BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING NOVEMBER 2, 2023

CASE NO. 23940

Rye One 16 21 #422H, #423H, #424H, & #425H Wells

EDDY COUNTY, NEW MEXICO



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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. 23940

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23940	APPLICANT'S RESPONSE				
Date	November 2, 2023				
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	RYE ONE 16 21 Federal Com				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Wolfcamp				
Primary Product (Oil or Gas):	Gas				
Pooling this vertical extent:	N/A				
Pool Name and Pool Code:	Purple Sage; Wolfcamp (gas) [98220]				
Well Location Setback Rules:	Special Pool Rules for the Purple Sage				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	640				
Building Blocks:	320 acres				
Orientation:	North-South				
Description: TRS/County	W/2 of Sections 16 and 21, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	_ Yes				
Other Situations					
Depth Severance: Y/N. If yes, description	N/A BEFORE THE OIL CONSERVATION DIVISION				
Proximity Tracts: If yes, description	No Santa Fe, New Mexico Exhibit No. A				
Proximity Defining Well: if yes, description	N/A Submitted by: Chevron U.S.A. Inc.				
Applicant's Ownership in Each Tract	C-2 Hearing Date: November 2, 2023 Case No. 23940				
Well(s)					
Name & API (if assigned), surface and bottom hole location,	Add wells as needed				
footages, completion target, orientation, completion status					
(standard or non-standard)					

Welletteived by OCD: 10/31/2023 11:06:22 AM	RYE ONE 16 21 Federal Com 422H well Page 4
	SHL: 323' FSL, 635' FWL (Unit M) of Section 9
	BHL: 50' FSL, 330' FWL (Unit M) of Section 21 Target: Wolfcamp
	Orientation: North-South
	Completion: Standard Location
Well #2	RYE ONE 16 21 Federal Com 423H well
	SHL: 324' FSL, 655' FWL (Unit M) of Section 9
	BHL: 50' FSL, 1,040' FWL (Unit M) of Section 21
	Target: Wolfcamp
	Orientation: North-South
	Completion: Standard Location
Well #3	RYE ONE 16 21 Federal Com 424H well SHL: 324' FSL, 675' FWL (Unit M) of Section 9
	SHL: 324' FSL, 675' FWL (Unit M) of Section 9 BHL: 50' FSL, 1,650' FWL (Unit N) of Section 21
	Target: Wolfcamp
	Orientation: North-South
	Completion: Standard Location
Well #4	RYE ONE 16 21 Federal Com 425H well
	SHL: 324' FSL, 695' FWL (Unit M) of Section 9
	BHL: 50' FSL, 2,310' FWL (Unit N) of Section 21
	Target: Wolfcamp
	Orientation: North-South
	Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit D-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
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 C-2
Unlocatable Parties to be Pooled	N/A

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Ownership/Depth Deverance finduding parmentage above &	Page	e 5 of				
below)	N/A					
Joinder						
Sample Copy of Proposal Letter	N/A					
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2					
Chronology of Contact with Non-Joined Working Interests	N/A					
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					
Geology						
Summary (including special considerations)	Exhibit D					
Spacing Unit Schematic	Exhibit D-2					
Gunbarrel/Lateral Trajectory Schematic	N/A					
Well Orientation (with rationale)	Exhibit D					
Target Formation	Exhibit D, D-5					
HSU Cross Section	Exhibit D-4					
Depth Severance Discussion	N/A					
Forms, Figures and Tables						
C-102	Exhibit C-1					
Tracts	Exhibit C-2					
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2					
General Location Map (including basin)	Exhibit D-2					
Well Bore Location Map	Exhibit D-2					
Structure Contour Map - Subsea Depth	Exhibit D-3					
Cross Section Location Map (including wells)	Exhibit D-4, D-5					
Cross Section (including Landing Zone) Additional Information	Exhibit D-4, D-5					
Special Provisions/Stipulations	N/A					
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.					
Printed Name (Attorney or Party Representative):	Paula M. Vance					
Signed Name (Attorney or Party Representative):	Pahh					
Date:	10/31/2023					

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. 23940

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

By: Paktur

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com

ATTORNEYS FOR CHEVRON U.S.A. INC.

Application of Chevron U.S.A. Inc. for Compulsory Pooling, Eddy CASE : 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.

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. 23940

SELF-AFFIRMED STATEMENT OF GREGG PAZER

1. My name is Gregg Pazer. I work for Chevron U.S.A. Inc. ("Chevron") as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters. My credentials as a landman have been accepted by the Division and made a matter of record.

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. 23940, Chevron seeks an order pooling all uncommitted interests in 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. Chevron 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

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1

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.

6. **Chevron Exhibit C-1** 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 the Purple Sage Special Pool rules for gas wells. The exhibit shows that the wells will be assigned to the Purple Sage; Wolfcamp (gas) [98220].

7. **Chevron Exhibit C-2** 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 owns 100 percent of the working interests in the proposed spacing unit and is seeking to pool the overriding royalty interests and title record owners highlighted in yellow. The subject acreage is comprised of state and federal lands.

8. 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.

9. Chevron Exhibits C-1 through C-2 were either prepared by me or compiled under my direction and supervision.

10. 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.

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Ð U

Gregg Pazer

10/26/23

Date

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District I 1625 N. French Dr., Hobbs, NM 88240

811 S. First St., Artesia, NM 88210

District II

District III

District IV

Phone: (575) 393-6161 Fax: (575) 393-0720

Phone: (575) 748-1283 Fax: (575) 748-9720

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-1

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

Hearing Date: November 2, 2023 Form C-102

Page 12 of 31

Case No. 23940 Revised August 1, 2011 Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

	¹ API Number		² Pool	Code			³ Pool Nai	ne			
	30-015-5	3739	982	20	20 PURPLE SAGE; WOLFCAMP					(GAS)	
⁴ Proper	rty Code			⁵ Pi	roperty Name				6 -	Well Number	
				RYE ONE 10	6 21 FEDERA	L COM				422H	
⁷ OGR	ID No.			⁸ Oj	perator Name					⁹ Elevation	
43	23			CHEVR	RON U.S.A. IN	C.				3280'	
	¹⁰ Surface Location										
UL or lot no.	Sectior	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County	
М	9	26 SOUTH	27 EAST, N.M.P.M		323'	SOUTH	635'	WE	ST	EDDY	
			¹¹ Bottom	Hole Locat	ion If Diffe	erent From S	Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	West line	County	
М	21	26 SOUTH	27 EAST, N.M.P.M		50'	SOUTH	330'	WE	ST	EDDY	
¹² Dedicated A	cres ¹³ Joi	nt or Infill	¹⁴ Consolidation Code	¹⁵ Order No.							
640		INFILL									

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

	16 RYE ONE 16 21 FEDERAL COM MO. 422H WELL X = 540,933.70' (NAD27 NM E) Y = 382,112.29' LONG, 104,201215' W X = 582,117.18' (NAD83/2011 NM E) Y = 382,169.31' LAT. 32.050595' N (NAD83/2011) LONG, 104,201709' W ELEV. +3280' (NAVD88)	PPP #1 X = 540,786.91' (NAD27 NM E) Y = 381,791.27' LAT. 32.049591' N (NAD27) LONG. 104.201690' W X = 581,970.39' (NAD83/2011 NM E) Y = 381,848.28' LAT. 32.049713' N (NAD83/2011) LONG. 104.202184" W	A (ECE) B (O) (ECE) (ECE	PPP #1 0' FSL, 483' FWL C D -S 24°34'19 713.18 posed)" W	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory		
	PROPOSED FIRST TAKE POINT X = 540,637,13' (NAD27 NM E) Y = 381,463,70' LAT. 32.048691' N (NAD27) LONG, 104,202174' W X = 581,820,64' (NAD83/2011 NM E) Y = 381,520,69' LAT. 32.048813' N (NAD83/2011) LONG, 104,202668' W PROPOSED LAST	PROPOSED MID-POINT/PPP #2 X = 540,684.14' (NAD27 NM E) Y = 376,471.04' LAT. 32.034965° N (NAD27) LONG. 104.202042° W X = 581,867.72' (NAD83/2011 NM E) Y = 376,527.94' LAT. 32.035088° N (NAD83/2011) LONG. 104.202536° W	Firs	v-7397	-Sec. 16 —	pooling order heretofore entered by the division. Signature Date Printed Name Date		
C-102.dwg	PROPOSED LAST TAKE POINT X = 540,719.02' (NAD27 NM E) Y = 371,476.77' LONG. 104.201949' W X = 581,902.69' (NAD83/2011 NM E) Y = 371,533.68' LAT. 32.021358' N (NAD83/2011) LONG. 104.202443' W	PROPOSED BOTTOM HOLE LOCATION X = 540,720.97' (NAD27 NM E) Y = 371,196.75' LAT. 32.020466° N (NAD27) LONG. 104.201944* W X = 581,904.65' (NAD83/2011 NM E) Y = 371,253.56' LAT. 32.020589° N (NAD83/2011) LONG. 104.202437* W	Proposed Mid-Point/PPP #2 0' FSL, 330' FWL E F G			E-mail Address ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys		
r:/2022/2224373/DWG/RYE ONE 16 21 Federal Com No. 422H	CORNER COORDIN TABLE (NAD 2 A - X=540212.94, Y=38 B - X=540303.95, Y=38 C - X=541633.47, Y=38 D - X=542963.00, Y=37 E - X=541679.02, Y=37 G - X=543003.94, Y=37	27) 37122.04 31799.23 31777.32 81755.41 76474.90 76459.40 76443.90	0.72.00 S	oposed ist Take Point 30' FSL, 30' FWL	Sec. 21 NMNM 100549	made by me or under my supervision, and that the same is true and correct to the best of my belief. 03/30/2022 Date of Survey Signature and Seal or trofesaithal Surveyor 23006 09/20/2023		
T:\2022\2224;	H - X=540391.30, Y=37 I - X=541716.59, Y=37 J - X=543041.88, Y=37	1141.19		ر م		Certificate Number		

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

¹ API Number		² Pool G	Code	³ Pool Name						
	30-015-53	3738	9822	20	0 PURPLE SAGE; WOLFCAMP (
⁴ Proper	ty Code		•	⁵ P	roperty Name				6	Well Number
				RYE ONE 1	6 21 FEDERA	L COM				423H
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation
43	23			CHEVF	RON U.S.A. IN	C.				3280'
	¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	West line	County
М	9	26 SOUTH	27 EAST, N.M.P.M.		324'	SOUTH	655'	WE	ST	EDDY
			¹¹ Bottom H	Iole Locat	tion If Diffe	erent From S	Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	West line	County
М	21	26 SOUTH	27 EAST, N.M.P.M.		50'	SOUTH	1040'	WE	ST	EDDY
¹² Dedicated A	cres ¹³ Joi	nt or Infill	¹⁴ Consolidation Code ¹	⁵ Order No.						
640	DI	EFINING								

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.

X: Y: LA LC X: Y: LA LC EL	YE ONE 16 21 FEDERAL COM O. 423H WELL = 540,953.70' (NAD27 NM E) = 382,112.30' NG, 104.201150' W = 582,137.18' (NAD83/2011 NM E) = 382,169.31' T. 32.050595' N (NAD83/2011) NG, 104.201644' W EV.0.0' (NAVD88)	PPP #1 X = 541,148.60' (NAD27 NM E) Y = 381,785.31' LAT. 32.049573' N (NAD27) LONG. 104.200522' W X = 582,332.09' (NAD83/2011 NM E) Y = 381,842.32' LAT. 32.049695' N (NAD83/2011) LONG. 104.201016' W	324	PPP #1 0' FSL, 845' FWL C D S 30°4 768 Proposed	7'49" E	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory
<i>FI</i> . X : LA LC X : Y : LA LC	ROPOSED RST TAKE POINT = \$41,347.27' (NAD27 NM E) = 381,451.99' NG, 104,199882' W = 582,530.78' (NAD83/2011 NM E) = 381,509.00' T. 32.048778' N (NAD83/2011) NG, 104.200376' W ROPOSED LAST	PROPOSED MID-POINT/PPP #2 X = 541,394.21' (NAD27 NM E) Y = 376,462.73' LAT. 32.034940° N (NAD27) LONG. 104.199751° W X = 562.577.81' (NAD83/2011 NM E) Y = 376,519.65' LAT. 32.035063' N (NAD83/2011) LONG. 104.200244° W PROPOSED BOTTOM HOLE LOCATION X = 541,431.02' (NAD27 NM E) Y = 371,192.78' LAT. 32.020453' N (NAD27) LONG. 104.199653' W X = 582.614.71' (NAD83/2011 NM E) Y = 371,242.60'	9.48'	First Take Point 330' FNL, 1040' FWL V-7397	-Sec. 16 –	pooling order heretofore entered by the division. Signature Date Printed Name Date
TA X: LA LC Smp	AKE POINT = 541,429.06' (NAD27 NM E) = 371,472.80' NG. 104.199658' W = 582.612.75' (NAD83/2011 NM E) = 371,529.62' T. 32.021345' N (NAD83/2011)		429.06' (NAD27 NM E) X = 541,431.02' (NAD27 NM E) 472.80' Y = 371,192.78' 021222'' N (NAD27) LAT. 32.020453' N (NAD27) 104.199658'' W LONG. 104.199653'' W 612.75' (NAD83/2011 NM E) X = 582.614.71' (NAD83/2011 NM E) 529.62' Y = 371,249.60' 021345'' N (NAD83/2011) LAT. 32.020575'' N (NAD83/2011)		Prop Mid-Poin 0' FSL, 10 FG	t/PPP #2)40' FWL
T:/2022/2224373/DWG/RYE ONE 16 21 Federal Com No. 423H_C-102	CORNER COORDIN TABLE (NAD 2 A - X=540212.94, Y=38 B - X=540303.95, Y=38 C - X=541633.47, Y=38 D - X=540354.10, Y=37 F - X=541679.02, Y=37 G - X=54303.94, Y=37 H - X=543031.30, Y=37 J - X=543041.88, Y=37	LONG. 104.200146° W ATES 7) 37122.04 31779.23 31775.41 76474.90 76443.90 76443.90 76443.90 71148.59 1141.19	5 00°24'01" E 5,270.07'	Proposed Last Take Point 330' FSL, 1040' FWL	NMNM 100549 - Sec. 21 —	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. 03/30/2022 Date of Survey Signature and Seal operotestional Surveyor 23006 09/20/2023 Certificate Number

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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

	¹ API Number		² Pool G	Code	³ Pool Name						
	30-015-5	3801	9822	20 PURPLE SAGE; WOLFCAMF							
⁴ Proper	ty Code		•	⁵ P	roperty Name				6	Well Number	
				RYE ONE 1	6 21 FEDERA	L COM				424H	
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation	
43	23			CHEVF	RON U.S.A. IN	C.				3281'	
	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	
М	9	26 SOUTH	27 EAST, N.M.P.M.		324'	SOUTH	675'	WE	ST	EDDY	
			¹¹ Bottom H	Iole Locat	tion If Diffe	erent From S	Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	West line	County	
Ν	21	26 SOUTH	27 EAST, N.M.P.M.		50'	SOUTH	1650'	WE	ST	EDDY	
¹² Dedicated A	cres ¹³ Jo	nt or Infill	¹⁴ Consolidation Code	⁵ Order No.							
640		INFILL									

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

	16 RYE ONE 16 21 FEDERAL COM NO. 424H WELL X = 540,973.70' (NAD27 NM E) Y = 382,112.31' .ONG. 104.201085° W X = 582,157.18' (NAD27) .ONG. 104.201085° W AT. 32.050595° N (NAD83/2011) NM E) Y = 382,169.32' AT. 32.050595° N (NAD83/2011) .ONG. 104.201580° W ELEV. +3281' (NAVD88) PROPOSED	PPP #1 X = 541,461.09' (NAD27 NM E) Y = 381,780.16' LAT. 32.049558' N (NAD27) LONG. 104,199514' W X = 582,644.59' (NAD83/2011 NM E) Y = 381,837.18' LAT. 32.049680' N (NAD83/2011) LONG. 104,200008' W	Proposed	Sec. 9 NMNM 138827 5°43'35" E 190.40'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
	FIRST TAKE POINT X = 541,957,39' (NAD27 NM E) Y = 381,441,94' .AT. 32.048626° N (NAD27) .ONG, 104,197913° W X = 583,140,91' (NAD83/2011 NM E) Y = 381,498,95' .AT. 32.048749° N (NAD83/2011) .ONG, 104,198407° W PROPOSED LAST	PROPOSED MID-POINT/PPP #2 X = 542,004.28' (NAD27 NM E) Y = 376,455.60' LAT. 32.034919' N (NAD27) LONG. 104.197782' W X = 583,187.89' (NAD83/2011 NM E) Y = 376,512.52' LAT. 32.035041° N (NAD83/2011) LONG. 104.198276' W PROPOSED BOTTOM	V-7397	Sec. 16	Signature Date Printed Name
	TAKE POINT X = 542,039,10' (NAD27 NM E) Y = 371,469,36' AT. 32.021211° N (NAD27) .ONG. 104.197690° W X = 583,222.81' (NAD83/2011 NM E) Y = 371,526.22'	HOLE LOCATION X = 542,041.06' (NAD27 NM E) Y = 371,189.37' LAT. 32.020441° N (NAD27) LONG. 104.197685' W X = 583.224.77' (NAD83/2011 NM E) Y = 371,246.20'	o l	Proposed Mid-Point/PPP #2 0' FSL, 1650' FWL	E-mail Address ¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this</i>
Com No. 424H_C-102	.AT. 32.021334° N (NAD83/2011) .ONG. 104.198183° W	LAT. 32.020564° N (NAD83/2011) LONG. 104.198178° W	266.35		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.
:/2022/2224373/DWG\RYE ONE 16 21 Federal Com No. 424H_C-102.dwg	$\begin{array}{c} \text{CORNER COORDIN}\\ \text{TABLE (NAD 2)}\\ \text{A} - X=540212.94, Y=3\\ \text{B} - X=540303.95, Y=3\\ \text{C} - X=541633.47, Y=3\\ \text{D} - X=542063.00, Y=3\\ \text{E} - X=543054.10, Y=3\\ \text{F} - X=541679.02, Y=3\\ \text{G} - X=543003.94, Y=3\\ \text{H} - X=543003.10, Y=3\\ \text{H} - X=540391.30, Y=3\\ \text{J} - X=5431716.59, Y=37\\ \text{J} - X=543041.88, Y=3\\ \end{array}$	27) 87122.04 81799.23 81777.32 81755.41 76474.90 76459.40 76443.90 71148.59 71148.59 71141.19	ی ۲۰۰۲ Proposed Last Take Point	Sec. 21 NMNM 100549	03/30/2022 Date of Survey Signature and Seal operofessional Surveyor 23006 09/20/2023 Certificate Number

Released to Imaging: 10/31/2023 11:12:08 AM

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

Page 15 of 31

WELL LOCATION AND ACREAGE DEDICATION PLAT

	¹ API Number		² Pool G	Code	³ Pool Name						
	30-015-5	3737	9822	98220 PURPLE SAGE; WOLFCAMP					(GAS)		
⁴ Proper	ty Code			⁵ Pi	roperty Name				6	Well Number	
				RYE ONE 1	6 21 FEDERA	L COM				425H	
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation	
43	23			CHEVR	RON U.S.A. IN	C.				3282'	
	¹⁰ Surface Location										
UL or lot no.	Sectio	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County	
М	9	26 SOUTH	27 EAST, N.M.P.M.		324'	SOUTH	695'	WE	ST	EDDY	
			¹¹ Bottom H	Hole Locat	ion If Diff	erent From S	Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	West line	County	
Ν	21	26 SOUTH	27 EAST, N.M.P.M.		50'	SOUTH	2310'	WE	ST	EDDY	
¹² Dedicated A	cres ¹³ Jo	int or Infill	¹⁴ Consolidation Code	⁵ Order No.							
640		INFILL									

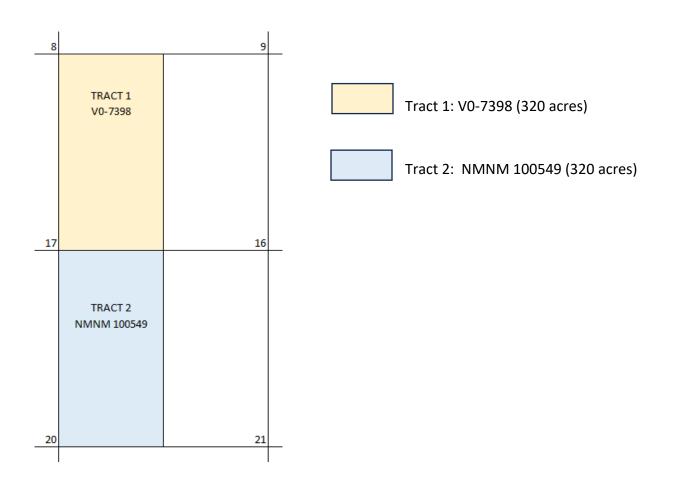
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	16 RYE ONE 16 21 FEDERAL COM NO. 425H WELL X = 540,993.70' (NAD27 NM E) Y = 382,112.33' LONG. 104.201021' W X = 582,177.18' (NAD83/2011 NM E) Y = 382,169.34' LAT. 32,050595' N (NAD83/2011) LONG. 104.201515' W ELEV. +3282' (NAVD88)	PPP #1 X = 541,798.69' (NAD27 NM E) Y = 381,774.60' LAT. 32.049542* N (NAD27) LONG. 104.198424* W X = 582,982.20' (NAD83/2011 NM E) Y = 381,831.62' LAT. 32.049664* N (NAD83/2011) LONG. 104.198918* W	A 695' B C 324' Propos	PPP # 0' FSI 1495' F	-, Sec. 9 -, NMNM WL <u>138827</u>		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory
	PROPOSED FIRST TAKE POINT X = 542.617.53' (NAD27 NM E) Y = 381.431.06' LAT. 32.048594' N (NAD27) LONG. 104.195783' W X = 583.801.06' (NAD83/2011 NM E) Y = 381.488.08' LAT. 32.048717' N (NAD83/2011) LONG. 104.196276' W	PROPOSED MID-POINT/PPP #2 X = 542,664.35' (NAD27 NM E) Y = 376,447.87' LAT. 32.034895' N (NAD27) LONG. 104.195652° W X = 583,847.98' (NAD83/2011 NM E) Y = 376,504.80' LAT. 32.035017° N (NAD83/2011) LONG. 104.196145° W	First Ta Point 330' FN 2310' F V-7397	T 18" E 4,983.41'	-Sec. 16 -		pooling order heretofore entered by the division. Signature Date Printed Name Date
-102.dwg	PROPOSED LAST TAKE POINT X = 542.699.14' (NAD27 NM E) Y = 371.465.70' LAT. 32.021199' N (NAD27) LONG. 104.195560' W X = 583.882.87' (NAD83/2011 NM E) Y = 371.522.54' LAT. 32.021321' N (NAD83/2011) LONG. 104.196053' W	PROPOSED BOTTOM HOLE LOCATION X = 542,701.10' (NAD27 NM E) Y = 371,185.68' LAT. 32.020429' N (NAD27) LONG. 104.195555' W X = 583,884.83' (NAD83/2011 NM E) Y = 371,242.52' LAT. 32.020551* N (NAD83/2011) LONG. 104.196048' W	<u> </u>	S 00°32'	Mid-Poin 0' FSL, 2	osed - t/PPP #2 310' FWL	E-mail Address ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys
.\2022\2224373\DWG\RYE ONE 16 21 Federal ComNo. 425H_C-102.dwg	$\begin{array}{c} \mbox{CORNER COORDIN \\ TABLE (NAD 2 \\ \mbox{A} - X=540212.94, Y=38 \\ \mbox{B} - X=540303.95, Y=38 \\ \mbox{C} - X=541633.47, Y=38 \\ \mbox{D} - X=542963.00, Y=33 \\ \mbox{E} - X=542963.00, Y=33 \\ \mbox{E} - X=540354.10, Y=37 \\ \mbox{G} - X=540391.30, Y=37 \\ \mbox{H} - X=540391.30, Y=37 \\ \mbox{J} - X=543041.88, Y=37 \\ \mbox{J} - X=5430$	77) 37122.04 31799.23 31777.32 31755.41 76474.90 76443.90 7148.59 7148.59 71441.19	Propose Last Tak Point 330' FSL 2310' FW	, a 9.00°24'0	-Sec. 21— NMNM 100549		made by me or under my supervision, and that the same is true and correct to the best of my belief. 03/30/2022 Date of Survey Signature and Seal operofessional Surveyor 23006 09/20/2023 Certificate Number

OWNERSHIP BREAKDOWN

RYE ONE 16 21 FEDERAL COM

W/2 of Section 16 and Section 21, T26S, R27E, Eddy County, New Mexico, Wolfcamp Formation, 640 acres, Delaware Basin



Tract 1 Ownership (W/2 Section 16, T26S R27E, being 320 acres)								
Owner	WI	Net Acres	Status					
Chevron U.S.A. Inc.								
1400 Smith Street								
<u>Houston, TX 77002</u>	<u>100%</u>	<u>320</u>	<u>Committed (Operator)</u>					
Total:	100.00%	320						

Tract 2 Ownership (W/2 Section 21, 1265 R27E, being 320 acres acres)									
Owner	WI	Net Acres	Status						
Chevron U.S.A. Inc.									
1400 Smith Street									
Houston, TX 77002									
	69.4%	222.08	Committed (Operator)						
Chevron Midcontinent,									
L.P.									
1400 Smith Street									
Houston TX 77002	30.6%	97.92	Committed						
Total:	100.00%	320							

Tract 2 Ownership (W/2 Section 21, T26S R27F, being 320 acres acres)

Overriding Royalty Interests (ORRI) seeking to Compulsory Pool:

ORRI Owners (Tract 1)

Nestegg Energy Corporation 2308 Sierra Vista Road Artesia, NM 88210

ORRI Owners (Tract 2)

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

Record Title Interests seeking to Compulsory Pool:

Tract 1

Concho Oil & Gas LLC / COG Operating LLC 600 W. Illinois Avenue Midland, TX 79701

Tract 2

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

Unit Recapitulation – Wolfcamp – 640 AC

RYE ONE 16 21 FEDERAL COM

W/2 of Section 16 and Section 21, T26S, R27E, Eddy County, New Mexico, Wolfcamp Formation, 640 acres, Delaware Basin

Owner	Unit WI
Chevron U.S.A. Inc.	84.7%
Chevron Midcontinent,	
L.P.	15.3%
Total	100.0000%

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. 23940

SELF-AFFIRMED STATEMENT OF ERIC SURRATT

1. My name is Eric Surratt. 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 D-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 Wolfcamp formation in this case.

5. **Chevron Exhibit D-2** is a project locator map depicting Chevron's proposed spacing unit outlined in dark blue. Existing producing wells are also depicted, including Chevron Wolfcamp wells in green. The approximate location for the well pad is depicted with a star.

6. **Chevron Exhibit D-3** shows a subsea structure map that I prepared on top of the Wolfcamp formation, with a contour interval of 20 feet. The approximate wellbore paths for the proposed initial wells are depicted with solid pink lines. The Wolfcamp dips gently to the east-northeast and is consistent across the project area. I do not observe any faulting, pinchouts, or other

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Chevron U.S.A. Inc. Hearing Date: November 2, 2023 Case No. 23940 geologic impediments to developing the targeted intervals with horizontal wells in the area of the proposed spacing unit. The location of wells shown in cross-section A-A' are depicted with red squares with red lines connecting the points.

7. **Chevron Exhibit D-4** shows cross-section A-A' consisting of four wells penetrating the Wolfcamp formation that I used to construct a stratigraphic cross-section from north-northwest to south-southeast. 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. The API number of the wells used to construct the cross-section are displayed above each well.

8. **Chevron Exhibit D-5** is a well log cross-section using the representative wells depicted in the previous exhibit for the Wolfcamp formation. The top of the Wolfcamp formation is denoted by a blue line. It identifies the targeted intervals for this project in red. It also demonstrates that the targeted intervals are continuous across the proposed spacing unit. The API number of the wells used to construct the cross-section are displayed above each well. In the left well log track is the gamma ray (GR) log. In the right well log track is bulk density (RHOB) displayed with the black curve and neutron-porosity (NPHI) displayed with the red curve.

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

10. Based on my geologic study, the Wolfcamp 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.

2

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 D-1 through D-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.

mutt

Eric Surratt

10/26/2023

Released to Imaging: 10/31/2023 11:12:08 AM

Date

Page 21 of 31

6301 Deauville Blvd N3407 Midland, TX 79706 (432) 967-8264 Ericsurratt@Chevron.com

ERIC SURRATT, GIT

EXPERIENCE CHEVRON U.S.A. INC.

PERFORMANCE GEOLOGIST – MIDLAND, TX – 2022 - CURRENT

In my current role I am responsible for the permitting and planning of horizontal wells in the southern portion of Eddy County, New Mexico. This includes understanding any geologic trends which may create complexities during execution or lead to a degradation in ultimate recovery.

DEVELOPMENT GEOLOGIST – BAKERSFIELD, CA – 2021 - 2022

Key job responsibilities included understanding structural and stratigraphic styles of the Lost Hills oilfield near Lost Hills, CA to plan and permit both water injector and producing wells as part of the continued development strategy of the field.

EARTH SCIENCE INTERN – BAKERSFIELD, CA – SUMMER 2020

Refined surface geologic mapping near the Coalinga oilfield and created inputs for geologic overburden static model.

SAN DIEGO STATE UNIVERSITY

TEACHING ASSISTANT - SAN DIEGO, CA - 2019 - 2021

In addition to my studies, I worked as a teaching assistant where I graded test and course work, held weekly office hours with students, and taught the laboratory portion of various lower and upper-level college courses including mineralogy, petrology, structure, and field methods and mapping.

EDUCATION SAN DIEGO STATE UNIVERSITY, SAN DEIGO, CA - 2019 - 2021

Master of Science in Geological Sciences: Structural Geology Concentration -

GPA 3.9 – Graduate research: Gypsum/Bassanite in a Major Southern California Fault Zone: Observations from the Clark Segment, San Jacinto Fault Zone, USA

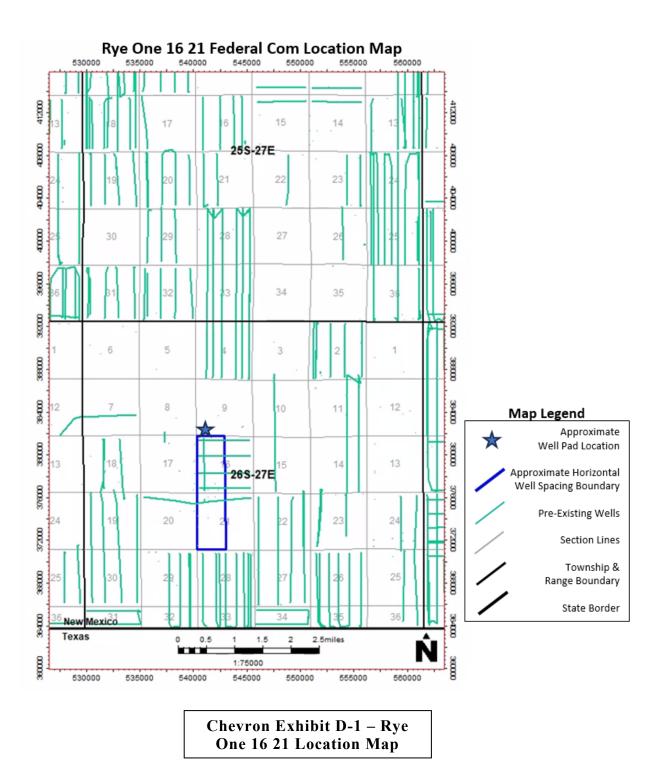
SAN DIEGO STATE UNIVERSITY, SAN DIEGO, CA - 2017 - 2019

Bachelor of Science in Geological Sciences - GPA 3.7 – Undergraduate research: Paleoenvironments of the San Diego River Delta

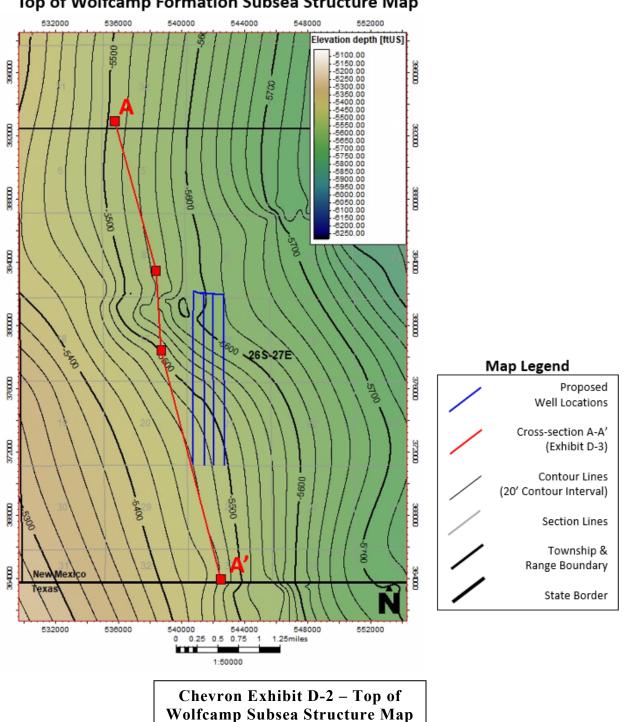
HONORS & GEOLOGIST-IN-TRAINING (GIT) CERTIFICATION - 2019 - CURRENT

CERTIFICATIONS Successfully passed the National Association of State Boards of Geology – Fundamentals of Geology (FG) examination required for GIT certification in California. I currently plan to take the Practice of Geology (PG) and California Specific Exam (CSE), which are the final two requirements for certification as a Professional Geologist in California in October 2024.

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-1 Submitted by: Chevron U.S.A. Inc. Hearing Date: November 2, 2023 Case No. 23940

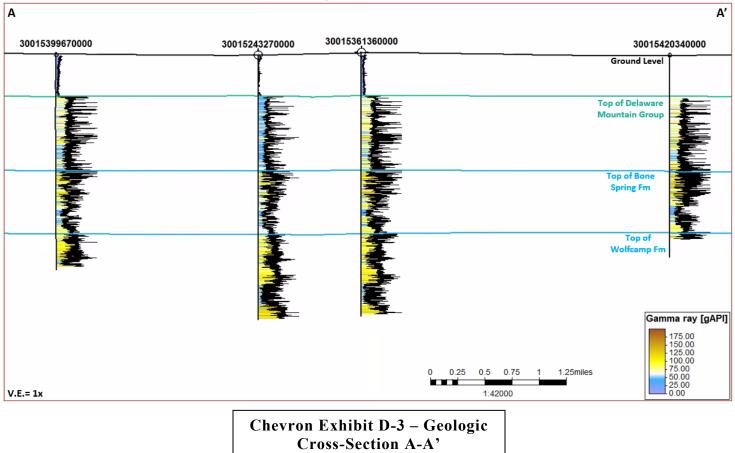


BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-2 Submitted by: Chevron U.S.A. Inc. Hearing Date: November 2, 2023 Case No. 23940

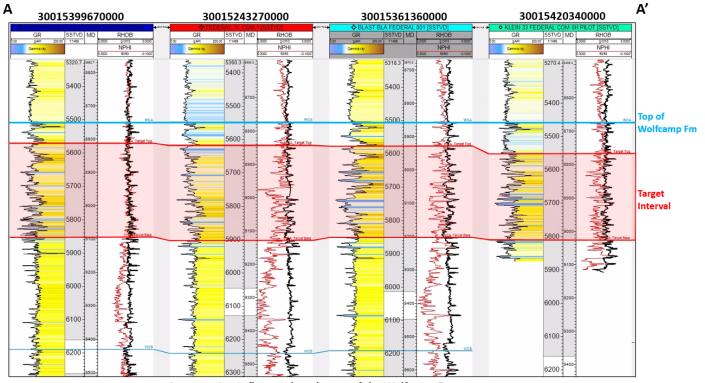


Top of Wolfcamp Formation Subsea Structure Map

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-3 Submitted by: Chevron U.S.A. Inc. Hearing Date: November 2, 2023 Case No. 23940



Geologic Cross-Section A-A'



Cross-section is flattened on the top of the Wolfcamp Fm

Chevron Exhibit D-4 – Well Log Cross-Section A-A'

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-5 Submitted by: Chevron U.S.A. Inc. Hearing Date: November 2, 2023 Case No. 23940

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. 23940

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.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

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 October 30, 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 herein.

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Pathur

Paula M. Vance

<u>10/30/23</u> Date



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

October 13, 2023

<u>VIA CERTIFIED MAIL</u> <u>CERTIFIED RECEIPT REQUESTED</u>

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chevron U.S.A. Inc for Compulsory Pooling, Eddy County, New Mexico: *Rye One 16 21 Federal Com 422H, 423H, 424H, 425H 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 November 2, 2023, and the status of the hearing can be monitored through the Division's website at <u>https://www.emnrd.nm.gov/ocd/</u>.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>.

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 Gregg Pazer at (713) 372-9915 or gpazer@chevron.com.

Sincerely,

Pathin

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 Colorado Nevada Idaho New Mexico

Utah Washington, D.C. Wyoming

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Chevron - W2 Rye One 16-21 Fed Com Wells, Case no. 23940 Postal Delivery Report

						Your item was delivered to an individual at
						the address at 12:25 pm on October 17, 2023
9414811898765492405535	Nestegg Energy Corporation	2308 Sierra Vista Rd	Artesia	NM	88210-9409	in ARTESIA, NM 88210.
						Your item has been delivered to an agent for
						final delivery in HOUSTON, TX 77046 on
9414811898765492405573	OXY Y-1 Company	5 Greenway Plz Ste 110	Houston	ΤХ	77046-0521	October 17, 2023 at 12:07 pm.
						Your package will arrive later than expected,
						but is still on its way. It is currently in transit
9414811898765492402251	Concho Oil & Gas LLC / COG Operating LLC	600 W Illinois Ave	Midland	ТΧ	79701-4882	to the next facility.

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005845000 This is not an invoice

HOLLAND AND HART PO BOX 2208

SANTA FE, NM 87504-2208

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:

10/17/2023

Legal Clerk

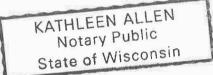
Subscribed and sworn before me this October 17,

2023:

State of WI, County of Brown NOTARY PUBLIC

55

My commission expires



Ad # 0005845000 PO #: 23940 # of Affidavits1

This is not an invoice

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 cases. The hearings will be conducted remotely on Thursday, November 2, 2023, beginning at 8:15 a.m. To participate in the hearings, 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@e mnrd.nm.gov. Documents filed in these cases 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.Salv idrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than October 22, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j. php?MTID=m2782857f226867528004f8664692193a

Webinar number: 2480 928 8744

Join by video system: 24809288744@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: 2480 928 8744 Panelist password: gVU2PbUBJ68 (48827282 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 affected interest owners, including: Nestegg Energy Corporation; OXY Y-1 Company; and Concho Oil & Gas LLC / COG Operating LLC.

Case No. 23940: 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, 423H, 424H, and 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.

#5845000, Current Argus, October 17, 2023

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