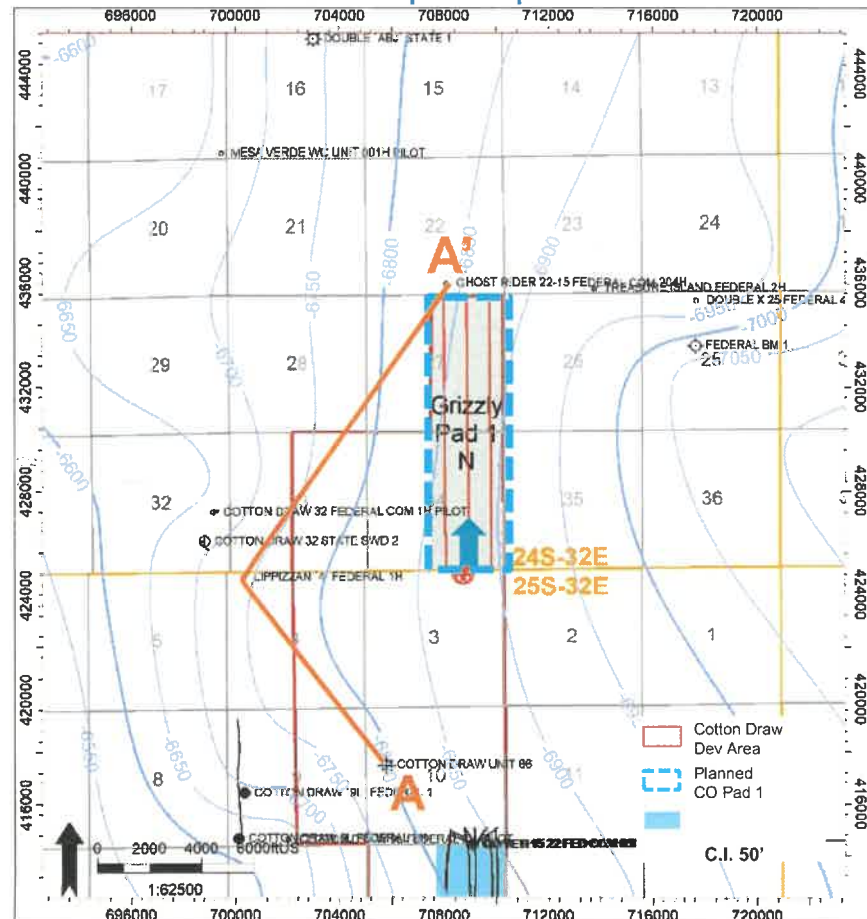
- Chevron's Cotton Draw (CO) **Grizzly Pad 1** wells will be drilled in the upper Second Bone Spring
- Wells **407H** and **409H** will be drilled in the upper target (SBU_TGT2) and the **408H** will be drilled in the lower target (SBU_TGT1)
- Chevron has experience drilling the SBU target in the Cotton Draw development area
- Chevron's plan prevents waste by maximizing development setbacks and developing all acreage



Structure map

- Average depth to the SBU top is ~6875' TVDSS
- The Second Bone Upper formation dips gently ~1° to the east and is consistent across the proposed area.
- Planned wells will be drilled from south to north, parallel to the strike of the structure, minimizing well complexity

Structure Map of Top of SBU



tabbles

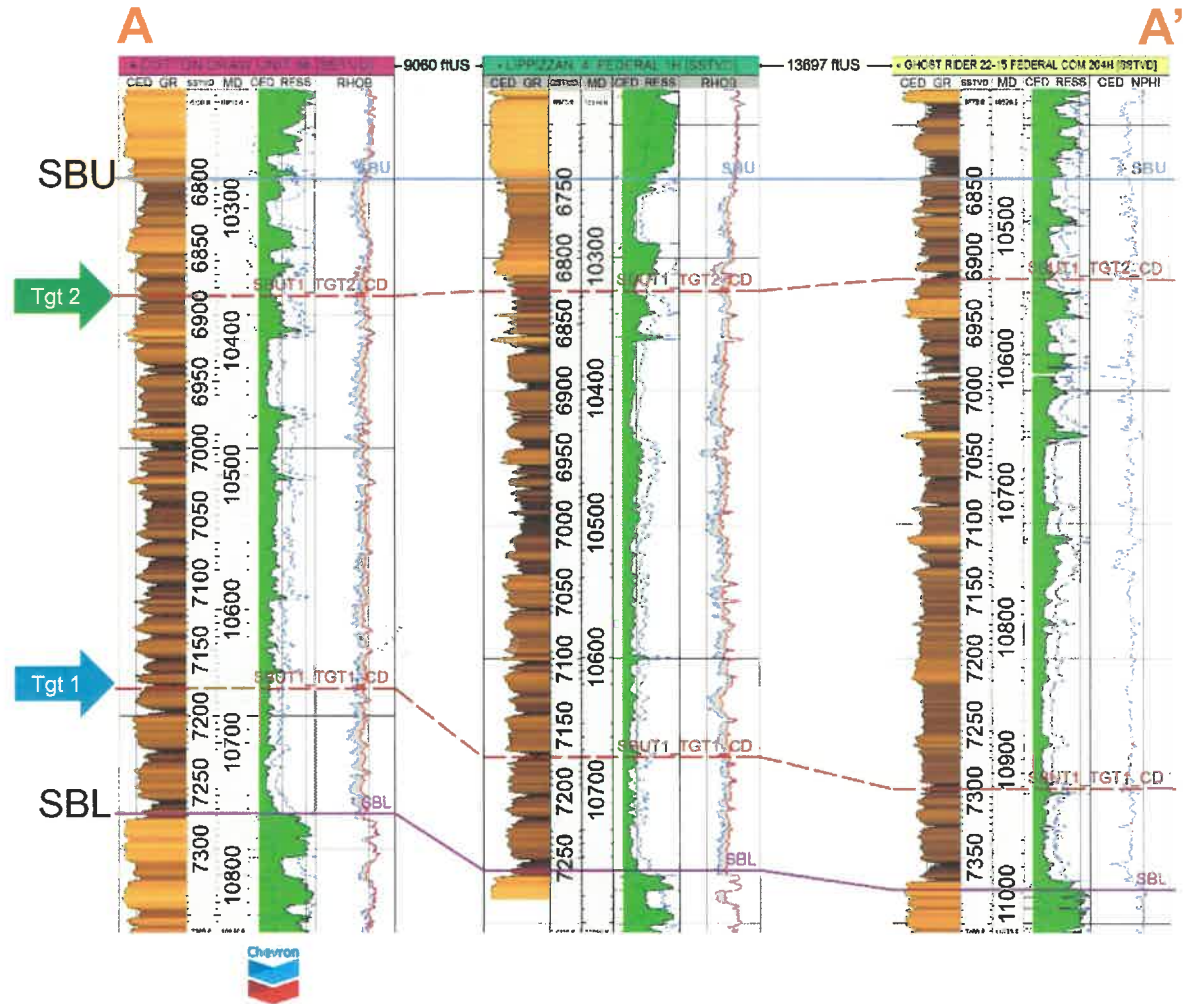
EXHIBIT

C.4

Page 56 of 59

Cross-section A-A'

- The well section is flattened on the top of the SBU.
- The SBU_TGT2 target is defined by the green arrow.
- The SBU_TGT1 target is defined by the blue arrow.
- This stratigraphic well section demonstrates the SBU targets to be consistent in thickness and quality across the proposed area.



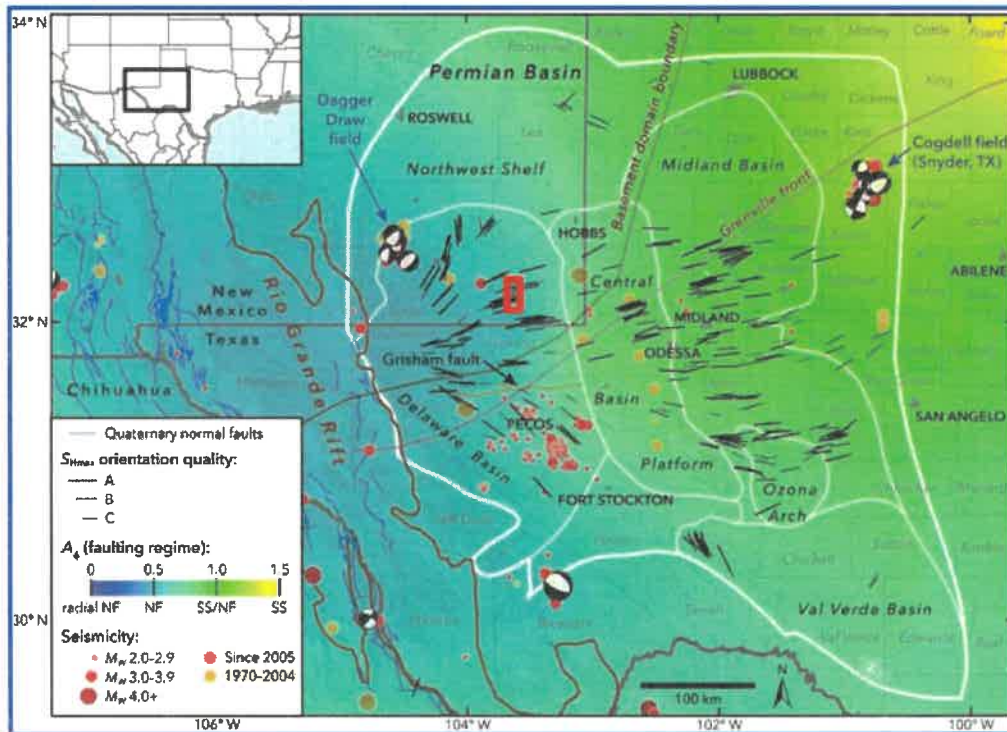
tabbles

EXHIBIT

C.5

Page 57 of 59

Stress orientation



- Cotton Draw development area shown with red box in image on left
- Median orientation of SHmax is ~80°
- Wells oriented S-N to optimize fracture growth along the SHmax direction

Snoe, J.L. and Zoback, M.D., 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 37, no. 2
http://www.tleonline.org/theleadingedge/february_2018/MobilePageArticle.action?articleId=1331603#articleId1331603

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Mandy Brewer

✉ mandy.brewer@chevron.com ☎ (713) 492-8945 🌐 [Linkedin.com/in/mandynbrewer](https://www.linkedin.com/in/mandynbrewer)

EDUCATION

B.S. Petroleum Engineering Montana Tech - Butte, MT	4.00 GPA December 2018
M.S. Geoscience Montana Tech - Butte, MT	3.96 GPA December 2017
Thesis: Geology of the middle member of the Bakken Formation in Divide County, ND	
B.S. Geological Engineering - Petroleum Option Montana Tech - Butte, MT	3.76 GPA May 2015

EXPERIENCE

Earth Scientist MCBU New Mexico DRP Team <i>Chevron - Midland, TX</i>	Jun 2021-Current
<ul style="list-style-type: none"> • Created staking requests and worked with surveyors to get well plats for BLM and NMOCD permits • Compiled and recorded subsurface drilling hazards in Eddy and Lea Counties, NM • Ensured alignment between C&D, DRP, G&G Ops, and Wells teams from well planning to execution • Updated stratigraphic correlations from the Rustler to the Bone Spring Limestone Formations 	
Earth Scientist GOMBU Perdido Asset <i>Chevron - Covington, LA</i>	Feb 2019-Jun 2021
<ul style="list-style-type: none"> • 2 years experience in deep-water reservoir characterization using Petrel • Mapped unconformities and ~40 faults in Silvertip/Tobago • Added minor faults to GW WM12 fault framework • Updated stratigraphic correlations from Frio to WM12, including higher resolution between reservoir zones to aid in fault identification and correlation during execution • Led WM12 reservoir static model rebuild in Petrel 	
Earth Science Intern <i>Chevron - Covington, LA</i>	May 2018-Aug 2018
<ul style="list-style-type: none"> • Evaluated the M8B Tahiti reservoir as a potential target for the upcoming PS011 well to be drilled in 2019 • Completed a full workflow from seismic > earth model > simulation > economics 	
Geology Intern <i>Barrick Gold Corporation Golden Sunlight Mine - Whitehall, MT</i>	Summer 2016
<ul style="list-style-type: none"> • Updated the mine's 3D fault model by mapping underground formations and structural features • The updated model was adopted and used to improve safety and aid mine design • Monitored ground movement to assess stability and safety risk for miners 	
Data Entry <i>Montana Bureau of Mines and Geology GWIC Office - Butte, MT</i>	Summer 2015-May 2016
<ul style="list-style-type: none"> • Entered water well data and field reports • Scanned files and performed quality checks • Interacted with the community to relay ground water and well information 	
Roustabout/Operator <i>R.M. Nelson Enterprises - West Branch, MI</i>	Summer 2014
<ul style="list-style-type: none"> • Operated two flowing wells (slug flow) • Painted tanks and pump house to prevent corrosion and warn against H₂S 	

LEADERSHIP

Team Lead for AAPG Imperial Barrel Award Competition	Spring 2017
Society of Women Engineers	
Region J Senator (represented AK, ID, MT, OR, WA)	2014-2015
Montana Tech President	2013-2014
Montana Tech Senator	2012-2013

COMPUTER SKILLS

MS Word, Power Point, Excel, Outlook, PowerApps, Power BI
Petrel, Petra, ArcGIS, Eclipse, Intersect, IXF Editor, Tecplot, Sage, StarSteer

