

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 01, 2023**

**CASE NO. 23562**

*SND 14 23 FED COM P429 #429H, #430H,  
#431H, & #432H WELLS*

**EDDY COUNTY, NEW MEXICO**



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

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

**CASE NO. 23562**

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# COMPULSORY POOLING APPLICATION CHECKLIST

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

<b>Case: 23562</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>June 1, 2023</b>
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	Chevron U.S.A. Inc. (OGRID No. 4323)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	SND 14 23
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	From beneath the base of the First Bone Spring to the top of the Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	From beneath the base of the First Bone Spring to the top of the Wolfcamp formation
Pool Name and Pool Code:	Cotton Draw; Bone Spring (13367)
Well Location Setback Rules:	Statewide oil rules
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	E/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	Yes; From beneath the base of the First Bone Spring to the top of the Wolfcamp formation
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	SND 14 23 Fed Com #430H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.
Applicant's Ownership in Each Tract	Exhibit A-3

Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	<u>SND 14 23 Fed Com #429H well</u> SHL: 1,090' FNL, 983' FEL (Unit A) of Section 14 BHL: 25' FSL, 2,310' FEL (Unit O) of Section 23 Target: Bone Spring Orientation: North-South Completion: Standard Location
Well #2	<u>SND 14 23 Fed Com #430H well</u> SHL: 1,090' FNL, 958' FEL (Unit A) of Section 14 BHL: 25' FSL, 1,635' FEL (Unit O) of Section 23 Target: Bone Spring Orientation: North-South Completion: Standard; utilizing Proximity Tracts
Well #3	<u>SND 14 23 Fed Com #431H well</u> SHL: 1,090' FNL, 933' FEL (Unit A) of Section 14 BHL: 25' FSL, 990' FEL (Unit P) of Section 23 Target: Bone Spring Orientation: North-South Completion: Standard Location
Well #4	<u>SND 14 23 Fed Com #432H well</u> SHL: 1,090' FNL, 908' FEL (Unit A) of Section 14 BHL: 25' FSL, 330' FEL (Unit P) of Section 23 Target: Bone Spring Orientation: North-South Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit B-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements	N/A

Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	Exhibit A-3
<b>Joinder</b>	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B, B-4, B-5
HSU Cross Section	Exhibit B-4, B-5
Depth Severance Discussion	Exhibit A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-2
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-4, B-5
Cross Section (including Landing Zone)	Exhibit B-4, B-5
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Paula M. Vance
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	5/30/2023

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

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

CASE NO. 23562

**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, § 70-2-17, for an order pooling all uncommitted interests in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. In support of its 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 initially dedicate the above-referenced horizontal spacing unit to the proposed **SND 14 23 Fed Com #429H** and **SND 14 23 Fed Com #430H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 23; and the **SND 14 23 Fed Com #431H** and **SND 14 23 Fed Com #432H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 23.

3. The completed interval of the **SND 14 23 Fed Com #430H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

4. An ownership depth severance exists in the Bone Spring formation within the proposed horizontal well spacing unit. Accordingly, Chevron seeks to pool only a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, the stratigraphic equivalent of the top of the Second Bone Spring formation, as seen at 10,025 feet beneath the surface, to the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 11,713 feet beneath the surface, as shown in that certain Gamma Ray dated August 14th, 2018, in the Striker 2 SWD #001 (API # 30-015-44416), located in Section 23 East, Township 24 South, Range 31 East, Eddy County, New Mexico. Chevron will provide notice of this hearing to the vertical offset parties within the pool who are not subject to this pooling application.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

6. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, 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 1, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the horizontal well spacing unit and pooling all uncommitted interests within the defined portion of the Bone Spring formation;
- B. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;

- D. 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
- E. Imposing a 200% penalty 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 the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Paula M. Vance  
Post Office Box 2208  
Santa Fe, NM 87504  
505-988-4421  
505-983-6043 Facsimile  
mfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com  
pmvance@hollandhart.com

**ATTORNEYS FOR CHEVRON U.S.A. INC.**



CASE \_\_\_\_\_: **Application of Chevron U.S.A. Inc. for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. An ownership depth severance exists in the Bone Spring formation within the proposed horizontal well spacing unit. Accordingly, Chevron seeks to pool only a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, the stratigraphic equivalent of the top of the Second Bone Spring formation, as seen at 10,025 feet beneath the surface, to the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 11,713 feet beneath the surface, as shown in that certain Gamma Ray dated August 14th, 2018, in the Striker 2 SWD #001 (API # 30-015-44416), located in Section 23 East, Township 24 South, Range 31 East, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed **SND 14 23 Fed Com #429H** and **SND 14 23 Fed Com #430H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 23; and the **SND 14 23 Fed Com #431H** and **SND 14 23 Fed Com #432H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 23. The completed interval of the **SND 14 23 Fed Com #430H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 21 miles southeast of Loving, New Mexico.

**STATE OF NEW MEXICO  
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**APPLICATION OF CHEVRON U.S.A. INC.  
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**CASE NO. 23562**

**SELF-AFFIRMED STATEMENT OF CORIE MATHEWS**

1. My name is Corie Mathews. I work for Chevron U.S.A. Inc. (“Chevron”) as a Landman.

2. I have not previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum land matters. I have included a copy of my resume as **Chevron Exhibit A-1** for the Division to review and respectfully request that my credentials be accepted as a matter of record, and that I be tendered as an expert in petroleum land matters.

3. I am familiar with the application filed by Chevron in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties in this case has indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

5. In **Case No. 23562**, Chevron seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. Chevron seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **SND 14 23 Fed Com #429H** and **SND 14 23 Fed Com #430H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to

a bottom hole location in the SW/4 SE/4 (Unit O) of Section 23; and the **SND 14 23 Fed Com #431H** and **SND 14 23 Fed Com #432H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 23.

6. The completed interval of the **SND 14 23 Fed Com #430H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

7. **Chevron Exhibit A-2** contains a draft Form C-102 for the wells in this horizontal spacing unit. These forms demonstrate that the completed interval for each well will comply with statewide setbacks for oil wells. The exhibit shows that the wells will be assigned to the Cotton Draw; Bone Spring [13367].

8. **Chevron Exhibit A-3** identifies the tracts of land comprising the horizontal spacing unit, the ownership interests in each tract, and ownership interests on a spacing unit basis. Chevron has reached voluntary agreement with all of the working interest owners and is seeking to pool the overriding royalty interests and title record owner highlighted in yellow. The subject acreage is comprised of all federal lands.

9. An ownership depth severance exists in the Bone Spring formation within the proposed horizontal well spacing unit. Accordingly, Chevron seeks to pool only a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, the stratigraphic equivalent of the top of the Second Bone Spring formation, as seen at 10,025 feet beneath the surface, to the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 11,713 feet beneath the surface, as shown in that certain Gamma Ray dated

August 14th, 2018, in the Striker 2 SWD #001 (API # 30-015-44416), located in Section 23, Township 24 South, Range 31 East, Eddy County, New Mexico. Exhibit A-3 also includes a breakdown of the ownership interest for the vertical offset within the Bone Spring formation.

10. **Chevron Exhibit A-4** contains a general summary of the contacts with the title record owner. As indicated in the exhibit, Chevron has made a good faith effort to locate and has had communications with the title record owner that it seeks to pool. In my opinion, Chevron has undertaken good faith efforts to reach an agreement with the title record owner.

11. Chevron has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Chevron seeks to pool and instructed that they be notified of this hearing. Chevron has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.

12. **Chevron Exhibits A-1 through A-4** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Corie Mathews

5/29/2023

Corie Mathews

Date

## **Corie Mathews, CPL**

### **OVERVIEW**

Energy Commerce graduate with fourteen (14) years of experience working as a professional in-house landman. Responsible for oil and gas leasehold acquisitions, title curatives, negotiation of surface use agreements, property access, procurements of surface and subsurface easements, salt water disposal and fresh water use agreements and surface damage settlements. Directly involved in negotiating, drafting, and administering oil and gas leases, surface use agreements, operating agreements, assignments, production sharing agreements and pooling agreements. Experience in dispute resolution matters and due diligence in property interest acquisitions. Managed field landmen and worked extensively with title attorneys, regulatory specialists and Land Administration.

### **EMPLOYMENT**

#### **CHEVRON U.S.A, INC. (Houston, Texas)**

##### **Northern Delaware Basin – Land Representative (2022-Present)**

- Responsible for all subsurface Land matters associated with development areas located in Eddy and Lea Counties in New Mexico including title and curative processes, oil and gas leasing, communitization agreements, negotiating operating agreement, consent to pooling agreements and designations of pooled units for operated wells.
- Provide support and draft exhibits for non-standard locations, compulsory pooling applications and commingling applications.
- Manage federal units to ensure timely development of commitment wells and establishing Participating Areas.

#### **MARATHON OIL CORPORATION (Houston, Texas)**

##### **Eagle Ford Shale – Senior Land Professional (2022-2022) Advanced Land Professional (2021-2022)**

- Responsible for all subsurface Land matters for approximately 40K acres to support a multi-rig program in mainly Karnes County, Texas which includes subsurface easements, off-lease point of penetration waivers, AMI lease offerbacks, regulatory support for well permitting, Division Order suspense support and well set ups, lease ratifications, lease amendments, unit agreements and operating agreements.
- Supported Land Administration with system upgrades to ensure the land processes integrated seamlessly.
- Project Lead to update the land process for drill ready production sharing agreement type of wells which included collaborating with multiple departments.
- Managed brokers to cure outstanding title requirements.
- Provided owner relations support to maintain good working relationships with mineral and surface owners.
- Collaborated with lease and land analysts for new and existing lease and contract set ups to maintain accurate data.
- Mentored landmen to provide guidance on how to manage an area of responsibility and risk management in complex land situations.

- Managed approximately 315 PDP wells to communicate at risk units to Operations.
- Actively marketed and negotiated non-operated wellbores to capitalize on carry and farmout opportunities; draft wellbore purchase contracts, wellbore assignments, wellbore operating agreements and farmout agreements.
- Identified and negotiated production sharing agreements with offset operators to extend laterals for operated wells or capture stranded acreage.

**EP ENERGY E&P COMPANY, L.P.** (Houston, Texas)

Eagle Ford Shale - Staff Landman (2018-2021)

- Responsible for managing all Land matters associated with approximately 40K net acres in mainly La Salle County, Texas including leasing, NEMIs, NPRIs, allocation wells, PSA wells, Rule 37 exceptions, operating agreements and designations of pooled units.
- Managed field brokers for title abstracting and curative; closely worked with outside counsel on litigation and settlement agreements.
- Drafted and negotiated pooling agreements, lease amendments, operating agreements, surface use and right-of-way agreements, production sharing agreements, and surface use and 3<sup>rd</sup> party water waivers.
- Project land lead for EOR and mitigated potential legal issues.

Uintah Basin - Staff Landman (2016-2018)  
Senior Landman (2013-2016)  
Landman (2012-2013)

- Responsible for all Land matters associated with several townships within EP Energy's Northeastern Utah Asset in Uintah Basin, which included thousands of leases and hundreds of operated and non-operated wells.
- Negotiated oil and gas leases with the Ute Indian Tribe and secured communization agreements with the Bureau of Land Management and Bureau of Indian Affairs.
- Developed positive working relationship with Utah Division of Oil, Gas and Mining for State of Utah oil and gas leases.
- Managed a multi-million dollar land budget which included monitoring competitor activity, leasing and renewal efforts.
- Responsible for directing field landman for negotiations to acquire surface use agreements for a multi-rig drilling program.
- Evaluated title opinions, determined necessary curative efforts to manage title risk, and calculated working and net revenue interests.

Louisiana – Landman (2009-2012)

- Worked in EP Energy's Haynesville Asset for one (1) year and was in charge of all aspects of Land matters for a small area as my first placement since graduating the rotational program.
- Rotational development program which included lease records, division order, gas marketing, acquisitions and divestures, South Louisiana exploratory play and Haynesville.

**EDUCATION**

Texas Tech University  
Bachelor of Business Administration – Energy Commerce, May 2009

**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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code 13367		<sup>3</sup> Pool Name COTTON DRAW;BONE SPRING	
<sup>4</sup> Property Code		<sup>5</sup> Property Name SND 14 23 FED COM			<sup>6</sup> Well Number 429H
<sup>7</sup> OGRID No. 4323		<sup>8</sup> Operator Name CHEVRON U.S.A. INC.			<sup>9</sup> Elevation 3569'

<sup>10</sup> 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	14	24 SOUTH	31 EAST, N.M.P.M.		1090'	NORTH	983'	EAST	EDDY

<sup>11</sup> 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
O	23	24 SOUTH	31 EAST, N.M.P.M.		25'	SOUTH	2310'	EAST	EDDY

<sup>12</sup> Dedicated Acres 640	<sup>13</sup> Joint or Infill Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. Defining well is SND 14 23 FED COM 430H
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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><sup>16</sup></p> <table border="1"> <tr> <th>SND 14 23 FED COM 429H</th> <th>PROPOSED FIRST TAKE POINT</th> </tr> <tr> <td>X= 682,634' Y= 444,810' LAT. 32.221520° N LONG. 103.742761° W</td> <td>X= 681,301' Y= 445,791' LAT. 32.224238° N LONG. 103.747053° W</td> </tr> <tr> <td>X= 723,818' Y= 444,869' LAT. 32.221643° N LONG. 103.743244° W</td> <td>X= 722,485' Y= 445,850' LAT. 32.224361° N LONG. 103.747536° W</td> </tr> <tr> <td>ELEV. +3569' NAVD88</td> <td></td> </tr> </table> <table border="1"> <tr> <th>PROPOSED LAST TAKE POINT</th> <th>PROPOSED BOTTOM HOLE LOCATION</th> </tr> <tr> <td>X= 681,365' Y= 435,428' LAT. 32.195750° N LONG. 103.747032° W</td> <td>X= 681,365' Y= 435,353' LAT. 32.195544° N LONG. 103.747032° W</td> </tr> <tr> <td>X= 722,549' Y= 435,487' LAT. 32.195873° N LONG. 103.747514° W</td> <td>X= 722,549' Y= 435,412' LAT. 32.195667° N LONG. 103.747513° W</td> </tr> </table> <table border="1"> <tr> <th>PROPOSED MID-POINT</th> </tr> <tr> <td>X= 681,331' Y= 440,610' LAT. 32.209994° N LONG. 103.747050° W</td> </tr> <tr> <td>X= 722,515' Y= 440,668' LAT. 32.210117° N LONG. 103.747532° W</td> </tr> </table> <p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - X= 678324.50, Y= 445873.60              B - X= 680968.38, Y= 445889.44              C - X= 682289.62, Y= 445897.37              D - X= 683610.86, Y= 445905.30              E - X= 678357.86, Y= 440591.53              F - X= 681000.19, Y= 440607.81              G - X= 682320.45, Y= 440615.82              H - X= 683640.70, Y= 440623.82              I - X= 678390.49, Y= 435311.46              J - X= 681032.50, Y= 435326.28              K - X= 682353.82, Y= 435333.62              L - X= 683675.14, Y= 435340.95</p>	SND 14 23 FED COM 429H	PROPOSED FIRST TAKE POINT	X= 682,634' Y= 444,810' LAT. 32.221520° N LONG. 103.742761° W	X= 681,301' Y= 445,791' LAT. 32.224238° N LONG. 103.747053° W	X= 723,818' Y= 444,869' LAT. 32.221643° N LONG. 103.743244° W	X= 722,485' Y= 445,850' LAT. 32.224361° N LONG. 103.747536° W	ELEV. +3569' NAVD88		PROPOSED LAST TAKE POINT	PROPOSED BOTTOM HOLE LOCATION	X= 681,365' Y= 435,428' LAT. 32.195750° N LONG. 103.747032° W	X= 681,365' Y= 435,353' LAT. 32.195544° N LONG. 103.747032° W	X= 722,549' Y= 435,487' LAT. 32.195873° N LONG. 103.747514° W	X= 722,549' Y= 435,412' LAT. 32.195667° N LONG. 103.747513° W	PROPOSED MID-POINT	X= 681,331' Y= 440,610' LAT. 32.209994° N LONG. 103.747050° W	X= 722,515' Y= 440,668' LAT. 32.210117° N LONG. 103.747532° W	<p>Proposed First Take Point 100' FNL 2310' FEL</p> <p>N 53°37'20" W 1,655.11'</p> <p>Proposed Mid-Point</p> <p>Proposed Last Take Point 100' FSL 2310' FEL</p> <p>1090' 983'</p> <p>S 00°19'25" E 5181.83'</p> <p>14</p> <p>S 00°22'25" E 5256.69'</p> <p>23</p> <p>25'</p> <p>2310'</p>	<p><sup>17</sup> 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><sup>18</sup> 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>06/21/2021 Date of Survey</p> <p>Signature and Seal of Professional Surveyor:                11/18/2022</p> <p>Certificate Number _____</p>
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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**

<sup>1</sup> API Number	<sup>2</sup> Pool Code 13367	<sup>3</sup> Pool Name COTTON DRAW;BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name SND 14 23 FED COM	
<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	
		<sup>6</sup> Well Number 430H
		<sup>9</sup> Elevation 3569'

<sup>10</sup> 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	14	24 SOUTH	31 EAST, N.M.P.M.		1090'	NORTH	958'	EAST	EDDY

<sup>11</sup> 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
O	23	24 SOUTH	31 EAST, N.M.P.M.		25'	SOUTH	1635'	EAST	EDDY

<sup>12</sup> Dedicated Acres 640	<sup>13</sup> Joint or Infill Defining	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

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<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	
		<sup>6</sup> Well Number 431H
		<sup>9</sup> Elevation 3570'

<sup>10</sup> 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	14	24 SOUTH	31 EAST, N.M.P.M.		1090'	NORTH	933'	EAST	EDDY

<sup>11</sup> 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	23	24 SOUTH	31 EAST, N.M.P.M.		25'	SOUTH	990'	EAST	EDDY

<sup>12</sup> Dedicated Acres 640	<sup>13</sup> Joint or Infill Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. Defining well is SND 14 23 FED COM 430H
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<sup>16</sup>

SND 14 23 FED COM 431H		PROPOSED FIRST TAKE POINT	
X= 682,684'		X= 682,621'	
Y= 444,810'	NAD 27	Y= 445,799'	NAD 27
LAT. 32.221520° N		LAT. 32.224240° N	
LONG. 103.742600° W		LONG. 103.742785° W	
X= 723,868'		X= 723,805'	
Y= 444,869'	NAD83/2011	Y= 445,858'	NAD83/2011
LAT. 32.221643° N		LAT. 32.224363° N	
LONG. 103.743083° W		LONG. 103.743268° W	
ELEV. +3570'	NAV088		

PROPOSED LAST TAKE POINT		PROPOSED BOTTOM HOLE LOCATION	
X= 682,685'		X= 682,685'	
Y= 435,435'	NAD 27	Y= 435,360'	NAD 27
LAT. 32.195750° N		LAT. 32.195544° N	
LONG. 103.742765° W		LONG. 103.742765° W	
X= 723,869'		X= 723,869'	
Y= 435,494'	NAD83/2011	Y= 435,419'	NAD83/2011
LAT. 32.195874° N		LAT. 32.195667° N	
LONG. 103.743246° W		LONG. 103.743246° W	

PROPOSED MID-POINT	
X= 682,651'	
Y= 440,618'	NAD 27
LAT. 32.209996° N	
LONG. 103.742782° W	
X= 723,835'	
Y= 440,676'	NAD83/2011
LAT. 32.210119° N	
LONG. 103.743264° W	

**CORNER COORDINATES TABLE (NAD 27)**

A - X= 678324.50, Y= 445873.60  
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Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

<sup>18</sup> **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.*

06/21/2021  
Date of Survey

Signature and Seal of Professional Surveyor:   
11/18/2022

Certificate Number \_\_\_\_\_

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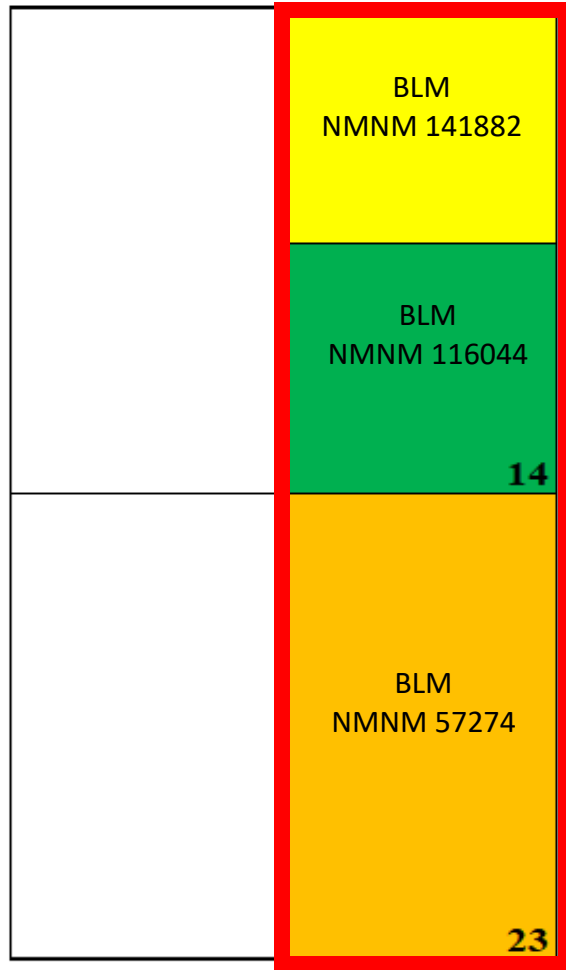
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.


<p><sup>16</sup></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>SND 14 23 FED COM 432H</th> <th>PROPOSED FIRST TAKE POINT</th> </tr> <tr> <td>X= 682,709' Y= 444,810' LAT. 32.221520° N LONG. 103.742519° W</td> <td>X= 683,281' Y= 445,803' LAT. 32.224241° N LONG. 103.740650° W</td> </tr> <tr> <td>X= 723,893' Y= 444,869' LAT. 32.221643° N LONG. 103.743002° W</td> <td>X= 724,465' Y= 445,862' LAT. 32.224364° N LONG. 103.741133° W</td> </tr> <tr> <td>ELEV. +3570' NAVD88</td> <td></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= 683,344' Y= 435,439' LAT. 32.195750° N LONG. 103.740631° W</td> <td>X= 683,345' Y= 435,364' LAT. 32.195544° N LONG. 103.740631° W</td> </tr> <tr> <td>X= 724,529' Y= 435,498' LAT. 32.195874° N LONG. 103.741113° W</td> <td>X= 724,529' Y= 435,423' LAT. 32.195668° N LONG. 103.741112° W</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>PROPOSED MID-POINT</th> </tr> <tr> <td>X= 683,311' Y= 440,622' LAT. 32.209997° N LONG. 103.740648° W</td> </tr> <tr> <td>X= 724,495' Y= 440,681' LAT. 32.210121° N LONG. 103.741130° W</td> </tr> </table> <p><b>CORNER COORDINATES TABLE (NAD 27)</b></p> <p>A - X= 678324.50, Y= 445873.60 B - X= 680968.38, Y= 445889.44 C - X= 682289.62, Y= 445897.37 D - X= 683610.86, Y= 445905.30 E - X= 678357.86, Y= 440591.53 F - X= 681000.19, Y= 440607.81 G - X= 682320.45, Y= 440615.82 H - X= 683640.70, Y= 440623.82 I - X= 678390.49, Y= 435311.46 J - X= 681032.50, Y= 435326.28 K - X= 682353.82, Y= 435333.62 L - X= 683675.14, Y= 435340.95</p>	SND 14 23 FED COM 432H	PROPOSED FIRST TAKE POINT	X= 682,709' Y= 444,810' LAT. 32.221520° N LONG. 103.742519° W	X= 683,281' Y= 445,803' LAT. 32.224241° N LONG. 103.740650° W	X= 723,893' Y= 444,869' LAT. 32.221643° N LONG. 103.743002° W	X= 724,465' Y= 445,862' LAT. 32.224364° N LONG. 103.741133° W	ELEV. +3570' NAVD88		PROPOSED LAST TAKE POINT	PROPOSED BOTTOM HOLE LOCATION	X= 683,344' Y= 435,439' LAT. 32.195750° N LONG. 103.740631° W	X= 683,345' Y= 435,364' LAT. 32.195544° N LONG. 103.740631° W	X= 724,529' Y= 435,498' LAT. 32.195874° N LONG. 103.741113° W	X= 724,529' Y= 435,423' LAT. 32.195668° N LONG. 103.741112° W	PROPOSED MID-POINT	X= 683,311' Y= 440,622' LAT. 32.209997° N LONG. 103.740648° W	X= 724,495' Y= 440,681' LAT. 32.210121° N LONG. 103.741130° W		<p><sup>17</sup> <b>OPERATOR CERTIFICATION</b></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> <hr/> <p><sup>18</sup> <b>SURVEYOR CERTIFICATION</b></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>06/21/2021 Date of Survey</p> <p>Signature and Seal of Professional Surveyor:            11/18/2022</p> <p>Certificate Number _____</p>
SND 14 23 FED COM 432H	PROPOSED FIRST TAKE POINT																		
X= 682,709' Y= 444,810' LAT. 32.221520° N LONG. 103.742519° W	X= 683,281' Y= 445,803' LAT. 32.224241° N LONG. 103.740650° W																		
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**T24S - R31E**



 **TRACT 1 - 160.00 acres**  
**NMNM 141882**

 **TRACT 2 - 160.00 acres**  
**NMNM 116044**

 **TRACT 3 - 320.00 acres**  
**NMNM 57274**

 **HORIZONTAL SPACING UNIT**

**BEFORE THE OIL CONSERVATION DIVISION**  
 Santa Fe, New Mexico  
 Exhibit No. A-3  
 Submitted by: Chevron U.S.A. Inc.  
 Hearing Date: June 1, 2023  
 Case No. 23562

**Proposed Second Bone Spring Upper Unit  
(from Base of the First Bone Spring to the Top of the Wolfcamp)  
Unit By Tract  
E/2 of Sections 14 and 23, T24S-R31E  
640 acres**

TRGWI = Tract Gross Working Interest  
UGWI = Unit Gross Working Interest  
TRNRI = Tract Net Revenue Interest  
URI = Unit Revenue Interest

**Bold Italic and Asterisk = Party  
subject to compulsory pooling**

**NE/4 of Section 14, T24S-R31E**

Tract 1 - 160/640 = 25%

OWNER	TRGWI	UGWI	TRNRI	URI	TYPE
<i>United States of America</i>	0.00000000	0.00000000	0.12500000	0.03125000	RI
Chevron U.S.A. Inc.	1.00000000	0.25000000	0.87500000	0.21875000	WI
Total	1.00000000	0.25000000	1.00000000	0.25000000	

**SE/4 of Section 14, T24S-R31E**

Tract 2 - 160/640 = 25%

OWNER	TRGWI	UGWI	TRNRI	URI	TYPE
<i>United States of America</i>	0.00000000	0.00000000	0.12500000	0.03125000	RI
McLeod Holdings, LLLP	1.00000000	0.25000000	0.87500000	0.21875000	WI
Total	1.00000000	0.25000000	1.00000000	0.25000000	

**E/2 of Section 23, T24S-R31E**

TRACT 3 - 320/640 = 50%

OWNER	TRGWI	UGWI	TRNRI	URI	TYPE
<i>United States of America</i>	0.00000000	0.00000000	0.12500000	0.06250000	RI
Chevron U.S.A. Inc.	0.00000000	0.00000000	0.015729530	0.007864765	ORRI
Vladin LLC	0.00000000	0.00000000	0.007812500	0.003906250	ORRI
Tinian Oil & Gas LLC	0.00000000	0.00000000	0.001041410	0.000520705	ORRI
Abo Petroleum LLC	0.00000000	0.00000000	0.000416560	0.000208280	ORRI
<b><i>Penasco Petroleum LLC*</i></b>	0.00000000	0.00000000	0.004166650	0.002083325	ORRI
<b><i>Rolla R. Hinkle III*</i></b>	0.00000000	0.00000000	0.004166650	0.002083325	ORRI
<b><i>Galley NM Assets, LLC*</i></b>	0.00000000	0.00000000	0.004166700	0.002083350	ORRI
<b><i>Elk Range Royalties, LP*</i></b>	0.00000000	0.00000000	0.012500000	0.006250000	ORRI
Chevron U.S.A. Inc.	0.62918125	0.31459063	0.519074530	0.259537265	WI
Vladin LLC	0.31250000	0.15625000	0.257812500	0.128906250	WI
Tinian Oil & Gas LLC	0.04165625	0.02082813	0.034366410	0.017183205	WI
Abo Petroleum LLC	0.01666250	0.00833125	0.013746560	0.006873280	WI
Total	1.00000000	0.50000000	1.00000000	0.50000000	

**Proposed Second Bone Spring Upper Unit  
(from Base of the First Bone Spring to the Top of the Wolfcamp)**

**Unit Summary  
E/2 of Sections 14 and 23, T24S-R31E  
640 acres**

**WI = Working Interest**

**RI = Revenue Interest**

**Bold Italic and Asterisk = Party subject to compulsory pooling**

OWNER	WI	NRI	TYPE
Chevron U.S.A. Inc.	0.564590625	0.478287265	WI
Vladin LLC	0.156250000	0.128906250	WI
Tinian Oil & Gas LLC	0.020828125	0.017183205	WI
Abo Petroleum LLC	0.008331250	0.006873280	WI
McLeod Holdings, LLLP	0.250000000	0.218750000	WI
Chevron U.S.A. Inc.	0.000000000	0.007864765	ORRI
Vladin LLC	0.000000000	0.003906250	ORRI
Tinian Oil & Gas LLC	0.000000000	0.000520705	ORRI
Abo Petroleum LLC	0.000000000	0.000208280	ORRI
<b><i>Penasco Petroleum LLC*</i></b>	0.000000000	0.002083325	ORRI
<b><i>Rolla R. Hinkle III*</i></b>	0.000000000	0.002083325	ORRI
<b><i>Galley NM Assets, LLC*</i></b>	0.000000000	0.002083350	ORRI
<b><i>Elk Range Royalties, LP*</i></b>	0.000000000	0.006250000	ORRI
<b>TOTAL</b>	1.000000000	0.875000000	

**Bold Italic and Asterisk = Party subject to compulsory pooling**

OWNER	TYPE
<b><i>Penasco Petroleum LLC*</i></b>	ORRI
<b><i>Rolla R. Hinkle III*</i></b>	ORRI
<b><i>Galley NM Assets, LLC*</i></b>	ORRI
<b><i>Elk Range Royalties, LP*</i></b>	ORRI
<b><i>EOG Resources, Inc.*</i></b>	RECORD TITLE OWNER

**Ownership from Top of the Bone Spring to the Base of the First Bone Spring  
(Vertical Offset Interests)**

**Unit By Tract  
E/2 of Sections 14 and 23, T24S-R31E  
640 acres**

**TRGWI = Tract Gross Working Interest**  
**UGWI = Unit Gross Working Interest**  
**TRNRI = Tract Net Revenue Interest**  
**URI = Unit Revenue Interest**

**NE/4 of Section 14, T24S-R31E**

Tract 1 - 160/640 = 25%

OWNER	TRGWI	UGWI	TRNRI	URI	TYPE
<i>United States of America</i>	0.00000000	0.00000000	0.12500000	0.03125000	RI
Chevron U.S.A. Inc.	1.00000000	0.25000000	0.87500000	0.21875000	WI
Total	1.00000000	0.25000000	1.00000000	0.25000000	

**SE/4 of Section 14, T24S-R31E**

Tract 2 - 160/640 = 25%

OWNER	TRGWI	UGWI	TRNRI	URI	TYPE
<i>United States of America</i>	0.00000000	0.00000000	0.12500000	0.03125000	RI
McLeod Holdings, LLLP	0.00000000	0.00000000	0.02812500	0.00703125	ORRI
Chevron U.S.A. Inc.	0.38671875	0.09667969	0.31904297	0.07976074	WI
Vladin LLC	0.17578125	0.04394531	0.14501953	0.03625488	WI
McLeod Holdings, LLLP	0.43750000	0.10937500	0.38281250	0.09570313	WI
Total	1.00000000	0.25000000	1.00000000	0.25000000	

**E/2 of Section 23, T24S-R31E**

TRACT 3 - 320/640 = 50%

OWNER	TRGWI	UGWI	TRNRI	URI	TYPE
<i>United States of America</i>	0.00000000	0.00000000	0.12500000	0.06250000	RI
Chevron U.S.A. Inc.	0.00000000	0.00000000	0.01572953	0.00786476	ORRI
Vladin LLC	0.00000000	0.00000000	0.00781250	0.00390625	ORRI
Tinian Oil & Gas LLC	0.00000000	0.00000000	0.00104141	0.00052070	ORRI
Abo Petroleum LLC	0.00000000	0.00000000	0.00041656	0.00020828	ORRI
Penasco Petroleum LLC	0.00000000	0.00000000	0.00416665	0.00208332	ORRI
Rolla R. Hinkle III	0.00000000	0.00000000	0.00416665	0.00208332	ORRI
Galley NM Assets, LLC	0.00000000	0.00000000	0.00416670	0.00208335	ORRI
Elk Range Royalties, LP	0.00000000	0.00000000	0.01250000	0.00625000	ORRI
Chevron U.S.A. Inc.	0.62918125	0.31459063	0.51907453	0.25953726	WI
Vladin LLC	0.31250000	0.15625000	0.25781250	0.12890625	WI
Tinian Oil & Gas LLC	0.04165625	0.02082813	0.03436641	0.01718320	WI
Abo Petroleum LLC	0.01666250	0.00833125	0.01374656	0.00687328	WI
Total	1.00000000	0.50000000	1.00000000	0.50000000	

### **Chronology of Contacts**

EOG Resources, Inc.

- May 23, 2023 – Emailed copy of the Communitization Agreement to EOG.
- May 24, 2023 – Received an email from EOG sending the Communitization Agreement to the correct party to circulate signatures internally. EOG stated they will execute just as soon as possible.



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

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

**CASE NO. 23562**

**SELF-AFFIRMED STATEMENT OF KATRINA HOFFMAN**

1. My name is Katrina Hoffman. I work for Chevron U.S.A. Inc. (“Chevron”) as a Geologist.

2. I have not previously testified before the New Mexico Oil Conservation Division (“Division”) as an expert witness in petroleum geology matters. I have included a copy of my resume as **Chevron Exhibit B-1** for the Division to review and respectfully request that my credentials be accepted as a matter of record, and that I be tendered as an expert in petroleum geology matters.

3. I am familiar with the application filed by Chevron in this case, and I have conducted a geologic study of the lands in the subject area.

4. Chevron has targeted the Bone Spring formation in this case, specifically the Second Bone Spring Upper.

5. **Chevron Exhibit B-2** is a project locator map depicting Chevron’s proposed spacing unit outlined in dark blue. Existing producing wells are also depicted, including Chevron Second Bone Spring wells in green. Chevron’s Javalina Unit is outlined in red. The approximate location for the well pad is depicted with a star.

6. **Chevron Exhibit B-3** shows a subsea structure map that I prepared on top of the Second Bone Spring formation, with a contour interval of 20 feet. The approximate wellbore paths

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Submitted by: Chevron U.S.A. Inc.  
Hearing Date: June 1, 2023  
Case No. 23562**

for the proposed initial wells are depicted with solid pink lines. The Second Bone Spring dips gently to the east and is consistent across the project area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted intervals with horizontal wells in the area of the proposed spacing unit.

7. **Chevron Exhibit B-4** shows cross-section lines consisting of three wells, including the Striker 2 SWD #001 (API # 30-015-44416), penetrating the Bone Spring formation that I used to construct a stratigraphic cross-section from north to south. I chose the logs from these wells to create the cross-sections because they penetrate the targeted interval, are of good quality, and are representative of the geology in the subject area.

8. **Chevron Exhibit B-5** is a stratigraphic cross-section using the representative wells depicted in the previous exhibit for the Bone Spring formation. It identifies the targeted intervals for this project. It also demonstrates that the targeted intervals are continuous across the proposed spacing unit.

9. In my opinion, standup orientation of the proposed wells is the appropriate orientation for horizontal well development in this area because it near perpendicular to the maximum horizontal stress of the area.

10. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

11. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery,

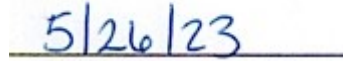
and that approving Chevron's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **Chevron Exhibits B-1 through B-5** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Katrina Hoffman



Date

**Katrina Hoffman**  
**Senior Development Geologist, Chevron North America**

1400 Louisiana St., Houston, TX 77002

**Professional Experience**

**Senior Development Geologist** **2020-Present**  
**Chevron North America, Mid-Continent, Houston TX**

- Lead geologist for Lea County, NM development areas; Sand Dunes, Zion, McCloy Ranch.
  - Generated well landing strategies for key development intervals including Bone Springs and Wolfcamp formations.
  - Incorporated machine learning, data science, in-depth petrophysical analysis, geophysical, completion modeling, and offset production data into landing recommendations.
- Led geologic efforts to define/update regional extents of multiple Bone Springs formations.
- Collaborated with engineers to understand geologic drivers for production and to deliver subsurface geologic overviews for Annual Reserves analysis.
- Mentored summer intern in a project to assess future basin potential.

**Strategic Advisor Secondment to Catalyst** **2019-2020**  
**Catalyst, New York, New York**

- Served as strategic MARC program advisor to Catalyst. Developed a 5-year plan to broaden the reach of the MARC initiative to a multi-regional audience of Catalyst supporter organizations.
- Supervised direct report and provided support and guidance in the following areas: managing and analyzing quantitative data; conducting qualitative data analysis; writing summaries of findings; and supporting the integration of research insights into MARC program design.
- Developed program design, content, and go-to-market strategy for the Catalyst MARC Dialogue Teams program, leveraging materials and feedback from the in-house program developed at Chevron in 2017 and Catalyst pilot held at Shell, Humana, and McCormick.
- Provided in-depth consultation and coaching on developing a D&I strategy to more than 2 dozen external organizations, including P&G, Boeing, Whirlpool, Shell, Bechtel, Bank of America.

**Senior Development Geologist** **2018-2019**  
**Chevron North America, Mid-Continent, Houston TX**

- Lead asset development geologist on the CO<sub>2</sub>/waterflood team, supporting development opportunities in Rangely, McElroy and Vacuum fields.
  - Integrated interpretation from wells, seismic, mapped surfaces and other sources (cores, pressures, production history) leading to detailed reservoir characterization.
  - Responsible for OOIP, OGIP and current view of remaining HC in place as well as reservoir visualization, opportunity identification, and the integration of static models with fluid-flow simulations.
- Project Manager for Rangely East End Horizontal Well Development project. Key deliverables included; full-field and pilot development strategy, internal and external peer reviews, ESHIA workshop, drilling estimates from external partner (Brammer), and conducting end of Phase 2 DRB.
  - Exhibited exemplary internal and external stakeholder engagement skills. Notably, rebuilt regulatory relationships with COGCC and BLM after a 7-year drilling hiatus, and improved relationships between the asset development and technical teams.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B-1  
Submitted by: Chevron U.S.A. Inc.  
Hearing Date: June 1, 2023  
Case No. 23562

- Earth Science Learning Solution Specialist** **2015-2018**  
**Chevron Energy Technologies, Houston TX**
- Ensure the quality design and development of technical learning solutions for the Earth Science and Petroleum Engineering technical learning portfolios.
  - Experienced in project management, managing budgets, and overseeing external vendors. Routinely maintained a portfolio of 20+ projects.
  - Designed learning solutions that are aligned with business requirements, meet the needs of the learner, and integrate adult learning principles.

- Exploration and New Ventures Earth Scientist** **2013-2015**  
**Chevron Energy Technologies, Houston TX**
- Provided exploration services for the Eurasia Business Unit in the Precaspian basin: integrated critical risk elements (seal, trap, charge, reservoir) from well post-mortem to appraise overall prospectivity of key play trends.
  - Integrated interpretation and well based stratigraphy for basin and prospect scale assessments.
  - Completed sub- and supra-salt structural and stratigraphic mapping on 3D and 2D seismic datasets.
  - Developed stratigraphic framework, created GDE maps and high-graded play risk maps from well stratigraphic analysis.

- Earth Science Modeler** **2011-2013**  
**Chevron North America, San Joaquin, Bakersfield CA**
- Maintained and leveraged the Kern River full-field model for project execution, reserves and resource volume estimates, opportunity identification and mapping 4D saturation change.
  - Calculated P4-P6 resource volumetrics and presented results to the Reserves Advisory Committee. Identified 82 MMBO OOIP of low resistivity pay potential (6-8ohm).
  - 4D saturation change modeling of multiple time steps spanning 10 years. Used to identify resaturation channels, reducing horizontal well decline rates.
  - Co-mentored two summer interns.

- Development Geologist** **2009-2011**  
**Chevron North America, San Joaquin, Bakersfield CA**
- Planned and executed a 23 well steamflood expansion project, developed project economics and added 2.3 MMbbl of reserves.
  - Completed 2D stratigraphic and structural geologic characterization; detailed sand barriers, desaturation levels, and OWC and generated COIP and structure maps.
  - Developed a 3D model for resistivity, porosity and oil saturation properties.
  - Completed petrophysical evaluation of open- and cased-hole log data to characterize static and dynamic reservoir properties.

- Intern Assignment** **2008**  
**Chevron North America, San Joaquin, Bakersfield CA**
- Provided geologic recommendations for future recompletions in the San Ardo field.
    - 2D geologic interpretation of key horizons.
    - Created cross-section, structure and isopach maps.

## Education

Dates attended	School	Year Graduated	Remarks (Including specialization, degrees, extra activities, etc.)
2006-2008	Indiana University	2008	M.S. Biogeochemistry
2004-2006	Indiana University	2006	B.S. Geological Sciences

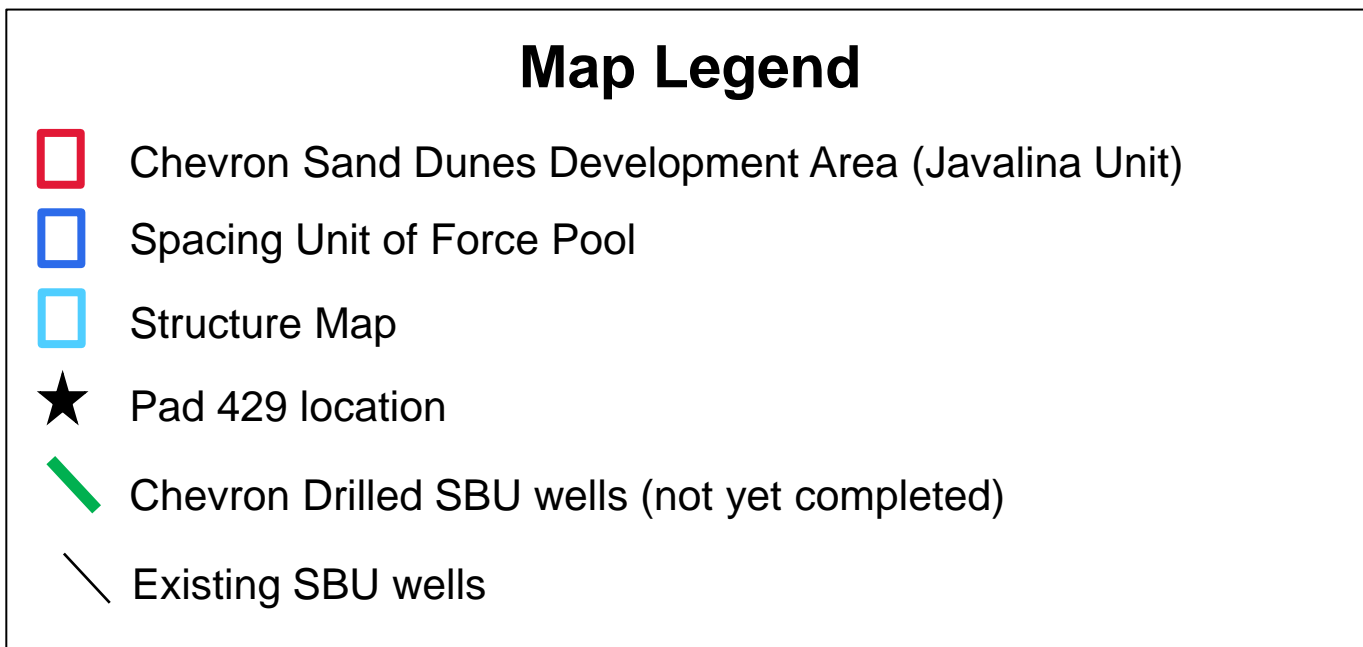
# Exhibit B-2: Project Locator Map



Chevron has experience drilling the Upper Second Bone Spring formation in the Sand Dunes area and additional targets are also planned.

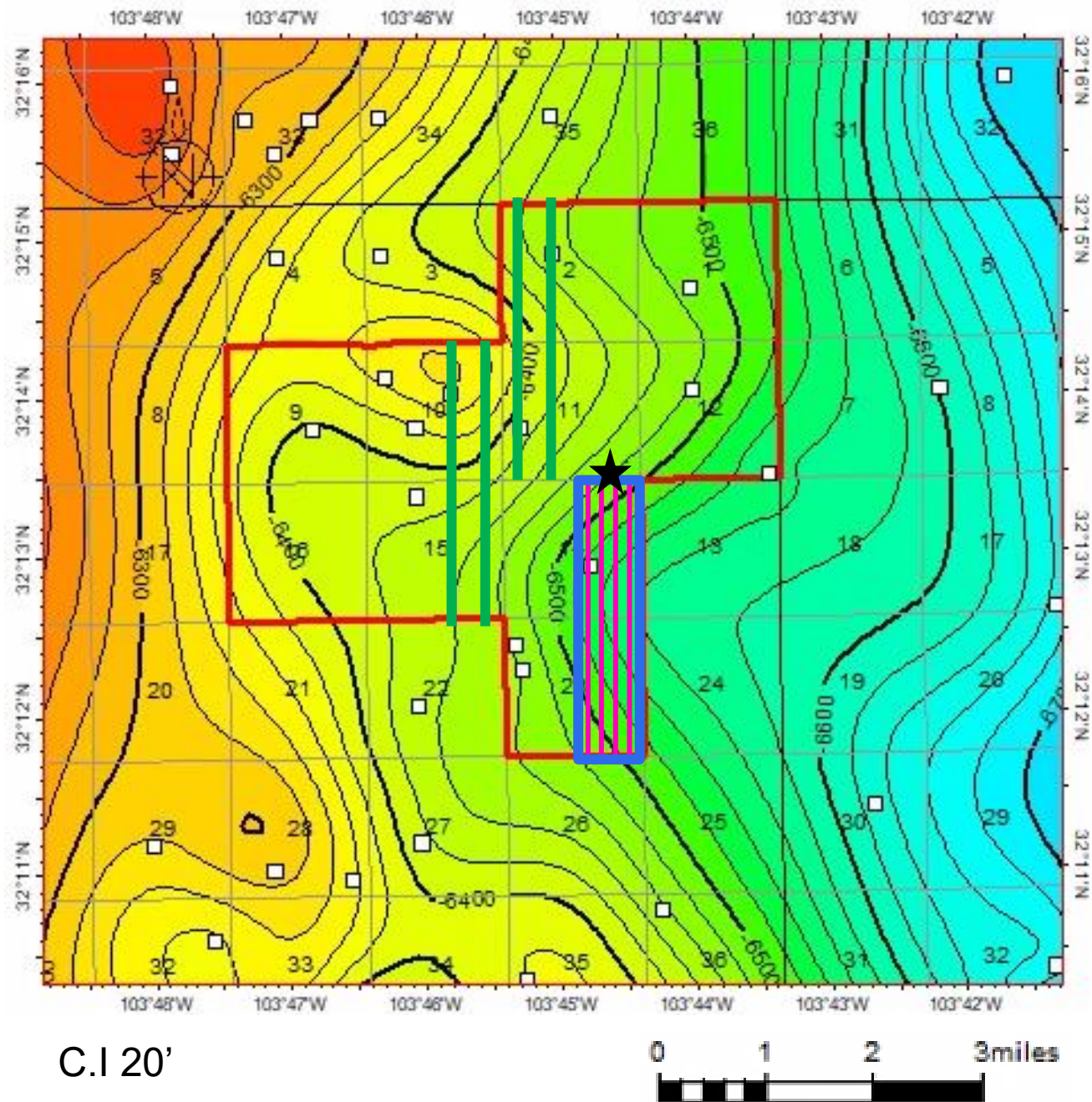
Chevron’s full-field development plan minimizes surface impact through:

- Use of multi-well pads,
- Utilizing existing centralized facilities

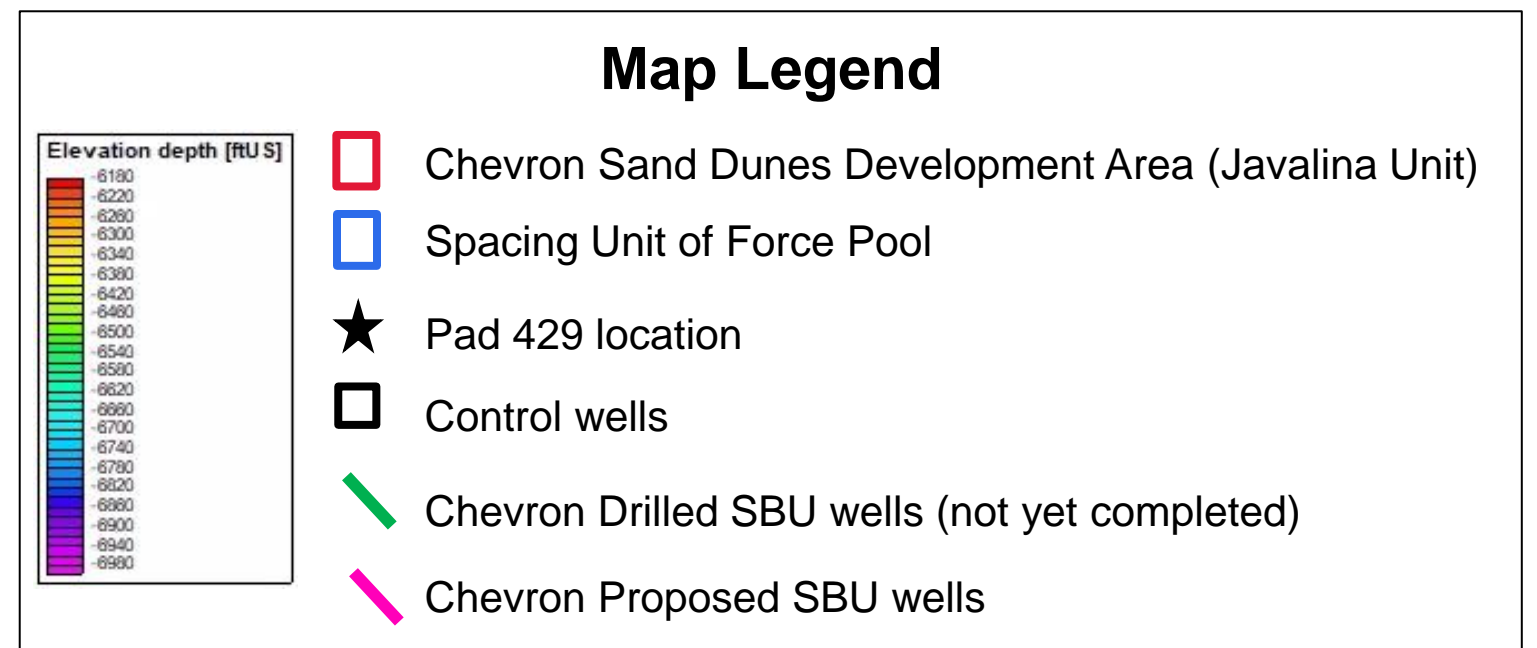




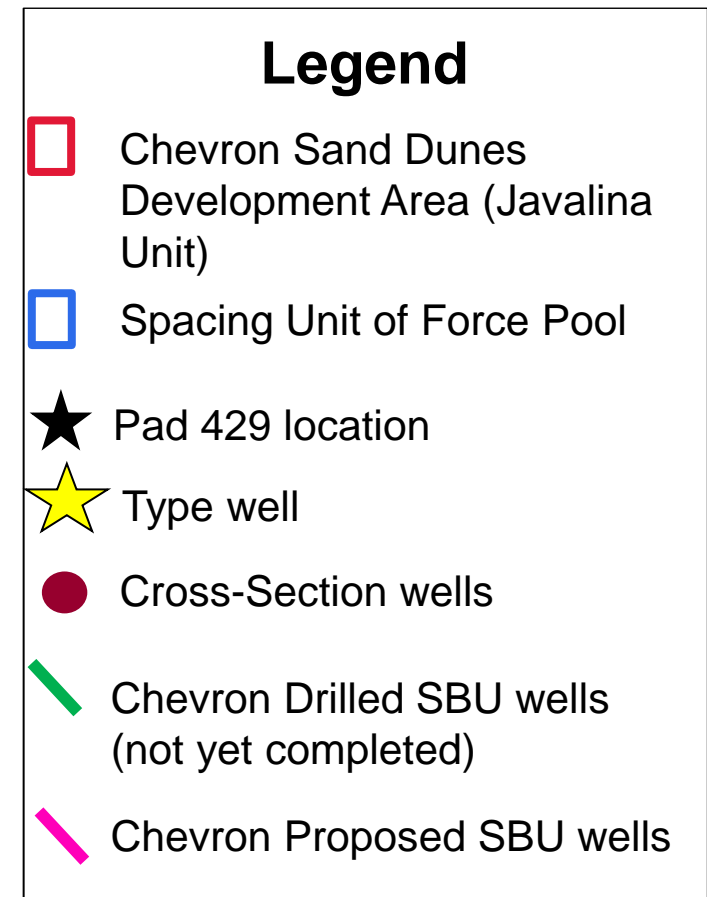
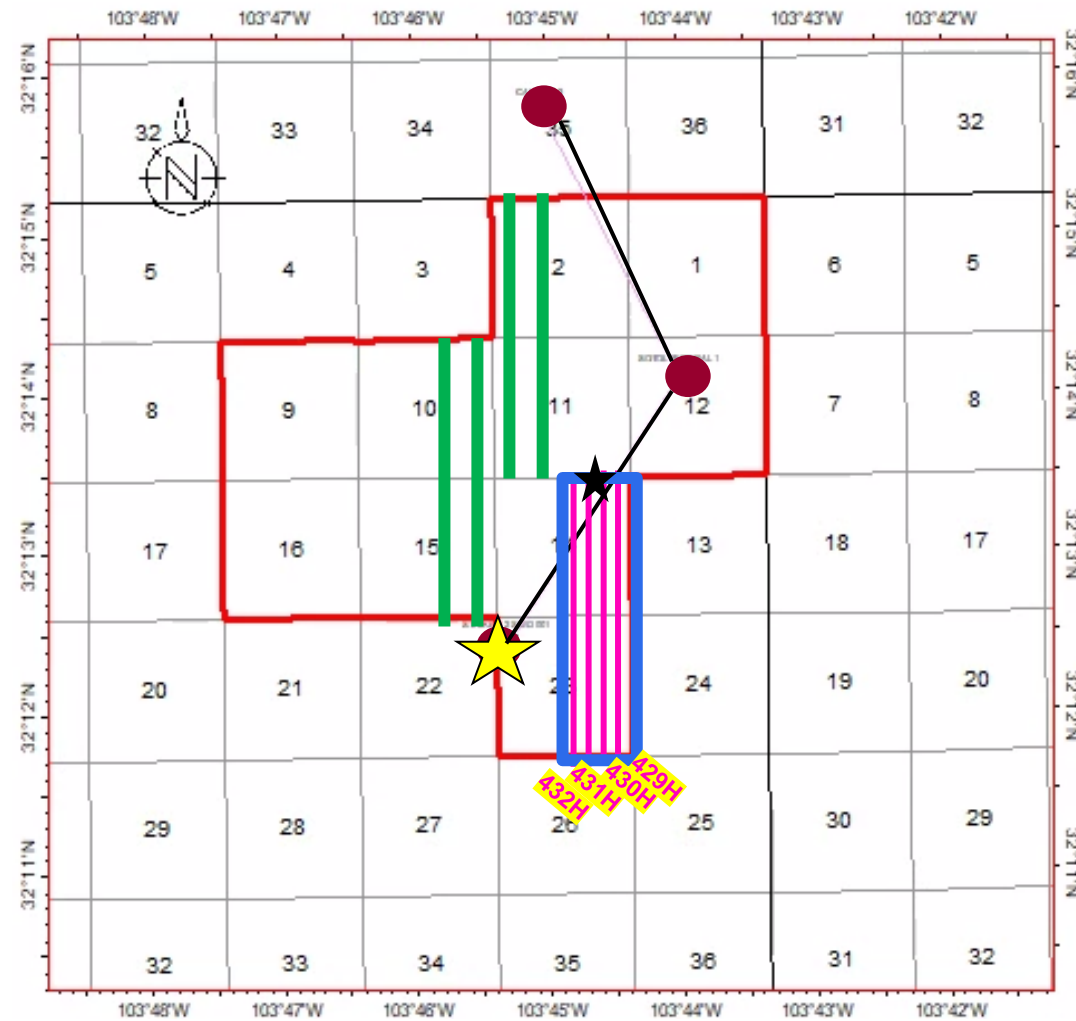
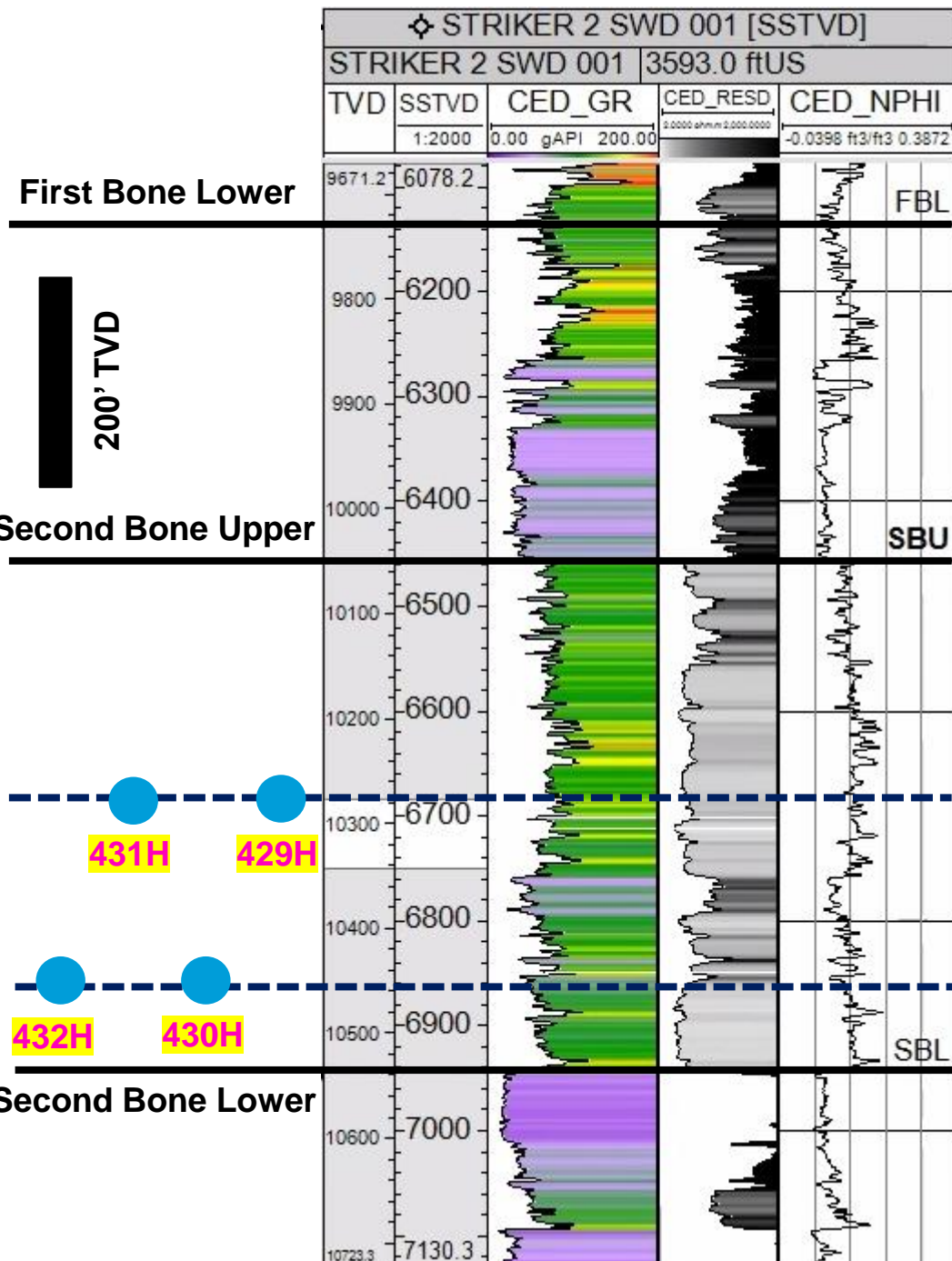
# Exhibit B-3: Top Second Bone Upper Structure Map (TV DSS)



The Second Bone Upper formation dips gently down to the East across the field development area.



# Exhibit B-4: Location Map of Stratigraphic Wells Cross Section and Type Well

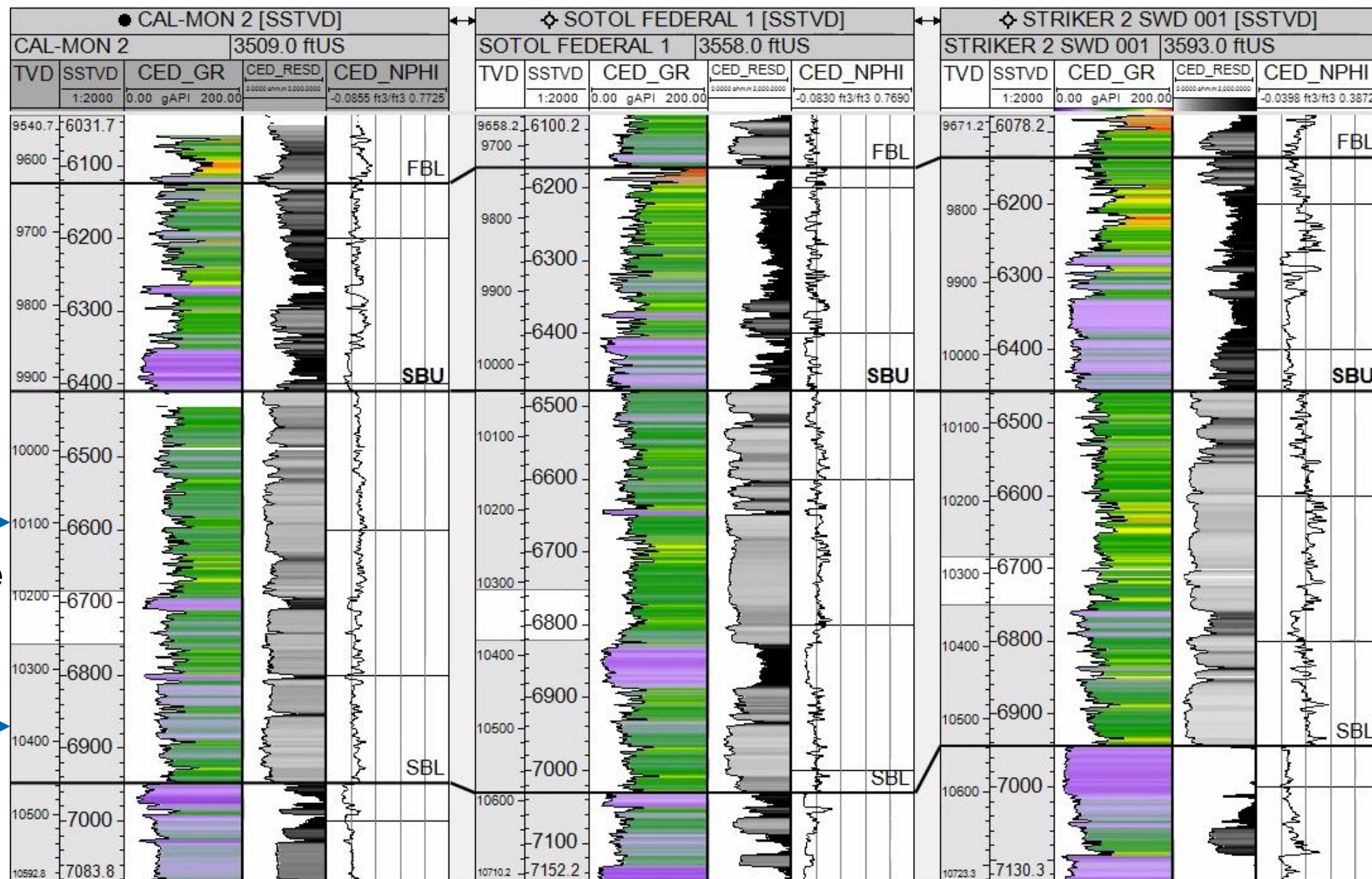




# Exhibit B-5: Stratigraphic Cross Section

North

South



Cross section flattened on Second Bone Upper (SBU)

Target intervals are defined by the blue arrows.

The stratigraphic cross section demonstrates the SBU target interval to be consistent across the proposed area.

Second Bone Upper Targets



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

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

**CASE NO. 23562**

**SELF-AFFIRMED STATEMENT OF  
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Chevron U.S.A. Inc. (“Chevron”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto. Notice was also provided to the vertical offset interest owners.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided, including the vertical offset interest owners.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 24, 2023.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached as Exhibit D.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Chevron U.S.A. Inc.  
Hearing Date: June 1, 2023  
Case No. 23562**



Paula M. Vance

5/30/23

Date



**Paula M. Vance**  
**Associate Attorney**  
Phone (505) 988-4421  
Email pmvance@hollandhart.com

May 12, 2023

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Chevron U.S.A. Inc for Compulsory Pooling, Eddy County, New Mexico: SND 14 23 Fed Com #429H, #430H, #431H and #432H wells**

Ladies & Gentlemen:

This letter is to advise you that Chevron U.S.A. Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 1, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

**The hearing will be conducted on June 1, 2023, beginning at 8:15 a.m. Due to ongoing construction and associated space limitations at the Wendell Chino Building, Parties, Counsel for Parties, and the public are encouraged to attend/participate via the Webex Meeting platform. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Corie Mathews at (713) 372-0402 or corie.mathews@chevron.com.

Sincerely,

Paula M. Vance  
**ATTORNEY FOR CHEVRON U.S.A. INC.**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming



**Paula M. Vance**  
**Associate Attorney**  
Phone (505) 988-4421  
Email pmvance@hollandhart.com

May 12, 2023

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: VERTICAL OFFSETS IN POOL**

**Re: Application of Chevron U.S.A. Inc for Compulsory Pooling, Eddy County, New Mexico: SND 14 23 Fed Com #429H, #430H, #431H and #432H wells**

Ladies & Gentlemen:

This letter is to advise you that Chevron U.S.A. Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 1, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

**The hearing will be conducted on June 1, 2023, beginning at 8:15 a.m. Due to ongoing construction and associated space limitations at the Wendell Chino Building, Parties, Counsel for Parties, and the public are encouraged to attend/participate via the Webex Meeting platform. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

*Your interest is not being pooled by this application.* You are receiving this notice because you own an interest in the Bone Spring formation that is not being included in the horizontal spacing unit. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Corie Mathews at (713) 372-0402 or corie.mathews@chevron.com.

Sincerely,

Paula M. Vance  
ATTORNEY FOR CHEVRON U.S.A. INC.

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming



Chevron\_Sand Dunes 429H-432H Wells  
Case No 23562 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765424609321	Rolla R. Hinkle III	PO Box 2292	Roswell	NM	88202-2292	Your item was picked up at the post office at 12:44 pm on May 15, 2023 in ROSWELL, NM 88201.
9414811898765424609369	Penasco Petroleum LLC	PO Box 2292	Roswell	NM	88202-2292	Your item was picked up at the post office at 4:29 pm on May 22, 2023 in ROSWELL, NM 88201.
9414811898765424609352	Galley NM Assets, LLC	4134 Maple Ave Fl 5	Dallas	TX	75219	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on May 23, 2023 at 6:44 pm. The item is currently in transit to the destination.
9414811898765424609314	Elk Range Royalties, LP	2110 Farrington St	Dallas	TX	75207-6502	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424609178	EOG Resources, Inc.	1111 Bagby St Lbby 2	Houston	TX	77002-2589	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77210 on May 18, 2023 at 9:22 am.

Chevron - Sand Dunes 429H-432H Wells CP Vertical Offset  
Case No. 23562 Postal Delivery Report

Tracking Number	Recipient	Status
9214890194038314980038	McLeod Holdings LLLP 600 N Grant Street Ste 620 Denver CO 80203	Delivered Signature Received
9214890194038314980045	Vladin LLC PO BOX 100 Artesia NM 88211	Delivered Signature Received
9214890194038314980052	Tinian Oil & Gas LLC PO BOX 900 Artesia NM 88211	Delivered Signature Received
9214890194038314980069	Abo Petroleum LLC PO BOX 900 Artesia NM 88211	Delivered Signature Received

Chevron - Sand Dunes 429H-432H Wells Vertical Offset  
Case No. 23562 Postal Delivery Report

Tracking Number	Recipient	Status
9214890194038314967978	Vladin LLC PO BOX 100 Artesia NM 88211	Delivered Signature Received
9214890194038314967985	Tinian Oil & Gas LLC PO BOX 900 Artesia NM 88211	Delivered Signature Received
9214890194038314967992	Abo Petroleum LLC PO BOX 900 Artesia NM 88211	Delivered Signature Received





Mailer: Holland & Hart LLP (1)

Date Produced: 05/16/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9800 38. Our records indicate that this item was delivered on 05/15/2023 at 10:48 a.m. in DENVER, CO 80203. The scanned image of the recipient information is provided below.

Signature of Recipient :

Address of Recipient :

600 Grant

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

MCLEOD HOLDINGS LLLP  
600 N GRANT STREET STE 620  
DENVER CO 80203

Customer Reference Number: C4193229.25027229



Mailer: Holland & Hart LLP (1)

Date Produced: 05/23/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9800 45. Our records indicate that this item was delivered on 05/22/2023 at 10:57 a.m. in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

*Dorothy Rivera*  
Dorothy Rivera

Address of Recipient :

100

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

VLADIN LLC  
PO BOX 100  
ARTESIA NM 88211

Customer Reference Number: C4193229.25027230



Mailer: Holland & Hart LLP (1)

Date Produced: 05/19/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9800 52. Our records indicate that this item was delivered on 05/18/2023 at 12:23 p.m. in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

C Soto  
C Soto

Address of Recipient :

900

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

TINIAN OIL & GAS LLC  
PO BOX 900  
ARTESIA NM 88211

Customer Reference Number: C4193229.25027231



Mailer: Holland & Hart LLP (1)

Date Produced: 05/24/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9800 69. Our records indicate that this item was delivered on 05/23/2023 at 12:27 p.m. in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

Address of Recipient :

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

ABO PETROLEUM LLC  
PO BOX 900  
ARTESIA NM 88211

Customer Reference Number: C4193229.25027232



Mailer: Holland & Hart LLP (1)

Date Produced: 05/19/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9679 78. Our records indicate that this item was delivered on 05/18/2023 at 10:24 a.m. in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

*Dorothy Rivera*  
Dorothy Rivera

Address of Recipient :

100

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

VLADIN LLC  
PO BOX 100  
ARTESIA NM 88211

Customer Reference Number: C4192488.25024272



Mailer: Holland & Hart LLP (1)

Date Produced: 05/19/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9679 85. Our records indicate that this item was delivered on 05/18/2023 at 12:23 p.m. in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

C Soto  
C Soto

Address of Recipient :

900

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

TINIAN OIL & GAS LLC  
PO BOX 900  
ARTESIA NM 88211

Customer Reference Number: C4192488.25024273



Mailer: Holland & Hart LLP (1)

Date Produced: 05/19/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8314 9679 92. Our records indicate that this item was delivered on 05/18/2023 at 12:23 p.m. in ARTESIA, NM 88210. The scanned image of the recipient information is provided below.

Signature of Recipient :

C Soto  
C Soto

Address of Recipient :

900

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

ABO PETROLEUM LLC  
PO BOX 900  
ARTESIA NM 88211

Customer Reference Number: C4192488.25024274



# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005700437

This is not an invoice

HOLLAND AND HART  
POBOX 2208

SANTA FE, NM 87504

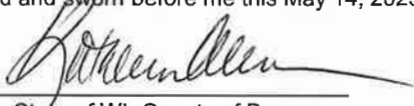
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

05/14/2023

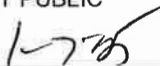


Legal Clerk

Subscribed and sworn before me this May 14, 2023:



State of WI, County of Brown  
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005700437  
PO #: Case No. 23562  
# of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Chevron U.S.A. Inc.  
Hearing Date: June 1, 2023  
Case No. 23562

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, June 1, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than May 22, 2023.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=ma6ae23341387d744a0ac0dd42666b517>  
Webinar number: 2487 125 5805

Join by video system: [24871255805@nmemnrd.webex.com](mailto:24871255805@nmemnrd.webex.com)  
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free  
+1-408-418-9388 United States Toll  
Access code: 2487 125 5805

Panelist password: SVkzTp8GF43 (78598784 from phones and video systems)

**STATE OF NEW MEXICO TO:  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

**To: All interest owners subject to pooling proceedings and all vertical offsets in pool, including: McLeod Holdings, LLLP; Vadin, LLC; Tinian Oil & Gas, LLC; Abo Petroleum, LLC; EOG Resources, Inc.; Elk Range Royalties, LP; Galley NM Assets, LLC; Penasco Petroleum LLC; and Rolla R. Hinkle III, his heirs and devisees.**

**Case No. 23562: Application of Chevron U.S.A. Inc. for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 14 and 23, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. An ownership depth severance exists in the Bone Spring formation within the proposed horizontal well spacing unit. Accordingly, Chevron seeks to pool only a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the top of the Wolfcamp formation, the stratigraphic equiv-

alent of the top of the Second Bone Spring formation, as seen at 10,025 feet beneath the surface, to the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 11,713 feet beneath the surface, as shown in that certain Gamma Ray dated August 14th, 2018, in the Striker 2 SWD #001 (API # 30-015-44416), located in Section 23 East, Township 24 South, Range 31 East, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed **SND 14 23 Fed Com #429H** and **SND 14 23 Fed Com #430H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 23; and the **SND 14 23 Fed Com #431H** and **SND 14 23 Fed Com #432H** wells, both to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 23. The completed interval of the **SND 14 23 Fed Com #430H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. Said area is located approximately 21 miles southeast of Loving, New Mexico.  
#5700437, Current Argus, May 14, 2023