

**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. \_\_\_\_\_

**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 mineral owners in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 27 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 **Rye One 16 21 Federal Com 422H, Rye One 16 21 Federal Com 423H, Rye One 16 21 Federal Com 424H, and Rye One 16 21 Federal Com 425H** wells, to be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 9, with first take points in the NW/4 NW/4 (Unit D) and the NE/4 NW/4 (Unit C) of said Section 16 and last take points in the SW/4 SW/4 (Unit M) and SE/4 SW/4 (Unit N) of said Section 21.
3. Applicant owns 100 percent of the working interests in the proposed spacing unit and, therefore, seeks to pool only non-cost-bearing interest owners, including overriding royalty interest owners and bare record title owners, whose interests have not been pooled within the subject spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 2, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the horizontal well spacing unit and pooling the overriding royalty interests therein; and
- B. Designating Applicant operator of this spacing unit and the horizontal well to be drilled thereon.

Respectfully submitted,

HOLLAND & HART LLP

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**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 mineral owners in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed **Rye One 16 21 Federal Com 422H, Rye One 16 21 Federal Com 423H, Rye One 16 21 Federal Com 424H, and Rye One 16 21 Federal Com 425H** wells, to be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 9, with first take points in the NW/4 NW/4 (Unit D) and the NE/4 NW/4 (Unit C) of Section 16 and last take points in the SW/4 SW/4 (Unit M) and SE/4 SW/4 (Unit N) of Section 21. Also, to be considered will be the designation of Applicant as operator of the well. Said area is located approximately 14 miles southwest of Malaga, New Mexico.