BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING JANUARY 4, 2024

CASE NO. 24095

CB SE 5 32 FEDERAL COM 201H, 202H, 203H & 251H 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. 24095

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24095	APPLICANT'S RESPONSE
Date	January 4, 2024
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	CB SE 5 32 Federal Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	From beneath the base of the First Bone Spring to the base of the Bone Spring formation.
Pool Name and Pool Code:	Cedar Canyon; Bone Spring; [11520]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and	Yes
is approval of non-standard unit requested in this application?	
Other Situations	
Depth Severance: Y/N. If yes, description BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095	Yes; Chevron seeks to pool only a portion of the Bone Spring formation from beneath the base of the First Bone Spring to the base of the Bone Spring formation, the stratigraphic equivalent of 100 feet below the First Bone Spring formation, as seen at 4,566 feet subsea true vertical depth beneath the surface, to the stratigraphic equivalent of the top of the base of the Bone Spring formation, as seen at 6,811 feet subsea true vertical depth beneath the surface, as shown in that certain Gamma Ray well log in the Cochiti '32C' State 1 (API # 30-015-31910), located in Section 32, Township 23 South, Range 29 East, Eddy County, New Mexico.
Proximity Tracts: If yes, description	Yes

Pro <u>nimity Definios Well/2012veza deseria</u> ti <u>em</u>	The CB SE 5 32 Federal Com 202H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within each respective proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.
Applicant's Ownership in Each Tract	C-2
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	CB SE 5 32 Federal Com 201H well SHL: 1,108' FNL, 1,314' FEL (Unit A) of Section 8, T24S-R29E BHL: 25' FNL, 2,310' FEL (Unit B) of Section 32, T23S-R29E Target: Bone Spring Orientation: South-North Completion: Standard Location
Well #2	CB SE 5 32 Federal Com 202H well SHL: 1,108' FNL, 1,264' FEL (Unit A) of Section 8, T24S-R29E BHL: 25' FNL, 1,380' FEL (Unit B) of Section 32, T23S-R29E Target: Bone Spring Orientation: South-North Completion: Proximity Tract
Well #3	CB SE 5 32 Federal Com 203H well SHL: 1,107' FNL, 1,194' FEL (Unit A) of Section 8, T24S-R29E BHL: 25' FNL, 330' FEL (Unit A) of Section 32, T23S-R29E Target: Bone Spring Orientation: South-North Completion: Standard Location
Well #4	CB SE 5 32 Federal Com 251H well SHL: 1,107' FNL, 1,214' FEL (Unit A) of Section 8, T24S-R29E BHL: 25' FNL, 600' FEL (Unit A) of Section 32, T23S-R29E Target: Bone Spring Orientation: South-North Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
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

Trace Est (the building lease authoristand BMners)	Exhibit C-2	Page 5 of
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 Ownership Depth Severance (including percentage above &	N/A	
below)	Exhibit C-2	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-3	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4	
Overhead Rates In Proposal Letter	Exhibit C-3	
Cost Estimate to Drill and Complete	Exhibit C-3	_
Cost Estimate to Equip Well	Exhibit C-3	_
Cost Estimate for Production Facilities	Exhibit C-3	
Geology		
Summary (including special considerations)	Exhibit D	
Spacing Unit Schematic	Exhibit D-1	
Gunbarrel/Lateral Trajectory Schematic	N/A	
Well Orientation (with rationale)	Exhibit D	
Target Formation	Exhibit D, D-3	
HSU Cross Section	Exhibit D-3	
Depth Severance Discussion	D, D-4	
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-1	
Well Bore Location Map	Exhibit D-1	_
Structure Contour Map - Subsea Depth	Exhibit D-2	
Cross Section Location Map (including wells)	Exhibit D-3	_
Cross Section (including Landing Zone)	Exhibit D-3	
Additional Information		
Special Provisions/Stipulations	N/A	
CERTIFICATION: I hereby certify that the information provid	ed in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance	
Signed Name (Attorney or Party Representative):	Philip	
Date:	Tab M/m 1/2/202	4

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. 24095

APPLICATION

Chevron U.S.A. Inc. ("Chevron" or "Applicant") (OGRID No. 4323), through its undersigned attorneys, 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 base of the Bone Spring formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 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 well spacing unit to the following proposed wells to be horizontally drilled from a common surface location in the NE/4 of Section 8, Township 24 South, Range 29 East:

• CB SE 5 32 Federal Com 201H and CB SE 5 32 Federal Com 202H, with first take points in the SW/4 SE/4 (Unit O) of Section 5 and last take points in the NW/4 NE/4 (Unit B) of Section 32; and

69: CF9'H<9'C=@7 CBG9FJ5H+CB'8=J=G+CB' GUbHJ: YžBYk A YI]Wc 9I\]V]hBc"6 GiVa]HhYX'Vm'7\Yjfcb'I"G'5"=bW <YUF]b['8UhY.>UbiUfm(ž&\$&(7UgYBc"&(\$-) • **CB SE 5 32 Federal Com 203H** and **CB SE 5 32 Federal Com 251H**, with first take points in the SE/4 SE/4 (Unit P) of Section 5 and last take points in the NE/4 NE/4 (Unit A) of Section 32.

3. The completed interval of the proposed **CB SE 5 32 Federal Com 202H** well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed 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 base of the Bone Spring formation, the stratigraphic equivalent of 100 feet below the First Bone Spring formation, as seen at 4,566 feet subsea true vertical depth beneath the surface, to the stratigraphic equivalent of the top of the base of the Bone Spring formation, as seen at 6,811 feet subsea true vertical depth beneath the surface, as shown in that certain Gamma Ray well log in the Cochiti '32C' State 1 (API # 30-015-31910), located in Section 32, Township 23 South, Range 29 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 the 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 January 4, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests within the defined portion of the Bone Spring formation;
- C. Designating Applicant as the operator of this spacing unit and the wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

Pather Bv:

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 505-988-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@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 mineral owners in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the base of the Bone Spring formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the following proposed wells to be horizontally drilled from a common surface location in the NE/4 of Section 8, Township 24 South, Range 29 East:
 - CB SE 5 32 Federal Com 201H and CB SE 5 32 Federal Com 202H, with first take points in the SW/4 SE/4 (Unit O) of Section 5 and last take points in the NW/4NE/4 (Unit B) of Section 32; and
 - CB SE 5 32 Federal Com 203H and CB SE 5 32 Federal Com 251H, with first take points in the SE/4 SE/4 (Unit P) of Section 5 and last take points in the NE/4 NE/4 (Unit A) of Section 32.

The completed interval of the proposed **CB SE 5 32 Federal Com 202H** well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed 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, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 5 miles northeast 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. 24095

SELF-AFFIRMED STATEMENT OF DOUGLAS C. CRAWFORD

1. My name is Douglas C. Crawford. 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 petroleum 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. 24095**, Chevron seeks to pool the uncommitted interests in in a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the base of the Bone Spring formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Chevron seeks to initially dedicate the above-referenced horizontal well spacing unit to the following proposed wells, to be horizontally drilled from a common surface location in the NE/4 of Section 8, Township 24 South, Range 29 East:

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- CB SE 5 32 Federal Com 201H and CB SE 5 32 Federal Com 202H, with first take points in the SW4SE4 (Unit O) of Section 5 and last take points in the NW4NE4 (Unit B) of Section 32; and
- CB SE 5 32 Federal Com 203H and CB SE 5 32 Federal Com 251H, with first take points in the SE4SE4 (Unit P) of Section 5 and last take points in the NE4NE4 (Unit A) of Section 32.

6. The completed interval of the **CB SE 5 32 Federal Com 202H** 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 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 statewide setbacks for oil wells. The exhibit shows that the wells will be assigned to the Cedar Canyon; Bone Spring; [11520].

8. 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. The interest owners that Chevron seeks to pool are indicated in bold with an asterisk. Exhibit C-2 also includes a list of the overriding royalty interests, mineral interest owners and title record holders that Chevron seeks to pool. The subject acreage is comprised of state, federal and fee lands. Additionally, Chevron Exhibit C-2 includes a list of the interest owners, and their percentage interest, in the vertical offset for the proposed spacing unit. Chevron Exhibit E includes a sample copy of the notice that was sent to the vertical offsets interest owners, as well as postal tracking information.

9. Chevron Exhibit C-3 contains a sample of the well proposal letter and AFE for each well that was sent to owners with a working interest. The costs reflected in the AFE are

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consistent with what Chevron and other operators have incurred for drilling similar horizontal wells in the area in this formation.

10. Chevron requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$10,000 per month while drilling and \$1,000 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

11. **Chevron Exhibit C-4** contains a general summary of the contacts with the uncommitted interest owners. As indicated in the exhibit, Chevron has made a good faith effort to locate and has had communications with all of the working interest owners that it seeks to pool in this case in an effort to reach voluntary joinder. In my opinion, Chevron has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

12. 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.

13. Chevron Exhibits C-1 through C-4 were either prepared by me or compiled under my direction and supervision.

14. 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.

3

Douglas C. Crawford Capitor

12-12-2023

Date

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

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

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

BEFORE THE OIL CONSERVATION DIVISION Page 14 of 60 Santa Fe, New Mexico

Exhibit No. C-1

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

Hearing Date: January 4, 2024 Form C-102

Case No. 24095 Revised August 1, 2011 Energy, Minerals & Natural Resources Department

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

State of New Mexico

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

	¹ API Num	ber	² Pool	Code	³ Pool Name				³ Pool Name			
			1152	20) CEDAR CANYON; BONE SPRING							
⁴ Proper	ty Code			⁵ P	roperty Name				6	⁶ Well Number		
				CB SE 5 3	32 FEDERAL	СОМ				201H		
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation		
43	23			CHEVF	RON U.S.A. IN	IC.				3017'		
	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		
Α	8	24 SOUTH	29 EAST, N.M.P.M.		1108'	NORTH	1314'	EA	ST	EDDY		
			¹¹ Bottom I	Hole Locat	tion 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/	West line	County		
В	32	23 SOUTH	29 EAST, N.M.P.M.		25'	NORTH	2310'	EA	ST	EDDY		
¹² Dedicated A	cres ¹³ Join	nt or Infill	¹⁴ Consolidation Code	¹⁵ Order No.								
640	1	NFILL										

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. 25'

		4		-	<u> </u>		
16	A		B	Y S	¥7		17 OPERATOR CERTIFICATION
				6-1	ſŢ	2310'	I hereby certify that the information contained herein is true and complete
	PROPOSED BOTTOM	Drana		k '	I		to the best of my knowledge and belief, and that this organization either
	HOLE LOCATION		ed Lasť Point	5	-		owns a working interest or unleased mineral interest in the land including
	X = 601,362' (NAD27 NM E) Y = 461,513'			2	92		
	LAT. 32.268390° N (NAD27)	I TOU FINL,	2310' FEL		45.		the proposed bottom hole location or has a right to drill this well at this
PROPOSED LAST TAKE POINT	LONG. 104.005394° W			K	5,24		location pursuant to a contract with an owner of such a mineral or
X = 601,364' (NAD27 NM E)	X = 642,546' (NAD83/86 NM E)				≥ ≥		working interest, or to a voluntary pooling agreement or a compulsory
Y = 461,438'	Y = 461,572'	Sec	, 32	Ł.	->		pooling order heretofore entered by the division.
LAT. 32.268184° N (NAD27)	LAT. 32.268512° N (NAD83/86) LONG. 104.005886° W				23"		
LONG. 104.005390° W	LONG. 104.003000 W			61	4		1
X = 642,547' (NAD83/86 NM E)				Γ.			Signature Date
Y = 461,497' LAT. 32.268306° N (NAD83/86)				k	101		1
LONG. 104.005881° W	CORNER COORDINATES			K I	z	L .	4
	TABLE (NAD 27)			k.		Proposed	Printed Name
PROPOSED MID POINT X = 601,476' (NAD27 NM E)	A= Y=461541.79, X=598383.67			5		Mid Point	4
Y = 456.268'	B= Y=461537.13, X=601028.36 C= Y=461539.65, X=602350.29	ET23S	-R29EF	k	G	ын	1
LAT. 32.253971° N (NAD27)	D= Y=461542.17, X=603672.21	T24S	-R29E	5			E-mail Address
LONG. 104.005079° W	E= Y=456289.41, X=598487.65			K I			1
X = 642,659' (NAD83/86 NM E)	F= Y=456270.49, X=601137.17			۲ '	50		SUDVEVOD CEDTIELCATION
Y = 456,327' LAT. 32.254094° N (NAD83/86)	G= Y=456261.09, X=602461.93 H= Y=456251.69, X=603786.69			K I	37.		¹⁸SURVEYOR CERTIFICATION
LONG. 104.005570° W	I= Y=450976.71, X=598518.17			1	207.78	+	I hereby certify that the well location shown on this
PROPOSED FIRST	J= Y=450962.21, X=601166.20			k !	5,2		plat was plotted from field notes of actual surveys
TAKE POINT	K= Y=450954.96, X=602490.22			21			
X = 601,504' (NAD27 NM E)	L= Y=450947.72, X=603814.23 M= Y=449648.83, X=598523.64			K I	2" V		made by me or under my supervision, and that the
Y = 451,060'	N= Y=449646.63, X=596523.64 N= Y=449619.88, X=603820.10	Sec	p. 5	K .	_~		same is true and correct to the best of my belief.
LAT. 32.239656° N (NAD27)				K I	18'		ERT L. LASTRA
LONG. 104.005041° W	CB SE 5 32 FEDERAL COM			51	.00		LAT LI TOTA
X = 642,687' (NAD83/86 NM E) Y = 451,119'	201H WELL			k.	ŏ Z		Date of Survey
LAT. 32.239778° N (NAD83/86)	X = 602,505' (NAD27 NM E)	Propos	ed First	Ľ	~		
LONG. 104.005531° W	Y = 449,847'	- · · · · ·	Point	61			Signature and Seal of Froigssional Surveyor:
	LAT. 32.236312° N (NAD27) LONG. 104.001814° W	100' FSL,		٢.	1		((23006))
	X = 643,689' (NAD83/86 NM E)	,		Ł		1108	
	Y = 449,906'			5	No o ck	- - -	
	LAT. 32.236434° N (NAD83/86)	<u> </u>	0		X	4	
	LONG. 104.002304° W ELEV. +3017' (NAVD88)			1 /		μ	
		Sec.	8 N 39° 3	32'0	2" W 🔪	1314'	Curif or Nucleur
				73.2		b - ¹³¹⁴ -	Certificate Number 12/12/2022
L		IVI	,			<u> </u>	<u></u>

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 Num	ber	² Pool Code ³ Pool Name				³ Pool Name				
			1152	20	CEDAR CANYON; BONE SPRING						
⁴ Proper	ty Code			⁵ P	roperty Name				⁶ Well Number		
				CB SE 5 3	32 FEDERAL 0	COM				202H	
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation	
43	23			CHEVF	RON U.S.A. IN	C.				3015'	
	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	
А	8	24 SOUTH	29 EAST, N.M.P.M.		1108'	NORTH	1264'	EA	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	
В	32	23 SOUTH	29 EAST, N.M.P.M.		25'	NORTH	1380'	EA	EAST EDI		
¹² Dedicated A	cres ¹³ Joir	t or Infill	¹⁴ Consolidation Code	⁵ Order No.							
640	DE	FINING									

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. 25'

				1	_CD	
16	A			В	<u>, , , , , , , , , , , , , , , , , , , </u>	¹⁷ OPERATOR CERTIFICATION
					1380'	I hereby certify that the information contained herein is true and complete
	PROPOSED BOTTOM					
	HOLE LOCATION	Propos	ed Last	۶.	/	to the best of my knowledge and belief, and that this organization either
	X = 602,292' (NAD27 NM E)	– Take	Point	<u>k </u>		owns a working interest or unleased mineral interest in the land including
	Y = 461,515'	100' ENI	1380' FEL	34		the proposed bottom hole location or has a right to drill this well at this
PROPOSED LAST	LAT. 32.268387° N (NAD27)					
TAKE POINT	LONG. 104.002385° W			254		location pursuant to a contract with an owner of such a mineral or
	X = 643,476' (NAD83/86 NM E)			Ω		working interest, or to a voluntary pooling agreement or a compulsory
X = 602,294' (NAD27 NM E) Y = 461.440'	Y = 461,574'	————Sec	. 32 ——	≥		pooling order heretofore entered by the division.
LAT. 32,268181° N (NAD27)	LAT. 32.268509° N (NAD83/86)			23"		pooling order nervojore entered by the division.
LONG 104.002381° W	LONG. 104.002876° W					
X = 643,478' (NAD83/86 NM E)				4		
Y = 461.499'				K ≎I		Signature Date
LAT. 32.268303° N (NAD83/86)				2		
LONG. 104.002872° W	CORNER COORDINATES		Prop	Z Z		
PROPOSED MID POINT	TABLE (NAD 27)					Printed Name
X = 602,406' (NAD27 NM E)	A= Y=461541.79, X=598383.67		Mid F			
Y = 456.261'	B= Y=461537.13, X=601028.36 C= Y=461539.65, X=602350.29	E T23S	-R29E	F V	IG Н	
LAT. 32.253945° N (NAD27)	D= Y=461542.17, X=602550.29	T24S	-R29E	ç.		E-mail Address
LONG. 104.002070° W	E= Y=456289.41. X=598487.65			<u>ه</u>		
X = 643,590' (NAD83/86 NM E)	F= Y=456270.49, X=601137.17					
Y = 456,321'	G= Y=456261.09, X=602461.93			206.23		ISURVEYOR CERTIFICATION
LAT. 32.254068° N (NAD83/86)	H= Y=456251 69, X=603786 69			2,2	· ·	I hereby certify that the well location shown on this
LONG. 104.002560° W	I= Y=450976.71, X=598518.17			Ϊ		· · · · · · · · · · · · · · · · · · ·
PROPOSED FIRST	J= Y=450962.21, X=601166.20 K= Y=450954.96, X=602490.22			60		plat was plotted from field notes of actual surveys
TAKE POINT	L= Y=450947.72, X=603814.23					made by me or under my supervision, and that the
X = 602,434' (NAD27 NM E)	M= Y=449648.83, X=598523.64		_	<u>∞</u>		
Y = 451,055'	N= Y=449619.88, X=603820.10	Se	c.5——			same is true and correct to the best of my belief.
LAT. 32.239634° N (NAD27)						ERT L. LASTRY
LONG. 104.002033° W	CB SE 5 32 FEDERAL COM			k zl		4
X = 643,617' (NAD83/86 NM E)	202H WELL			۲.		Date of Survey
Y = 451,114' LAT. 32.239756° N (NAD83/86)	X = 602,555' (NAD27 NM E)	Propos	ed First	K I		Date of Survey
LONG. 104.002523° W	Y = 449,847'		Point			Signature and Seal of Professional Survey G:
LONG. 104.002323 W	LAT. 32.236311° N (NAD27)	100' FSL,		Ł.		(23006)
	LONG. 104.001652° W	100 FSL,		K	1108	
	X = 643,739' (NAD83/86 NM E) Y = 449,906'				IĘ - /	
	Y = 449,906 LAT. 32.236434° N (NAD83/86)	1		Juni	KILLL	
	LONG. 104.002142° W				N f	
	ELEV. +3015' (NAVD88)			/		X C K PAAL SW X O X
		Sec.	8 N 05° 4		1264'	Certificate Number
		М	1,21	14.38'	p+	
L		141		I	<u> N</u>	I

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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 Nur	nber	² Pool	l Code	³ Pool Name						
			11:	520	CEDAR CANYON; BONE SPRING				RING		
⁴ Proper	ty Code		ľ	⁵ P	roperty Name				⁶ Well Number		
				CB LANDC) 5 32 FED CO	M P15				203Н	
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation	
43	23			CHEVE	RON U.S.A. IN	C.				???	
	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	
Α	8	24 SOUTH	29 EAST, N.M.P.M	[.	1107'	NORTH	1194'	EA	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/	West line	County	
A	32	23 SOUTH	29 EAST, N.M.P.M	ſ.	25'	NORTH	330'	EA	ST	EDDY	
¹² Dedicated A	cres ¹³ Joi	nt or Infill	¹⁴ Consolidation Code	¹⁵ Order No.							
640		NFILL									

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			D'/////		
10		А	В		
				330'	I hereby certify that the information contained herein is true and complete
	PROPOSED BOTTOM		Ľ.		to the best of my knowledge and belief, and that this organization either
	<i>HOLE LOCATION</i> X = 603,343' (NAD27 NM E)		Proposed Last		owns a working interest or unleased mineral interest in the land including
	Y = 461.517'		Take Point		the proposed bottom hole location or has a right to drill this well at this
PROPOSED LAST	LAT. 32.268383° N (NAD27)		330' FNL, 330' FEL	5,263.75	
TAKE POINT	LONG. 103.998987° W			63	location pursuant to a contract with an owner of such a mineral or
X = 603,349' (NAD27 NM E) Y = 461,212'	X = 644,526' (NAD83/86 NM E) Y = 461,576'			5,2	working interest, or to a voluntary pooling agreement or a compulsory
LAT. 32.267545° N (NAD27)	LAT. 32.268506° N (NAD83/86)	Sec	. 32	<u> </u> ≥ 7	pooling order heretofore entered by the division.
LONG. 103.998969° W	LONG. 103.999478° W		ł.	23"	
X = 644,533' (NAD83/86 NM E) Y = 461,271'				1.2	
LAT. 32.267667° N (NAD83/86)	CORNER COORDINATES		ł.	4	Signature Date
LONG. 103.999460° W	TABLE (NAD 27)			<u>†</u> −₅†	
	A= Y=461541.79, X=598383.67		Ľ		Printed Name
PROPOSED MID POINT	B= Y=461537.13, X=601028.36		ĺ.	1	r finied fvane
X = 603,457' (NAD27 NM E) Y = 456,254'	C= Y=461539.65, X=602350.29 D= Y=461542.17, X=603672.21	E T23S-	-R29F F	G H	
LAT. 32.253916° N (NAD27)	E= Y=456289.41, X=598487.65	T24S			E-mail Address
LONG. 103.998672° W	F= Y=456270.49, X=601137.17	1240		/ /	
X = 644,640' (NAD83/86 NM E)	G= Y=456261.09, X=602461.93 H= Y=456251.69, X=603786.69		Propos	ed to	
Y = 456,313' LAT. 32.254038° N (NAD83/86)	I= Y=450976.71, X=598518.17		Mid Po	ed 122	¹⁸SURVEYOR CERTIFICATION
LONG. 103.999162° W	J= Y=450962.21, X=601166.20			<u>+6</u>	I hereby certify that the well location shown on this
	K= Y=450954.96, X=602490.22 L= Y=450947.72, X=603814.23		E E	4	plat was plotted from field notes of actual surveys
PROPOSED FIRST	M= Y=449648.83, X=598523.64			55" W 4	
TAKE POINT X = 603,483' (NAD27 NM E)	N= Y=449619.88, X=603820.10		ł.	25	made by me or under my supervision, and that the
Y = 451,280'		Sec	c. 5	<u>+È</u>	same is true and correct to the best of my belief.
LAT. 32.240241° N (NAD27)			ł.	°00	
LONG. 103.998638° W X = 644,666' (NAD83/86 NM E)	CB LANDO 5 32 FED COM		E E		
Y = 451,339'	P15 203H WELL		Proposed First		Date of Survey
LAT. 32.240364° N (NAD83/86)	X = 602,625' (NAD27 NM E)		Take Point		Signature and Seal of Professional Surveyor:
LONG. 103.999128° W	Y = 449,847' LAT. 32.236311° N (NAD27)		330' FSL, 330' FEL		
	LONG. 104.001426° W		Ľ	1107	Not to be used for construction, bidding, recordation, conveyance,
	X = 643,809' (NAD83/86 NM E)		E.	الأ ⊒ا	sales, or engineering design.
	Y = 449,906' LAT. 32.236433° N (NAD83/86)	├ ────	J	<u> ^ĸ <i>e e fe</i> ⊢</u>	
	LONG. 104.001916° W				PRELIMINARY
	ELEV. ??? (NAVD88)	Sec.	⁸ N 30° 54' 07" E		
			1.669.56'	1194'	Certificate Number
		М		<u> </u>	

Page 16 of 60

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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

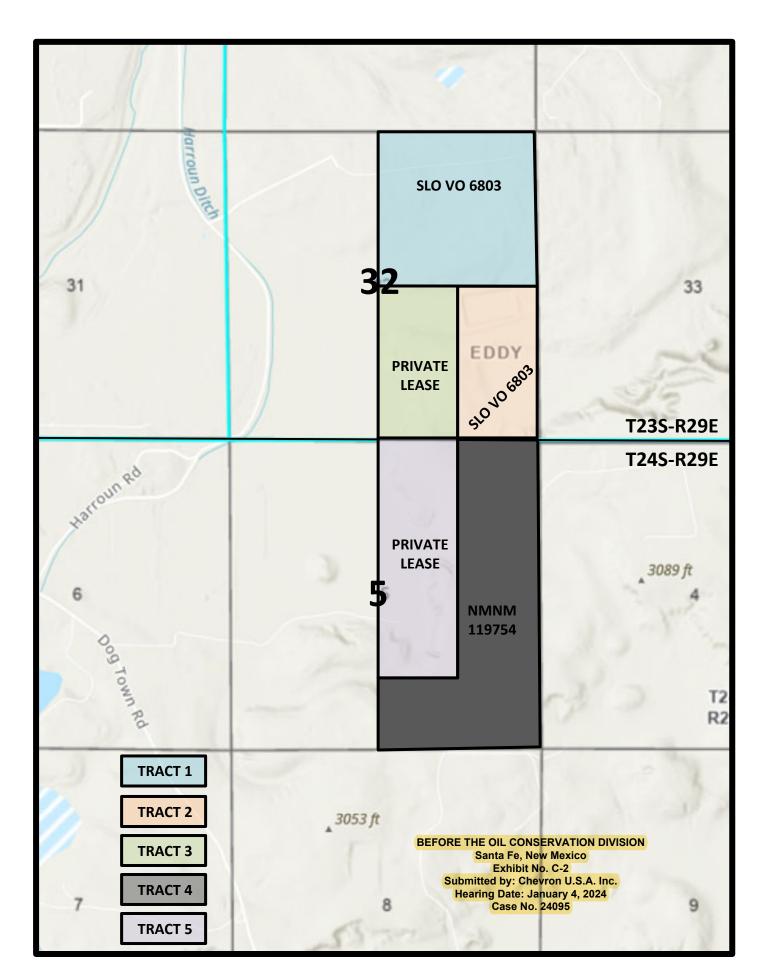
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	¹ API Num	ber	² Pool	Code	³ Pool Name				e ³ Pool Name				
			1152	20	CEDAR CANYON; BONE SPRING				RING				
⁴ Proper	ty Code			⁵ Pi	roperty Name				⁶ Well Number				
				CB SE 5 3	2 FEDERAL O	COM				251H			
⁷ OGR	ID No.			⁸ O	perator Name					⁹ Elevation			
43	23			CHEVR	RON U.S.A. IN	C.				3014'			
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			
Α	8	24 SOUTH	29 EAST, N.M.P.M.		1107'	NORTH	1214'	EA	ST	EDDY			
			¹¹ Bottom H	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/	West line	County			
А	32	23 SOUTH	29 EAST, N.M.P.M.		25'	NORTH	600'	EA	AST EDDY				
¹² Dedicated A	cres ¹³ Joir	t or Infill	⁴ Consolidation Code	¹⁵ Order No.									
640	I	NFILL											

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. $\frac{1}{23}$

-		CD
16		A B T
		600' <i>I hereby certify that the information contained herein is true and complete</i>
	PROPOSED BOTTOM	
	HOLE LOCATION	
	X = 603,073' (NAD27 NM E)	Take Point
PROPOSED LAST	Y = 461,516' LAT. 32.268384° N (NAD27)	100' FNL, 600' FEL the proposed bottom hole location or has a right to drill this well at this
TAKE POINT	LONG. 103.999861° W	location pursuant to a contract with an owner of such a mineral or
X = 603,074' (NAD27 NM E)	X = 644,256' (NAD83/86 NM E)	working interest, or to a voluntary pooling agreement or a compulsory
Y = 461,441'	Y = 461,575'	
LAT. 32.268178° N (NAD27)	LAT. 32.268506° N (NAD83/86) LONG. 104.000352° W	pooling order heretofore entered by the division.
LONG. 103.999857° W X = 644,258' (NAD83/86 NM E)	LONG. 104.000352 W	
Y = 461,500'		
LAT. 32.268300° N (NAD83/86)		Signature Date
LONG. 104.000347° W	CORNER COORDINATES	
	TABLE (NAD 27)	Printed Name
PROPOSED MID POINT	A= Y=461541.79, X=598383.67	Finied Name
X = 603,186' (NAD27 NM E)	B= Y=461537.13, X=601028.36	E T23S-R29E F G H
Y = 456,256' LAT. 32.253924° N (NAD27)	C= Y=461539.65, X=602350.29	T24S-R29E
LONG. 103.999546° W	D= Y=461542.17, X=603672.21 E= Y=456289.41, X=598487.65	
X = 644,370' (NAD83/86 NM E)	F= Y=456270.49, X=601137.17	Proposed
Y = 456,315' LAT. 32.254046° N (NAD83/86)	G= Y=456261.09, X=602461.93	Mid Point 81 SURVEYOR CERTIFICATION
LONG. 104.000036° W	H= Y=456251.69, X=603786.69	<i>I hereby certify that the well location shown on this</i>
	I= Y=450976.71, X=598518.17 J= Y=450962.21, X=601166.20	
PROPOSED FIRST	K= Y=450954.96, X=602490.22	plat was plotted from field notes of actual surveys
TAKE POINT	L= Y=450947.72, X=603814.23	and by me or under my supervision, and that the
X = 603,214' (NAD27 NM E)	M= Y=449648.83, X=598523.64	Sec. 5 Sec. 5 Sec. 5
Y = 451,051'	N= Y=449619.88, X=603820.10	
LAT. 32.239615° N (NAD27) LONG. 103.999510° W		L. LASTRA
X = 644,397' (NAD83/86 NM E)		
Y = 451,110'	CB SE 5 32 FEDERAL COM 251H WELL	Proposed First Z Date of Survey Date of Survey Structure and Seal of Proposed First Signature and Seal of Proposed Survey Structure and Seal of Proposed Structure and Structure and Seal of Proposed Structure and Structure and Seal of Proposed Structure and Struct
LAT. 32.239738° N (NAD83/86) LONG. 104.000000° W	X = 602,605' (NAD27 NM E)	Take Point
LONG. 104.000000 W	Y = 449,847'	100' FSL 600' FFL
	LAT. 32.236311° N (NAD27)	
	LONG. 104.001490° W X = 643,789' (NAD83/86 NM E)	
	X = 643,789 (NAD83/86 NM E) Y = 449,906'	
	LAT. 32.236433° N (NAD83/86)	
	LONG. 104.001980° W	Sec. 8 N 26° 48' 58" E
	ELEV. +3014' (NAVD88)	
		$M = 1,349.11' \qquad \square = N = 0$
		· · · · · · · · · · · · · · · · · · ·



Consolidated Ownership

Bone Spring Unit - Preliminary

Covering the E/2 of Section 32, Township 23 South, Range 29 East and the E/2 of Section 5, Township 24 South, Range 29 East, Eddy County, New Mexico

containing 639.770 acres, more or less

Base of the First Bone Spring to the base of the Bone Spring Formation, the stratigraphic equivalent of 100 feet below the First Bone Spring formation, as seen at 4,556 feet subsea true vertical depth beneath the surface, to the stratigraphic equivalent of the base of the Bone Spring Formation, as seen at 6,811 feet subsea true vertical depth beneath the surface, as shown in Gamma Ray well log in the Cochiti "32"C State 1 (API # 30-015-31910), located in Section 32, Township 23 South, Range 29 East, Eddy County, New Mexico

UGWI = Unit Gross Working Interest

UNRI = Unit Revenue Interest

Bold and Asterisk = Force Pooled

Owner	Address	UGWI	UNRI	TYPE	Tract	Comments
State of New Mexico		0.00000000	0.06252247	RI	1, 2	
First National Bank of Santa Fe, Trustee of the Dorothy S. Harroun Irrevocable Trust dated October 13, 1983	c/o Farmers National Company, 15 West 6th Street, #2700, Tulsa, OK 74119	0.00000000	0.02636216	RI	3, 5	
Harroun Energy, LLC	320 Gold Avenue, Ste. 200, Albuquerque, NM 87102	0.00000000	0.02636216	RI	3, 5	
Pegasus Resources, LLC	2821 West 7th Street, Ste, 500, Fort Worth, TX 76107	0.000000000	0.00143723	RI	3, 5	
Janet Elizabeth Vogt, Trustee of the Andrew and Janet Vogt Trust, dated March 3, 2008	13404 Piedra Grande Place NE, Albuquerque, NM 87111	0.00000000	0.00117165	RI	3, 5	
Jeffery C. Neal and K. Frances B. Neal, Trustees of the J. F. Neal Revocable Trust	1311 Doepp Drive, Carlsbad, NM 88220	0.00000000	0.00117165	RI	3, 5	
Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees of the Joseph E. Hanttula and Judith "Judy" N. Hanttula Revocable Family Trust	3996 Marble Hill Road, Frisco, TX 75034	0.00000000	0.00117165	RI	3, 5	
J.M. Mineral & Land Co. Inc.	P.O. 1015, Midland, TX 79702	0.00000000	0.00029682	RI	3, 5	
Magnolia Royalty Company	P.O. Box 10703, Midland, TX 79702	0.00000000	0.00029682	RI	3, 5	
Eric D. Boyt	P.O. Box 2602, Midland, TX 79702	0.00000000	0.00014841	RI	3, 5	
SMP Sidecar Titan Mineral Holdings, L.P.	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00006249	RI	3, 5	
Herman Clifford Walker III	P.O. Box 8508, Midland, TX 79708	0.00000000	0.00003906	RI	3, 5	
SMP Titan Mineral Holdings, L.P.	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00003571	RI	3, 5	
MSH Family Real Estate Partnership II, LLC	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00001785	RI	3, 5	
SMP Titan Flex, L.P.	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00000893	RI	3, 5	
United States of America - Bureau of Land Management		0.00000000	0.03905310	RI	4	
Westall Oil & Gas, LLC*	P.O. Box 4, Loco Hills, NM 88255	0.00000000	0.00750270	ORI	1, 2	
Zunis Energy, LLC*	15 E. 15th Street, #3300, Tulsa, OK 74103	0.00000000	0.00439548	ORI	1, 2	
Sam H. Jolliffe, IV*	1614 Ventura Ave., Midland, TX 79705	0.00000000	0.00187567	ORI	1, 2	
Chevron U.S.A. Inc. (ORI)		0.00000000	0.00117230	ORI	1, 2	
Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trust*	15 E. 15th Street, #3300, Tulsa, OK 74103	0.00000000	0.00037185	ORI	1, 2	
Mizel Resources, a Trust*	4350 South Monaco Street, 5th Floor, Denver, CO 80237	0.00844053	0.00675243	WI	All	
Juneau Oil & Gas, LLC*	3700 Buffalo Speedway, Ste. 925, Houston, TX 77098	0.01406756	0.01125405	WI	All	

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Yosemite Creek Oil & Gas, LLLP*	4350 South Monaco Street, 5th Floor, Denver, CO 80237	0.03376213	0.02700971	WI	All	
Marshal & Winston, Inc.*	P.O. Box 50880, Midland, TX 79710	0.07033778	0.05627022	WI	All	
Chevron U.S.A. Inc. (WI)		0.87339200	0.72323745	WI	All	
	Total	<u>1.00000000</u>	<u>1.00000000</u>			

Ownership in Vertical Offset Suface to Base of First Bone Spring

Owner	Address	UGWI	UNRI	TYPE	Tract	Comments
State of New Mexico		0.00000000	0.06252247	RI	1, 2	
					,	
First National Bank of Santa Fe, Trustee of the Dorothy S.	c/o Farmers National Company, 15 West 6th Street,					
Harroun Irrevocable Trust dated October 13, 1983	#2700, Tulsa, OK 74119	0.00000000	0.02636216	RI	3, 5	
Harroun Energy, LLC	320 Gold Avenue, Ste. 200, Albuquerque, NM 87102	0.00000000	0.02636216	RI	3, 5	
Pegasus Resources, LLC	2821 West 7th Street, Ste, 500, Fort Worth, TX 76107	0.00000000	0.00143723	RI	3, 5	
Janet Elizabeth Vogt, Trustee of the Andrew and Janet						
Vogt Trust, dated March 3, 2008	13404 Piedra Grande Place NE, Albuquerque, NM 87111	0.00000000	0.00117165	RI	3, 5	
Jeffery C. Neal and K. Frances B. Neal, Trustees of the J.						
F. Neal Revocable Trust	1311 Doepp Drive, Carlsbad, NM 88220	0.00000000	0.00117165	RI	3, 5	
Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees						
of the Joseph E. Hanttula and Judith "Judy" N. Hanttula						
Revocable Family Trust	3996 Marble Hill Road, Frisco, TX 75034	0.00000000	0.00117165	RI	3, 5	
	P.O. 1015, Midland, TX 79702	0.00000000	0.00029682	RI	3, 5	
	P.O. Box 10703, Midland, TX 79702	0.00000000	0.00029682	RI	3, 5	
	P.O. Box 2602, Midland, TX 79702	0.00000000	0.00014841	RI	3, 5	
SMP Sidecar Titan Mineral Holdings, L.P.	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00006249	RI	3, 5	
Herman Clifford Walker III	P.O. Box 8508, Midland, TX 79708	0.00000000	0.00003906	RI	3, 5	
SMP Titan Mineral Holdings, L.P.	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00003571	RI	3, 5	
MSH Family Real Estate Partnership II, LLC	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00001785	RI	3, 5	
SMP Titan Flex, L.P.	4143 Maple Ave., Ste. 500, Dallas, TX 75219	0.00000000	0.00000893	RI	3, 5	
United States of America - Bureau of Land Management		0.00000000	0.03905310	RI	4	
Westall Oil & Gas, LLC*	P.O. Box 4, Loco Hills, NM 88255	0.00000000	0.00750270	ORI	1, 2	
Zunis Energy, LLC*	15 E. 15th Street, #3300, Tulsa, OK 74103	0.00000000	0.00439548	ORI	1, 2	
Sam H. Jolliffe, IV*	1614 Ventura Ave., Midland, TX 79705	0.00000000	0.00187567	ORI	1, 2	
Chevron U.S.A. Inc. (ORI)	1400 Smith Street, Houston, Texas 77002	0.00000000	0.01586612	ORI	1, 2	
Susannah D. Adelson, Trustee of the James Adelson &						
Family 2015 Trust*	15 E. 15th Street, #3300, Tulsa, OK 74103	0.00000000	0.00037185	ORI	1, 2	
EOG A Resources	5509 Champions Dr, Midland, Texas 79706	0.06248808	0.04759834	WI		Vertical Offset Notice Party
EOG M Resources	5509 Champions Dr, Midland, Texas 79706	0.06248808	0.04759834	WI		Vertical Offset Notice Party
EOG Y Resources	5509 Champions Dr, Midland, Texas 79706	0.12497616	0.09519668	WI		Vertical Offset Notice Party
Oxy Y-1 Company	5 Greenway Plaza, Suite 110, Houston, Texas 77046	0.06248808	0.04759834	WI		Vertical Offset Notice Party
Mizel Resources, a Trust*	4350 South Monaco Street, 5th Floor, Denver, CO 80237	0.00580337	0.00444491	WI	All	

Juneau Oil & Gas, LLC*	3700 Buffalo Speedway, Ste. 925, Houston, TX 77098	0.00967229	0.00740818	WI	All	
Yosemite Creek Oil & Gas, LLLP*	4350 South Monaco Street, 5th Floor, Denver, CO 80237	0.02321348	0.01777963	WI	All	
Marshal & Winston, Inc.*	P.O. Box 50880, Midland, TX 79710	0.04836142	0.03704090	WI	All	
Chevron U.S.A. Inc. (WI)	1400 Smith Street, Houston, Texas 77002	0.60050905	0.50399240	WI	All	
	Total	<u>1.00000000</u>	<u>1.00000000</u>			

Unit by Tract

Bone Spring Unit - Preliminary

Covering the E/2 of Section 32, Township 23 South, Range 29 East and the E/2 of Section 5, Township 24 South, Range 29 East, Eddy County, New Mexico containing 639.770 acres, more or less

Base of the First Bone Spring to the base of the Bone Spring Formation, the stratigraphic equivalent of 100 feet below the First Bone Spring formation, as seen at 4,556 feet subsea true vertical depth beneath the surface, to the stratigraphic equivalent of the top of the base of the Bone Spring Formation, as seen at 6,811 feet subsea true vertical depth beneath the surface, as shown in Gamma Ray well log in the Cochiti "32"C State 1 (API # 30-015-31910), located in Section 32, Township 23 South, Range 29 East, Eddy County, New Mexico

TRGWI = Tract Gross Working Interest UGWI = Unit Gross Working Interest TRNRI = Tract Net Reveunue Interest URI = Unit Revenue Interest Bold and Asterisk = Force Pooled

> Unit Tract 1 NE/4 of Section 32, Township 23 South, Range 29 East

Tract Factor - 160.000/639.770= 0.25008988

Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments
	IRGWI	UGWI	INKI	UKI	ITPE	comments
State of New Mexico	0.00000000	0.00000000	0.16666667	0.04168165	RI	
Westall Oil & Gas, LLC*	0.00000000	0.00000000	0.02000000	0.00500180	ORI	
Zunis Energy, LLC*	0.00000000	0.00000000	0.01171708	0.00293032	ORI	
Sam H. Jolliffe, IV*	0.00000000	0.00000000	0.00500000	0.00125045	ORI	
Chevron U.S.A. Inc. (ORI)	0.00000000	0.00000000	0.00312500	0.00078153	ORI	
Susannah D. Adelson, Trustee of the James Adelson &						
Family 2015 Trust*	0.00000000	0.00000000	0.00099125	0.00024790	ORI	
Mizel Resources, a Trust*	0.00844053	0.00211089	0.00569796	0.00142500	WI	
Juneau Oil & Gas, LLC*	0.01406756	0.00351815	0.00949662	0.00237501	WI	
Yosemite Creek Oil & Gas, LLLP*	0.03376213	0.00844357	0.02279186	0.00570001	WI	
Marshal & Winston, Inc.*	0.07033778	0.01759077	0.04748306	0.01187503	WI	
Chevron U.S.A. Inc. (WI)	0.87339200	0.21842650	0.70703050	0.17682117	WI	
Total	1.00000000	0.25008988	1.00000000	0.25008988		

Unit Tract 2								
E/2 of SE/4 of Section 32, Township 23 South, Range 29 East								

I ract Factor - 80.000/639.770= 0.12504494										
Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments				
State of New Mexico	0.00000000	0.00000000	0.16666667	0.02084082	RI					
Westall Oil & Gas, LLC*	0.00000000	0.00000000	0.02000000	0.00250090	ORI					

Zunis Energy, LLC*	0.00000000	0.00000000	0.01171708	0.00146516	ORI	
Sam H. Jolliffe, IV*	0.00000000	0.00000000	0.00500000	0.00062522	ORI	
Chevron U.S.A. Inc. (ORI)	0.00000000	0.00000000	0.00312500	0.00039077	ORI	
Susannah D. Adelson, Trustee of the James Adelson &						
Family 2015 Trust*	0.00000000	0.00000000	0.00099125	0.00012395	ORI	
Mizel Resources, a Trust*	0.00844053	0.00105545	0.00569796	0.00071250	WI	
Juneau Oil & Gas, LLC*	0.01406756	0.00175908	0.00949662	0.00118750	WI	
Yosemite Creek Oil & Gas, LLLP*	0.03376213	0.00422178	0.02279186	0.00285001	WI	
Marshal & Winston, Inc.*	0.07033778	0.00879538	0.04748306	0.00593752	WI	
Chevron U.S.A. Inc. (WI)	0.87339200	0.10921325	0.70703050	0.08841059	WI	
Total	<u>1.00000000</u>	<u>0.12504494</u>	<u>1.00000000</u>	<u>0.12504494</u>		

Unit Tract 3 W/2 of SE/4 of Section 32, Township 23 South, Range 29 East

Tract Factor - 80.000/639.770= 0.12504494									
Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments			
First National Bank of Santa Fe, Trustee of the Dorothy S.									
Harroun Irrevocable Trust dated October 13, 1983	0.00000000	0.00000000	0.08437500	0.01055067	RI				
Harroun Energy, LLC	0.00000000	0.00000000	0.08437500	0.01055067	RI				
Pegasus Resources, LLC	0.00000000	0.00000000	0.00460000	0.00057521	RI				
Janet Elizabeth Vogt, Trustee of the Andrew and Janet Vogt Trust, dated March 3, 2008	0.00000000	0.00000000	0.00375000	0.00046892	RI				
Jeffery C. Neal and K. Frances B. Neal, Trustees of the J. F. Neal Revocable Trust	0.00000000	0.00000000	0.00375000	0.00046892	RI				
Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees of the Joseph E. Hanttula and Judith "Judy" N. Hanttula									
Revocable Family Trust	0.00000000	0.00000000	0.00375000	0.00046892	RI				
J.M. Mineral & Land Co. Inc.	0.00000000	0.00000000	0.00095000	0.00011879	RI				
Magnolia Royalty Company	0.00000000	0.00000000	0.00095000	0.00011879	RI				
Eric D. Boyt	0.00000000	0.00000000	0.00047500	0.00005940	RI				
SMP Sidecar Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00020000	0.00002501	RI				
Herman Clifford Walker III	0.00000000	0.00000000	0.00012500	0.00001563	RI				
SMP Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00011429	0.00001429	RI				
MSH Family Real Estate Partnership II, LLC	0.00000000	0.00000000	0.00005714	0.00000715	RI				
SMP Titan Flex, L.P.	0.00000000	0.00000000	0.00002857	0.00000357	RI				
Mizel Resources, a Trust*	0.00844053	0.00105545	0.00738547	0.00092352	WI				
Juneau Oil & Gas, LLC*	0.01406756	0.00175908	0.01230911	0.00153919	WI				

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Yosemite Creek Oil & Gas, LLLP*	0.03376213	0.00422178	0.02954187	0.00369406	WI	
Marshal & Winston, Inc.*	0.07033778	0.00879538	0.06154556	0.00769596	WI	
Chevron U.S.A. Inc. (WI)	0.87339200	0.10921325	0.70171800	0.08774628	WI	
Total	1.00000000	0.12504494	1.00000000	0.12504494		

Unit Tract 3	- Vertica	Offset fror	m Surface f	to Base o	<mark>f First Bo</mark>	ne Spring only

W/2 of SE/4 of Section 32, Township 23 South, Range 29 East

Tract Factor - 80.000/639.770= 0.12504494

Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments
First National Bank of Santa Fe, Trustee of the Dorothy S.						
Harroun Irrevocable Trust dated October 13, 1983	0.00000000	0.00000000	0.08437500	0.01055067	RI	
Harroun Energy, LLC	0.00000000	0.00000000	0.08437500	0.01055067	RI	
Pegasus Resources, LLC	0.00000000	0.00000000	0.00460000	0.00057521	RI	
Janet Elizabeth Vogt, Trustee of the Andrew and Janet Vogt Trust, dated March 3, 2008	0.00000000	0.00000000	0.00375000	0.00046892	RI	
Jeffery C. Neal and K. Frances B. Neal, Trustees of the J. F. Neal Revocable Trust	0.00000000	0.00000000	0.00375000	0.00046892	RI	
Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees of the Joseph E. Hanttula and Judith "Judy" N. Hanttula Revocable Family Trust	0.00000000	0.00000000	0.00375000	0.00046892	RI	
J.M. Mineral & Land Co. Inc.	0.00000000	0.00000000	0.00095000	0.00011879	RI	
Magnolia Royalty Company	0.00000000	0.00000000	0.00095000	0.00011879	RI	
Eric D. Boyt	0.00000000	0.00000000	0.00047500	0.00005940	RI	
SMP Sidecar Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00020000	0.00002501	RI	
Herman Clifford Walker III	0.00000000	0.00000000	0.00012500	0.00001563	RI	
SMP Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00011429	0.00001429	RI	
MSH Family Real Estate Partnership II, LLC	0.00000000	0.00000000	0.00005714	0.00000715	RI	
SMP Titan Flex, L.P.	0.00000000	0.00000000	0.00002857	0.00000357	RI	
Chevron U.S.A. Inc.	0.00000000	0.00000000	0.06250000	0.00634994	ORRI	
EOG A Resources	0.20000000	0.03747909	0.15000000	0.01904981	WI	
EOG M Resources	0.20000000	0.03747909	0.15000000	0.01904981	WI	
EOG Y Resources	0.40000000	0.07495819	0.30000000	0.03809963	WI	
Oxy Y-1 Company	0.20000000	0.03747909	0.15000000	0.01904981	WI	
Total	<u>1.00000000</u>		<u>1.00000000</u>			

Unit Tract 4 Lot 1, SE/4 of NE/4, NE/4 of SE/4 & S/2 of SE/4 of Section 5, Township 24 South, Range 29 East

Tract Factor - 199.880/639.770= 0.31242478

Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments
United States of America - Bureau of Land Management	0.00000000	0.00000000	0.12500000	0.03905310	RI	
Mizel Resources, a Trust*	0.00844053	0.00263703	0.00738547	0.00230740	WI	
Juneau Oil & Gas, LLC*	0.01406756	0.00439505	0.01230911	0.00384567	WI	
Yosemite Creek Oil & Gas, LLLP*	0.03376213	0.01054813	0.02954187	0.00922961	WI	
Marshal & Winston, Inc.*	0.07033778	0.02197526	0.06154556	0.01922836	WI	
Chevron U.S.A. Inc. (WI)	0.87339200	0.27286930	0.76421800	0.23876064	WI	
Total	1.00000000	0.31242478	1.00000000	0.31242478		

Unit Tract 5

Lot 2, SW/4 of NE/4 & NW/4 of SE/4 of Section 5, Township 24 South, Range 29 East

	Tract Factor - 119.890/639.770= 0.18739547							
Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments		
First National Bank of Santa Fe, Trustee of the Dorothy S.								
Harroun Irrevocable Trust dated October 13, 1983	0.00000000	0.00000000	0.08437500	0.01581149	RI			
Harroun Energy, LLC	0.00000000	0.00000000	0.08437500	0.01581149	RI			
Pegasus Resources, LLC	0.00000000	0.00000000	0.00460000	0.00086202	RI			
Janet Elizabeth Vogt, Trustee of the Andrew and Janet								
Vogt Trust, dated March 3, 2008	0.00000000	0.00000000	0.00375000	0.00070273	RI			
Jeffery C. Neal and K. Frances B. Neal, Trustees of the J.								
F. Neal Revocable Trust	0.00000000	0.00000000	0.00375000	0.00070273	RI			
Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees of								
the Joseph E. Hanttula and Judith "Judy" N. Hanttula								
Revocable Family Trust	0.00000000	0.00000000	0.00375000	0.00070273	RI			
J.M. Mineral & Land Co. Inc.	0.00000000	0.00000000	0.00095000	0.00017803	RI			
Magnolia Royalty Company	0.00000000	0.00000000	0.00095000	0.00017803	RI			
Eric D. Boyt	0.00000000	0.00000000	0.00047500	0.00008901	RI			
SMP Sidecar Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00020000	0.00003748	RI			
Herman Clifford Walker III	0.00000000	0.00000000	0.00012500	0.00002342	RI			
SMP Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00011429	0.00002142	RI			
MSH Family Real Estate Partnership II, LLC	0.00000000	0.00000000	0.00005714	0.00001071	RI			
SMP Titan Flex, L.P.	0.00000000	0.00000000	0.00002857	0.00000535	RI			
Mizel Resources, a Trust*	0.00844053	0.00158172	0.00738547	0.00138400	WI			
Juneau Oil & Gas, LLC*	0.01406756	0.00263620	0.01230911	0.00230667	WI			

Yosemite Creek Oil & Gas, LLLP*	0.03376213	0.00632687	0.02954187	0.00553601	WI	
Marshal & Winston, Inc.*	0.07033778	0.01318098	0.06154556	0.01153336	WI	
Chevron U.S.A. Inc. (WI)	0.87339200	0.16366970	0.70171800	0.13149877	WI	
Total	1.00000000	0.18739547	1.00000000	0.18739547		

Unit Tract 5 - Vertical Offset from Surface to Base of First Bone Sprign only

Lot 2, SW/4 of NE/4 & NW/4 of SE/4 of Section 5, Township 24 South, Range 29 East

Tract Factor - 119.890/639.770= 0.18739547

Owner	TRGWI	UGWI	TNRI	URI	TYPE	Comments
First National Bank of Santa Fe, Trustee of the Dorothy S.						
Harroun Irrevocable Trust dated October 13, 1983	0.00000000	0.00000000	0.08437500	0.01581149	RI	
Harroun Energy, LLC	0.00000000	0.00000000	0.08437500	0.01581149	RI	
Pegasus Resources, LLC	0.00000000	0.00000000	0.00460000	0.00086202	RI	
Janet Elizabeth Vogt, Trustee of the Andrew and Janet						
Vogt Trust, dated March 3, 2008	0.00000000	0.00000000	0.00375000	0.00070273	RI	
Jeffery C. Neal and K. Frances B. Neal, Trustees of the J.						
F. Neal Revocable Trust	0.00000000	0.00000000	0.00375000	0.00070273	RI	
Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees of						
the Joseph E. Hanttula and Judith "Judy" N. Hanttula						
Revocable Family Trust	0.00000000	0.00000000	0.00375000	0.00070273	RI	
J.M. Mineral & Land Co. Inc.	0.00000000	0.00000000	0.00095000	0.00017803	RI	
Magnolia Royalty Company	0.00000000	0.00000000	0.00095000	0.00017803	RI	
Eric D. Boyt	0.00000000	0.00000000	0.00047500	0.00008901	RI	
SMP Sidecar Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00020000	0.00003748	RI	
Herman Clifford Walker III	0.00000000	0.00000000	0.00012500	0.00002342	RI	
SMP Titan Mineral Holdings, L.P.	0.00000000	0.00000000	0.00011429	0.00002142	RI	
MSH Family Real Estate Partnership II, LLC	0.00000000	0.00000000	0.00005714	0.00001071	RI	
SMP Titan Flex, L.P.	0.00000000	0.00000000	0.00002857	0.00000535	RI	
Chevron U.S.A. Inc.	0.00000000	0.00000000	0.06250000	0.00951618	ORRI	
EOG A Resources	0.2000000	0.03747909	0.15000000	0.02854853	WI	
EOG M Resources	0.2000000	0.03747909	0.15000000	0.02854853	WI	
EOG Y Resources	0.40000000	0.07495819	0.30000000	0.05709706	WI	
Oxy Y-1 Company	0.2000000	0.03747909	0.15000000	0.02854853	WI	
Total	<u>1.00000000</u>		<u>1.00000000</u>			

July 12, 2023

Via Certified Mail - Return Receipt Requested

Juneau Oil and Gas LLC 3700 Buffalo Speedway Ste 925 Houston, Texas 77098

RE: Well Proposals CB SE 5 32 Federal Com 201H, CB SE 5 32 Federal Com 202H CB SE 5 32 Federal Com 203H, CB SE 5 32 Federal Com 251H E2 Section 32, Township 23 South, Range 29 East N.M.P.M., E2 Section 5, Township 24 South, Range 29 East N.M.P.M., Eddy County, New Mexico

Dear Working Interest Owner:

Chevron U.S.A. Inc. ("Chevron") hereby proposes to drill the following horizontal wells located in the East Half (E2) of both Section 5, T24S-R29E, and Section 32, T23S-R29E Eddy County, New Mexico. Chevron proposes to drill all wells from the same pad located in Unit A of Section 8, T24S-R29E.

Well Name	Surface Hole Location	Bottom Hole Location	First Take Point	Last Take Point	Total Measured Depth/Vertical Depth	Formation/Bench
CB SE 5 32 Federal Com 201H	1108' FNL & 1314' FEL Section 8 T24S-R29E	25' FNL & 2310' FEL Section 32 T23S-R29E	100' FSL & 2310' FEL Section 5 T24S-R29E	100' FNL & 2310' FEL Section 32 T23S-R29E	MD: 18,060' TVD: 8,500'	Second Bone Spring Upper
CB SE 5 32 Federal Com 202H	1108' FNL & 1380' FEL Section 8 T24S-R29E	25' FNL & 1380' FEL Section 32 T23S-R29E	100' FSL & 1380' FEL Section 5 T24S-R29E	100' FNL & 1380' FEL Section 32 T23S-R29E	MD: 18,060' TVD: 8,600'	Second Bone Spring Upper
CB SE 5 32 Federal Com 203H	1107' FNL & 1164' FEL Section 8 T24S-R29E	25' FNL & 330' FEL Section 32 T23S-R29E	100' FSL & 330' FEL Section 5 T24S-R29E	100' FNL & 330' FEL Section 32 T23S-R29E	MD: 18,060' TVD: 8,500'	Second Bone Spring Upper
CB SE 5 32 Federal Com 251H	1107' FNL & 1214' FEL Section 8 T24S-R29E	25' FNL & 600' FWL Section 32 T23S-R29E	100' FSL & 600' FEL Section 5 T24S-R29E	100' FNL & 600' FEL Section 32 T23S-R29E	MD: 18,060' TVD: 9,100'	Second Bone Spring Lower

Please note that compliance with topography, cultural, and/or environmental concerns, among others, may require modifications to Chevron's intended drilling procedure and/or location.

Mid-Continent Business Unit Americas Exploration & Production a division of Chevron U.S.A. Inc. 1400 Smith St., Houston, TX 77002 Tel 713 372 9615 dccrawford@chevron.com

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-3 Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095 Enclosed for your review are detailed Authority for Expenditure ("AFE") for each well reflecting estimated costs to drill, complete and equip the well(s) associated with this proposal. If you intend to participate, please execute, and indicate participation in the appropriate box on this letter and return to the undersigned within 30 days of receipt of this proposal. The AFEs represent an estimated cost and are subject to change once wells are drilled/completed and actual costs are incurred. Parties electing to participate are responsible for their proportionate share of actual costs.

Chevron is proposing to drill these well(s) under the terms of a new 1989 Model Form Operating Agreement which will be sent upon request. The basic terms of this agreement are as follows:

- Overhead Rates: \$12,639 Drilling / 1,429 Production
- Non-Consent Penalties: 100% / 300% / 300%
- Expenditure Limit: \$100,000

If any Working Interest Parties elect not to participate in the drilling of subject well(s) or do not respond, Chevron will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division after 30 days of receipt of this letter. This will allow Chevron to move forward with planning and drilling the subject well(s) while allowing time to properly execute a JOA amongst the parties.

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

Sincerely,

Douglas C. Crawford Land Representative

Enclosures

Mid-Continent Business Unit Americas Exploration & Production a division of Chevron U.S.A. Inc. 1400 Smith St., Houston, TX 77002 Tel 713 372 9615 dccrawford@chevron.com Your interest under the proposed contract area is as follows (Subject to change pending further title verification):

WORKING INTEREST OWNER: 1.406755%

Please elect one of the following:

_____ Elects to participate in the above-captioned wells and agrees to bear a proportionate share of the costs associated with each well, detailed in the enclosed AFEs.

Elects NOT to participate in the above-captioned wells.

Company / Individual: _____

By: _____

Name: _____

Title:				

Date:		

Mid-Continent Business Unit Americas Exploration & Production a division of Chevron U.S.A. Inc. 1400 Smith St., Houston, TX 77002 Tel 713 372 9615 dccrawford @ chevron.com

	Chevron U.S.A. Inc.		Appropriati	ion Request
County, State	Well Type	Field	Well Name	
Eddy, NM	Development	Delaware Basin	CB SE 5 32 FEDERAL C	OM 201H
Area	Objective	Date	Project Engineer	Duration (days)
Culebra Bluff	Second Bone Spring	6/28/2023	N/A	21.46
Playbook Name			Business Unit	Joint Venture
	CB SBU 10,000' Lateral (April 2023)		MCBU	Yes
Reason for Expe			Change from Playbook:	
Drilling			N/A	
	t Category	Code	Sub-code	Amount (\$)
Rig Daywork - All	t outogoly	0001	01000	
Additional Rig Eq	uinment	0001	01008	
Company Labor -		0100		
Contract Labor - A		0200		
Fuel & Utilities - A		0100	06000	
Utilities not provid		0300	06006	
Mobilization / De-		0003	08000	
Drilling & Complet		1900	09000	
Materials, Supplie		0500	10000	
Transportation - A		0300	11000	
Directional Survey		0006	12000	
Drill String & Drill		0007	13000	
Equipment Renta		0100	14000	
Well Services - A		0200	14200	
Solid Waste Disp		0300	15000	
Logging - Wireline		0019		
Logging - Mud - A		0021	23000	
Casing - All		0022	30000	
Wellheads & Tree	es - All	0110		
Cement & Cemen		0024	32000	
Sitework / Roads		0021	54000	
	s: ETC, PRC, & Third Pa		56000	,,
			Total	\$ 4,011,100.00
Participation & A	Authorization		Share (%)	Amount (\$)
Juneau Oil & Gas			1.4067550%	\$56,426.35
			0.0000000%	\$0.00
			0.0000000%	\$0.00
	·		0.0000000%	\$0.00
Total			1%	\$56,426.35
Approved (Print	Nomo)		Approved (Signature)	400,420.00
	······································			
			Date	

Chevron U.S.A. Inc.			Appropriation Request			
County, State	Well Type	Field	Well Name			
Eddy, NM	Development	Delaware Basin	CB SE 5 32 FEDERAL C	OM 201H		
Area	Objective	Date	Project Engineer	Duration (days)		
Culebra Bluff S	Second Bone Spring	6/28/2023	N/A	7.30		
Playbook Name			Business Unit	Joint Venture		
2000_2000_9_40_SW_SF			MCBU	Yes		
Reason for Expenditure			Change from Playbook	April 2023		
Completions			N/A			
Cost Ca	tegory	Code	Sub-code	Amount (\$)		
Workover Rigs	Ea			\$ 18,000		
Snubbing Rigs				\$ 86,593		
Company Labor				\$ 43,865		
Contract Labor and Safety	Services			\$ 49,587		
Fuel				\$ 270,306		
Frac Water				\$ 681,100		
Pressure Control Equipment	nt			\$ 270,306		
Equipment Rentals				\$ 387,623		
Cleanout Tools				\$ 86,237		
Sand				\$ 719,802		
Pressure Pumping - Stimul	ation Services			\$ 861,258		
Well Services				\$ 181,614		
Drill Out Spread - Not Inclu	iding Rig			\$ 133,367		
Waste Management				\$-		
Wireline - Logging and Toe	e Prep			\$ 64,516		
Wireline - Perforating				\$ 192,921		
OCTG				\$ 497,000		
Completions Equipment an	d Installation Services			\$ 27,000		
Surface Wellheads and Pro	oduction Trees			\$ 41,461		
Site Prep and Maintenance	e Services			\$ 1,125		
			Total	\$ 4,613,683.51		
Participation & Authoriza	tion		Share (%)	Amount (\$)		
Juneau Oil and Gas LLC			1.4067550%	\$64,903.22		
			0.000000%	\$0.00		
			0.000000%	\$0.00		
			0.000000%	\$0.00		
Total		1%	\$64,903.22			
Approved (Print Name)			Approved (Signature)			
			Date			

	Chevron U.S.A. Inc.		Appropriati	on Request
County, State	Well Type	Field	Well Name	
Eddy, NM	Development	Delaware Basin	CB SE 5 32 FEDERAL C	OM 202H
Area	Objective	Date	Project Engineer	Duration (days)
Culebra Bluff	Second Bone Spring	6/28/2023	N/A	16.46
Playbook Name	Second Done Opling	0/20/2020	Business Unit	Joint Venture
	CB SBU 10,000' Lateral (April 2023)		MCBU	Yes
Reason for Expenditure			Change from Playbook:	
Drilling			N/A	
-	t Category	Code	Sub-code	Amount (\$)
Rig Daywork - All	t category	0001		
Additional Rig Eq	uiomont	0001	01000	
Company Labor -		0100		
Contract Labor - /		0200		
Fuel & Utilities - A		0100		
Utilities not provid		0300		
Mobilization / De-		0003	08000	
Drilling & Comple		1900	09000	
Materials, Supplie		0500	10000	
Transportation - A		0300	11000	
Directional Survey		0300	12000	
Drill String & Drill		0003	13000	
Equipment Renta		0100		
Well Services - A		0200		
Solid Waste Disp		0300		
Logging - Wireline		0300		
Logging - Mud - A		0013	22000	
Casing - All	ui	0021	30000	
Wellheads & Tree		0110	1	
Cement & Cemer		0024	A	
Sitework / Roads		0024	54000	
	s: ETC, PRC, & Third Pa		56000	
	· · · · · · · · · · · · · · · · · · ·			· · · · · · · · · · · · · · · · · · ·
			Total	\$ 3,341,100.00
Participation & A	Authorization		Share (%)	Amount (\$)
Juneau Oil & Gas			1.4067550%	\$47,001.09
			0.0000000%	\$0.00
			0.0000000%	\$0.00
			0.0000000%	\$0.00
Total			1%	\$0.00
Approved (Print	Nome)		Approved (Signature)	\$47,001.09
			Date	

(Chevron U.S.A. Inc.			Appropriation Request			
County, State	Well Type	Field	Well Name				
Eddy, NM	Development	Delaware Basin	CB SE 5 32 FEDERAL COM 202H				
Area	Objective	Date	Project Engineer	Duration (days)			
Culebra Bluff	Second Bone Spring	6/28/2023	N/A	7.30			
Playbook Name			Business Unit	Joint Venture			
2000_2000_9_40_SW_SF	:		MCBU	Yes			
Reason for Expenditure			Change from Playbook	: April 2023			
Completions			N/A				
Cost Ca	itegory	Code	Sub-code	Amount (\$)			
Workover Rigs				\$ 18,000			
Snubbing Rigs				\$ 86,593			
Company Labor				\$ 43,865			
Contract Labor and Safety	Services			\$ 49,587			
Fuel				\$ 270,306			
Frac Water				\$ 681,100			
Pressure Control Equipme	nt			\$ 270,306			
Equipment Rentals				\$ 387,623			
Cleanout Tools				\$ 86,237			
Sand				\$ 719,802			
Pressure Pumping - Stimu	lation Services			\$ 861,258			
Well Services				\$ 181,614			
Drill Out Spread - Not Inclu	uding Rig			\$ 133,367			
Waste Management				\$ -			
Wireline - Logging and Toe	e Prep			\$ 64,516			
Wireline - Perforating				\$ 192,921			
OCTG				\$ 497,000			
Completions Equipment an	nd Installation Services			\$ 27,000			
Surface Wellheads and Pr	oduction Trees			\$ 41,461			
Site Prep and Maintenance	e Services			\$ 1,125			
			Total	\$ 4,613,683.51			
			and the second				
Participation & Authoriza	ation		Share (%)	Amount (\$)			
Juneau Oil and Gas LLC			1.4067550%	\$64,903.22			
			0.0000000%	\$0.00			
			0.0000000%	\$0.00			
			0.000000%	\$0.00			
Total			1%	\$64,903.22			
Approved (Print Name)			Approved (Signature)				
Approved (Print Name)							
			Date				

	Chevron U.S.A. Inc.	Appropriati	on Request				
				Well Name			
	Development	Delaware Basin	CB SE 5 32 FEDERAL C				
	Objective	Date	Project Engineer	Duration (days)			
	Second Bone Spring	6/28/2023	N/A	16.46			
Playbook Name			Business Unit	Joint Venture			
	ateral (April 2023)		MCBU	Yes			
Reason for Expe	nditure		Change from Playbook:				
Drilling			N/A				
	t Category	Code	Sub-code	Amount (\$)			
Rig Daywork - All		0001					
Additional Rig Eq		0001		· · · · · · · · · · · · · · · · · · ·			
Company Labor -		0100					
Contract Labor - A		0200					
Fuel & Utilities - A		0100					
Utilities not provid		0300					
Mobilization / De-I		0003					
Drilling & Complet		1900					
Materials, Supplie		0500					
Transportation - A		0300					
Directional Survey		0006					
Drill String & Drill		0007	13000	,			
Equipment Rental		0100					
Well Services - Al		0200					
Solid Waste Dispo		0300					
Logging - Wireline	e - All	0019					
Logging - Mud - A	1	0021	23000				
Casing - All		0022					
Wellheads & Tree		0110					
Cement & Cemen		0024	,				
Sitework / Roads /		0021	54000				
Technical Service	s: ETC, PRC, & Third Pa	0200	56000	\$ 219,03			
			Total	\$ 3,341,100.0			
Participation & A	uthorization		Share (%)	Amount (\$)			
Juneau Oil & Gas			1.4067550%	\$47,001.09			
			0.0000000%	\$0.00			
		,	0.0000000%	\$0.00			
				\$0.00			
Total			0.000000%				
Total	Marriel	-	1%	\$47,001.09			
Approved (Print	Name)		Approved (Signature)				

Chevron U.S.A. Inc.			Appropriation Request			
County, State W	/ell Type	Field	Well Name			
Eddy, NM D	evelopment	Delaware Basin	CB SE 5 32 FEDERAL C	OM 203H		
Area O	bjective	Date	Project Engineer	Duration (days)		
Culebra Bluff S	econd Bone Spring	6/28/2023	N/A	7.30		
Playbook Name			Business Unit	Joint Venture		
2000_2000_9_40_SW_SF			MCBU	Yes		
Reason for Expenditure			Change from Playbook	April 2023		
Completions		· -	N/A			
Cost Cat	egory	Code	Sub-code	Amount (\$)		
Workover Rigs				\$ 18,00		
Snubbing Rigs				\$ 86,59		
Company Labor				\$ 43,86		
Contract Labor and Safety S	Services			\$ 49,58		
Fuel				\$ 270,30		
Frac Water				\$ 681,10		
Pressure Control Equipment	t			\$ 270,30		
Equipment Rentals				\$ 387,62		
Cleanout Tools				\$ 86,23		
Sand		1		\$ 719,80		
Pressure Pumping - Stimula	tion Services			\$ 861,25		
Well Services				\$ 181,61		
Drill Out Spread - Not Includ	ling Rig			\$ 133,36		
Waste Management				\$ -		
Wireline - Logging and Toe	Prep			\$ 64,51		
Wireline - Perforating				\$ 192,92		
OCTG				\$ 497,00		
Completions Equipment and	Installation Services			\$ 27,00		
Surface Wellheads and Proc	duction Trees			\$ 41,46		
Site Prep and Maintenance	Services			\$ 1,12		
			Total	\$ 4,613,683.5		
Participation & Authorization	ion		Share (%)	Amount (\$)		
Juneau Oil and Gas LLC			1.4067550%	\$64,903.22		
			0.000000%	\$0.00		
<u> </u>	<u> </u>		0.000000%	\$0.00		
			0.000000%	\$0.00		
Total			1%	\$64,903.22		
Approved (Print Name)			Approved (Signature)			
			Date			

Chevron U.S.A. Inc.			Appropriation Request	
		Field	Well Name	
	Development	Delaware Basin	CB SE 5 32 FEDERAL COM 251H	
	Objective	Date	Project Engineer	Duration (days)
	Second Bone Spring	6/28/2023	N/A	16.46
Playbook Name Business Unit			Joint Venture	
CB SBL 10,000' Lateral (April 2023) MCBU				Yes
Reason for Expe		Change from Playbook:		
Drilling		N/A		
Cost Category Code			Sub-code	A
Rig Daywork - All		0001		Amount (\$)
Additional Rig Equipment				
Company Labor - All		0001		
Company Labor - All Contract Labor - All				
Fuel & Utilities - All		0200	04100	
		0100	06000	
Utilities not provided by contractor Mobilization / De-Mobilization - All		0300	06006	
		0003		
Drilling & Completion Fluids - All		1900	09000	
Materials, Supplies, & Parts - All Transportation - All		0500	10000	
		0300	11000	
Directional Survey - All		0006	12000	
Drill String & Drill Bits - All		0007	13000	,
Equipment Rentals - All		0100		
Well Services - All		0200		
Solid Waste Disposal - All		0300		
Logging - Wireline - All		0019		
Logging - Mud - All		0021	23000	· · · · · · · · · · · · · · · · · · ·
Casing - All		0022	30000	
Wellheads & Trees - All		0110		
Cement & Cementing - All		0024		
Sitework / Roads / Location - All		0021	54000	<u> </u>
Technical Service	s: ETC, PRC, & Third Pa	0200	56000	\$ 219,039
			Total	\$ 3,341,100.00
Participation & Authorization Share (%)				Amount (\$)
Juneau Oil & Gas LLC 1.4067550%				\$47,001.09
			0.000000%	\$0.00
		_	0.000000%	\$0.00
			0.000000%	\$0.00
Total 1%				\$47,001.09
Approved (Print Name) Approved (Signature)				\$11,001.00
			Date	

Chevron U.S.A. Inc.			Appropriation Request				
County, State V	Vell Type	Field	Well Name				
Eddy, NM D	evelopment	Delaware Basin	CB SE 5 32 FEDERAL COM 251H				
Area C	bjective	Date	Project Engineer	Duration (days)			
Culebra Bluff S	econd Bone Spring	6/28/2023	N/A	7.10			
Playbook Name			Business Unit	Joint Venture			
2000_1800_9_40_SW_SF			мсви	Yes			
Reason for Expenditure			Change from Playbook	April 2023			
Completions			N/A				
Cost Cat	egory	Code	Sub-code	Amount (\$)			
Workover Rigs				\$ 18,000			
Snubbing Rigs				\$ 86,593			
Company Labor				\$ 42,437			
Contract Labor and Safety S	Services			\$ 47,542			
Fuel		1		\$ 245,899			
Frac Water				\$ 614,380			
Pressure Control Equipmen	t			\$ 245,899			
Equipment Rentals				\$ 368,381			
Cleanout Tools				\$ 86,237			
Sand				\$ 717,887			
Pressure Pumping - Stimula	ation Services			\$ 781,635			
Well Services				\$ 168,934			
Drill Out Spread - Not Includ	ting Rig			\$ 133,367			
Waste Management				\$ -			
Wireline - Logging and Toe	Prep			\$ 64,516			
Wireline - Perforating				\$ 192,837			
OCTG				\$ 497,000			
Completions Equipment and	d Installation Services			\$ 27,000			
Surface Wellheads and Pro	duction Trees			\$ 41,461			
Site Prep and Maintenance	Services			\$ 1,125			
			Total				
				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
Participation & Authorizat	ion		Share (%)	Amount (\$)			
Juneau Oil and Gas LLC			1.4067550%	\$61,631.76			
			0.000000%	\$0.00			
			0.0000000%	\$0.00			
			0.0000000%	\$0.00			
Total			1%	\$61,631.76			
Approved (Print Name)			Approved (Signature)				
		_	Date				

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Chevron U.S.A. Inc.			Appropriation Request				
SAP Code N/A	Well Type Development	Field Delaware Basin	Block Section 5, T24S-R29E Section 32, T23S-R29E	COM 201H,202H			
Lease Private/BLM	Objective Second Bone Spring	Date 7/6/2023	Estimated By EJUG and BYKZ	Duration (days) N/A			
Est. Depth (ft MD) 18060' same for each	Drillship Patterson 349	Rig Rate (\$/day) N/A	Business Unit MCBU	Joint Venture Yes			
Reason for Expenditu	re				· · · · ·		
Facilites - Wellpad, Wel	Ilhead Hookup, Flowlines a	and Railway Bore					
				TOTAL:	\$3,085,714.29		
Participation & Author	rization		Code	Share (%)	Amount (\$)		
Juneau Oil and Gas LLC				1.4067550%	\$43,408.44		
				0.000000%			
				0.000000%			
				0.0000000%			
Total				1%	\$43,408.44		
Approved (Print Name)			Approved (Signature)			
				Date			

Case Numbers 24095

Chronology of Contact with Non-Joined Working Interest Owners

All working interest owners received ballot letter with AFEs for 6 wells, which were sent by USPS tracked mail on 7/12/2023

- Juneau Oil and Gas LLC
 - 7/13/2023 Received well proposal and AFE
 - 8/2/2023 Signed well proposal and AFE
 - 11/9/2023 JOA sent for review
- Marshall & Winston
 - 7/18/2023 Received well proposal and AFE
 - 7/31/2023 Signed well proposal and AFE
 - 11/9/2023 JOA sent for review
- Mizel Resources
 - 7/24/2023 Email with confirmation of receipt of well proposals along with a couple of questions of which were answered.
 - 8/1/2023 Email with more questions and stating there was no objections to the pooling application by Chevron and that they want more time to review the ballot letters and AFEs.
 - 8/11/2023 Email asking for additional 60 days to review.
 - 9/5/2023 Email asking for exact deadline to make election.
 - 9/8/2023 Email stating that they want more time to decide and again state that they do not object to Chevrons pooling application.
 - 11/9/2023 JOA sent for review
- Yosemite Creek Oil and Gas LLC
 - Same as above as they work together

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

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

CASE NO. 24095

SELF-AFFIRMED STATEMENT OF EFREN MENDEZ, JR

1. My name is Efren Mendez, Jr. I work for Chevron U.S.A. Inc. ("Chevron") as a Geologist.

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

3. I am familiar with the applications filed by Chevron in these cases, 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.

5. **Chevron Exhibit D-1** is a project locator map. Chevron's Culebra Bluff development is outlined in red.

6. **Chevron Exhibit D-2** shows three subsea structure maps that I prepared on top of the Second Bone Spring Upper, top of the Second Bone Spring Lower, and the top of the Third Bone Spring, each with a contour interval of 100 feet. The approximate wellbore paths for the proposed initial wells are depicted with solid pink lines. The 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 units.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095 7. The right-hand side of **Chevron Exhibit D-3** shows cross-section lines consisting of three wells 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. To the left I use the representative wells for the Bone Spring formation to identify the targeted intervals for this project. It also demonstrates that the targeted intervals are continuous across the proposed spacing units.

8. 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 base of the Bone Spring formation, the stratigraphic equivalent of 100 feet below the First Bone Spring formation, as seen at 4,566 feet subsea true vertical depth beneath the surface, to the stratigraphic equivalent of the top of the base of the Bone Spring formation, as seen at 6,811 feet subsea true vertical depth beneath the surface, as shown in that certain Gamma Ray well log in the Cochiti '32C' State 1 (API # 30-015-31910), located in Section 32, Township 23 South, Range 29 East, Eddy County, New Mexico. **Chevron Exhibit D-4** includes the type-log for the Cochiti '32C' State 1 and highlights the vertical interval that that Chevron seeks to pool.

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

2

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 D-1 through D-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.

Efren Mendez, Jr.

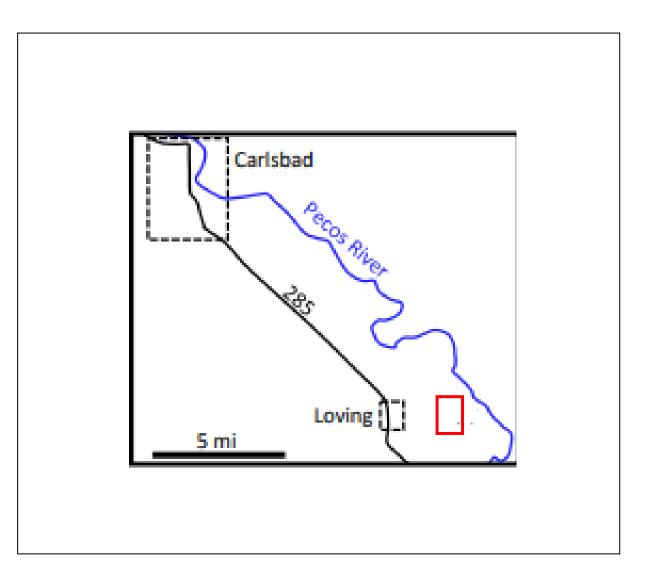
12/18/2023

Date

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-1 Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095

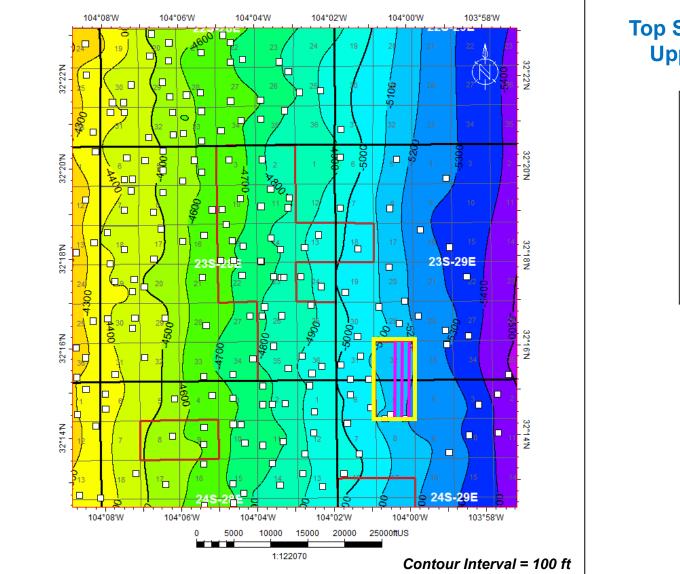
CB SE 5 32 Federal Com

Project Locator Map

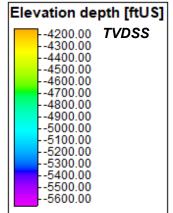


BEFORE THE OIL CONSERVATION DWASDWA Santa Fe, New Mexico Exhibit No. D-2 Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095

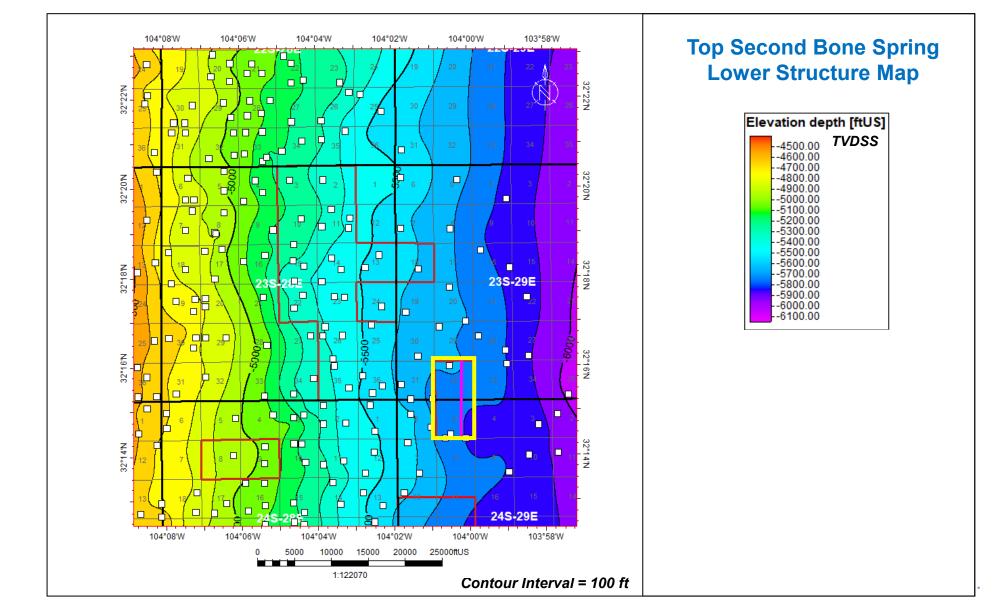
CB SE 5 32 Federal Com Top Second Bone Spring Upper Structure Map (TVDSS)



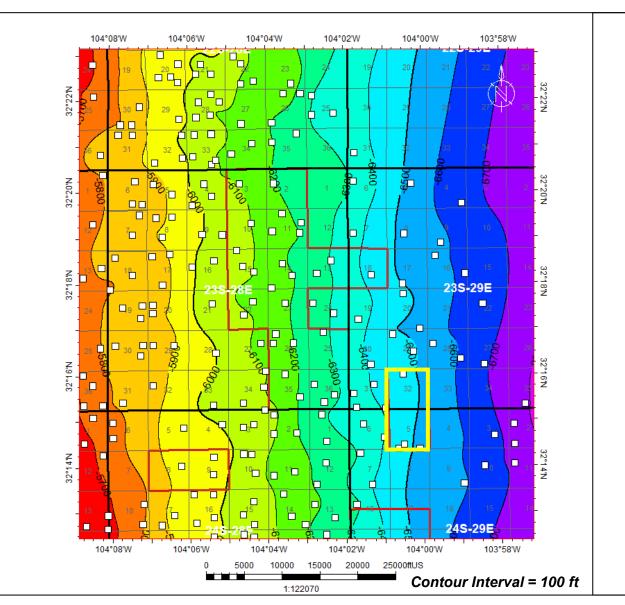
Top Second Bone Spring Upper Structure Map



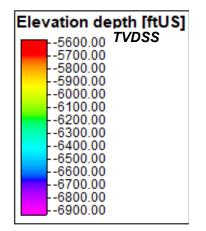
CB SE 5 32 Federal Com Top Second Bone Spring Lower Structure Map (TVDSS)



CB SE 5 32 Federal Com Top Third Bone Spring Structure Map (TVDSS)

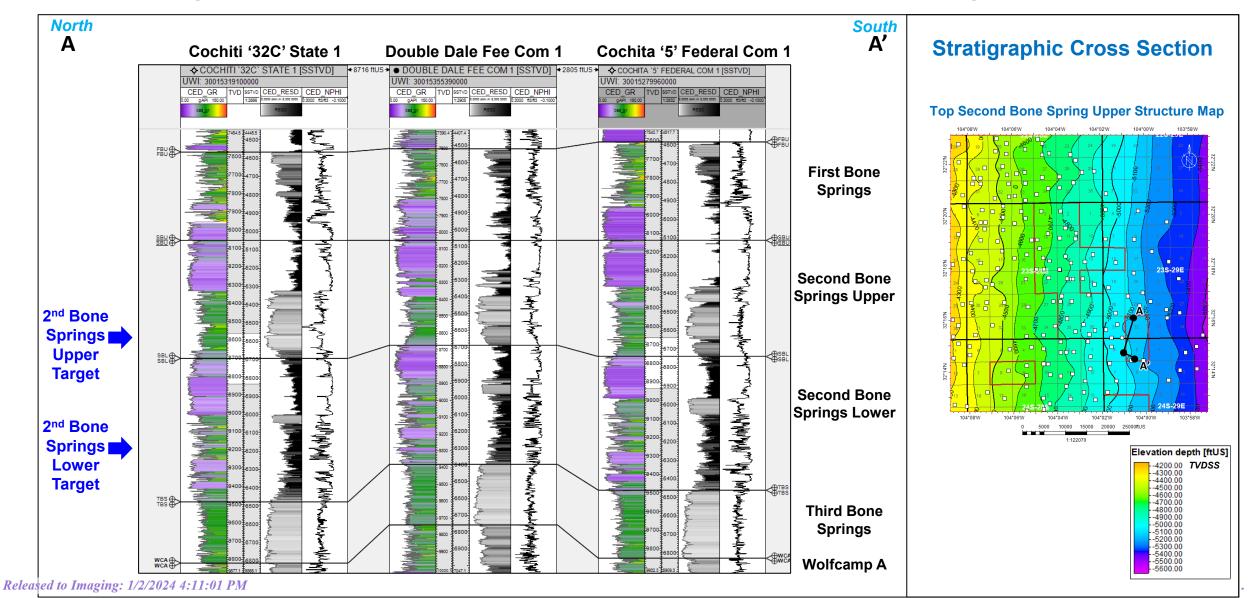


Top Third Bone Spring Structure Map



CB SE 5 32 Federal Com

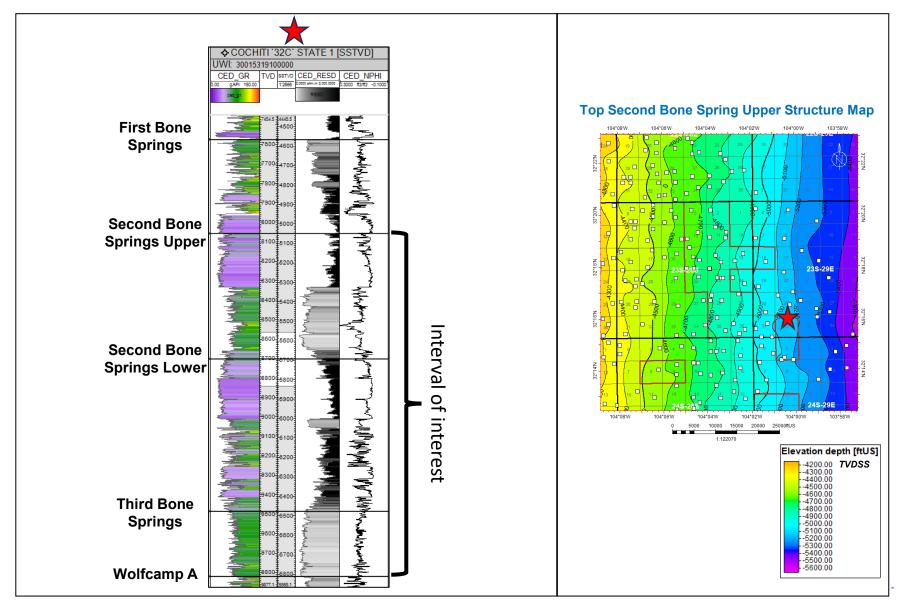
Stratigraphic Cross Section (TVD and TVDSS); datum Second Bone Springs formation



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-4 Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095

CB SE 5 32 Federal Com

Type-log: Cochiti '32C' State 1



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. 24095

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 December 29, 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.

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**

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095

Paktur

Paula M. Vance

<u>1/2/24</u> Date



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

December 15, 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: CB SE 5 32 Federal Com 201H, 202H, 203H and 251H 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 January 4, 2024, 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 Douglas Crawford at (713) 372-9915 or dccrawford@chevron.com.

Sincerely,

Pathiva

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 **Phone** (505) 988-4421 Email pmvance@hollandhart.com

December 15, 2023

VIA CERTIFIED MAIL **CERTIFIED RECEIPT REQUESTED**

TO: VERTICAL OFFSETS IN POOL

Application of Chevron U.S.A. Inc for Compulsory Pooling, Eddy County, Re: New Mexico: CB SE 5 32 Federal Com 201H. 202H. 203H and 251H 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 January 4, 2024, and the status of the hearing can be monitored through the Division's website at https://www.emnrd.nm.gov/ocd/.

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: 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 Douglas Crawford at (713) 372-9915 or dccrawford@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 Colorado Nevada New Mexico Wyoming

Utah Washington, D.C.

Chevron CB SE 5-32 BS E2 Pooling - Case no. 24095-24096 Postal Delivery Report

						Your item was delivered to an
	C/O Farmers National Compay, First					individual at the address at 2:19 pm
	National Bank of Santa Fe, Trustee of the					on December 21, 2023 in TULSA, OK
9414811898765496119162		15 W 6TH ST STE 2700	TULSA	ок	74119-5421	
5414611656765456115162		15 W 011151 512 2700	TOLSA		74115 5421	Your item was delivered to an
						individual at the address at 10:51 am
						on December 20, 2023 in DALLAS, TX
0414911909765406110246	SMD Sidosar Titan Minoral Holdings I. D.		DALLAS	тх	75219-3294	
9414811898783498119346	SMP Sidecar Titan Mineral Holdings, L.P.	4143 MAPLE AVE STE 500	DALLAS	1	75219-5294	/5219.
						Your item was picked up at a postal
0444044000765406440004	Hannaa Clifford Mallion III				70700 0500	facility at 1:47 pm on December 28,
9414811898765496119384	Herman Clifford Walker III	PO BOX 8508	MIDLAND	TX	79708-8508	2023 in MIDLAND, TX 79708.
						Your item was delivered to an
						individual at the address at 10:51 am
						on December 20, 2023 in DALLAS, TX
9414811898765496119377	SMP Titan Mineral Holdings, L.P.	4143 MAPLE AVE STE 500	DALLAS	TX	75219-3294	
						Your item was delivered to an
						individual at the address at 10:51 am
	MSH Family Real Estate Partnership II,					on December 20, 2023 in DALLAS, TX
9414811898765496119018	LLC	4143 MAPLE AVE STE 500	DALLAS	ТΧ	75219-3294	75219.
						Your item was delivered to an
						individual at the address at 10:51 am
						on December 20, 2023 in DALLAS, TX
9414811898765496119056	SMP Titan Flex, L.P.	4143 MAPLE AVE STE 500	DALLAS	ТΧ	75219-3294	75219.
						Your item has been delivered and is
						available at a PO Box at 11:02 am on
						December 26, 2023 in LOCO HILLS,
9414811898765496119063	Westall Oil & Gas, LLC	PO BOX 4	LOCO HILLS	NM	88255-0004	NM 88255.
						Your item was delivered to the front
						desk, reception area, or mail room at
						12:24 pm on December 21, 2023 in
9414811898765496119025	Zunis Energy, LLC	15 E 15TH ST UNIT 3300	TULSA	ок	74119-4001	TULSA, OK 74103.
						Your item was returned to the sender
						on December 23, 2023 at 7:09 am in
						MIDLAND, TX 79705 because the
						addressee was not known at the
						delivery address noted on the
9414811898765496119001	Sam H. Jolliffo IV	1614 VENTURA AVE	MIDLAND	тх	79705-7444	
3414011030/03490119001	Jan n. Juline, Iv	1014 VENTORA AVE	IVIIDLAND	17	19/03-/444	parrage.

Received by OCD: 1/2/2024 3:34:28 PM

Chevron CB SE 5-32 BS E2 Pooling - Case no. 24095-24096 Postal Delivery Report

						Your item was delivered to the front desk, reception area, or mail room at
	Susannah D. Adelson, Trustee of The					12:24 pm on December 21, 2023 in
9414811898765496119049	James Adelson & Family 2015 Trust	15 E 15TH ST UNIT 3300	TULSA	ок	74119-4001	TULSA, OK 74103.
5414011050705450115045			1023/		74115 4001	
						Your item was delivered to the front
						desk, reception area, or mail room at
						10:46 am on December 18, 2023 in
9414811898765496119087	Mizel Resources, a Trust	4350 S MONACO ST FL 5	DENVER	со	80237-3400	DENVER, CO 80237.
						This is a reminder to arrange for
						redelivery of your item or your item
9414811898765496119124	Harroun Energy, LLC	320 GOLD AVE SW STE 200	ALBUQUERQUE	NM	87102-3235	will be returned to sender.
						Your item was delivered to an
						individual at the address at 4:56 pm
						on December 19, 2023 in HOUSTON,
9414811898765496119032	Juneau Oil & Gas, LLC	3700 BUFFALO SPEEDWAY STE 925	HOUSTON	ТΧ	77098-3721	TX 77098.
						Your item was delivered to the front
						desk, reception area, or mail room at
						10:46 am on December 18, 2023 in
9414811898765496119452	Yosemite Creek Oil & Gas, LLLP	4350 S MONACO ST FL 5	DENVER	со	80237-3400	DENVER, CO 80237.
						Your item was picked up at a postal
						facility at 10:17 am on December 21,
9414811898765496119469	Marshal & Winston, Inc.	PO BOX 50880	MIDLAND	тх	79710-0880	2023 in MIDLAND, TX 79705.
					/3/10 0000	Your item was delivered to an
						individual at the address at 12:01 pm
						on December 19, 2023 in FORT
9414811898765496119100	Pegasus Resources, LLC	2821 W 7TH ST STE 500	FORT WORTH	тх	76107-8913	WORTH, TX 76107.
						Your item was delivered to an
	Janet Elizabeth Vogt, Trustee of The					individual at the address at 11:31 am
	Andrew and Janet Vogt Trust Dated					on December 19, 2023 in
9414811898765496119148	March 3, 2008	13404 PIEDRA GRANDE PL NE	ALBUQUERQUE	NM	87111-9217	ALBUQUERQUE, NM 87111.
						Your item was delivered to an
						individual at the address at 4:01 pm
	Jeffery C. Neal and K. Frances B. Neal,					on December 21, 2023 in CARLSBAD,
9414811898765496119131	Trustees of the J.F. Neal Revocable Trust	1311 DOEPP DR	CARLSBAD	NM	88220-4625	NM 88220.
	Judith N. Hanttula and Joseph E.					
	Hanttula, Co-Trustees of the Joseph E.					Your package will arrive later than
0444044000765406440045	Hanittula and Judith Judy N. Hanttula		EDISCO.		75024 0455	expected, but is still on its way. It is
9414811898765496119315		3996 MARBLE HILL RD	FRISCO	ТХ	/5034-8455	currently in transit to the next facility.

9414811898765496119353	J.M. Mineral & Land Co. Inc.	PO BOX 1015	MIDLAND	ТХ	Your item was delivered to the front desk, reception area, or mail room at 11:59 am on December 21, 2023 in MIDLAND, TX 79702.
9414811898765496119360	Magnolia Royalty Company	PO BOX 10703	MIDLAND	ТХ	Your item was delivered to the front desk, reception area, or mail room at 11:58 am on December 21, 2023 in MIDLAND, TX 79702.
9414811898765496119391	Eric D. Boyt	PO BOX 2602	MIDLAND	TX	Your item was delivered to the front desk, reception area, or mail room at 11:58 am on December 21, 2023 in MIDLAND, TX 79702.

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9214 8901 9403 8341 9624 58	OXY Y-1 COMPANY 5 GREENWAY PLAZA SUITE 110 HOUSTON TX 77046	Delivered Signature Received
	EOG A RESOURCES EOG M RESOURCES EOG Y RESOURCES 5509	
9214 8901 9403 8341 9624 65	CHAMPIONS DR MIDLAND TX 79706	Delivered Signature Received

Received by OCD: 1/2/2024 3:34:28 PM

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005867010 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:

12/19/2023

coll Clerk Legal

Subscribed and sworn before me this December 19,

2023:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005867010 PO #: 5867010 # of Affidavits1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Submitted by: Chevron U.S.A. Inc. Hearing Date: January 4, 2024 Case No. 24095 STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVI-SION SANTA FE, NEW MEXICO

The State of New Mexico, **Energy Minerals and Natural** Resources Department, Oil Conservation Division ("Divi-Conservation Division ("Divi-sion") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases. The hear-ings will be conducted re-motely on Thursday, January 4, 2024, beginning at 8:15 a.m. To participate in the hearings, see the instruchearings, see the instruc-tions posted below. The docket may be viewed at htt ps://www.emnrd.nm.gov/ocd /hearing-info/ or obtained from Sheila Apodaca, at She ila.Apodaca@emnrd.nm.gov Documents filed in these cases may be viewed at http s://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 Sheila Apodaca at Sheila.Apodaca @emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than December 24, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com /nmemnrd/j.php?MTID=mdc 8645ccf2c0febe64ceac720dd 750a3

Webinar number: 2484 878 5178

Join by video system: Dial 24 848785178@nmemnrd.webe x.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: 2484 878 5178 Panelist password: bxEpP3Je3a5 (29377353 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: OXY Y-1 Company; EOG A Resources, EOG M Resources, EOG Y Resources; First National Bank of Santa Fe, Trustee of the Dorothy S. Harroun Irrevocable Trust dated October 13, 1983; Harroun Energy, LLC; Pegasus Resources, LLC; Janet Elizabeth Vogt, Trustee of the Andrew and Janet Vogt Trust, dated March 3, 2008; Jeffery C. Neal and K. Frances B. Neal, Trustees of the J. F. Neal Revocable Trust; Judith N. Hanttula and Joseph E. Hanttula, Co-Trustees of the Joseph E. Hanttula and Judith "Judy" N. Hanttula Revocable Family Trust; J.M. Mineral & Land Co. Inc.; Magnolia Royalty Company; Eric D. Boyt, his heirs and devisees; SMP Sidecar Titan Mineral Holdings, L.P.; Herman Clifford Walker III, his heirs and devisees; SMP Titan Mineral Holdings, L.P.; MSH Family Real Estate Partnership II, LLC; SMP Titan Flex, L.P.; Westall Oil & Gas, LLC; Zunis Energy, LLC; Sam H. Jolliffe, IV, his heirs anddevisees; Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trust; Mizel Resources, a Trust; Juneau Oil & Gas, LLC; Yosemite Creek Oil & Gas, LLP, and Marshal& Winston, Inc.

Case No. 24095: 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 a portion of the Bone Spring formation, from beneath the base of the First Bone Spring to the base of the Bone Spring formation, underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the following proposed wells to be horizontally drilled from a common surface location in the NE/4 of Section 8, Township 24 South, Range 29 East:

•CB SE 5 32 Federal Com 201H and CB SE 5 32 Federal Com 202H, with first take points in the SW/4 SE/4 (Unit O) of Section 5and last take points in the NW/4NE/4 (Unit B) of Section 32; and •CB SE 5 32 Federal Com 203H and CB SE 5 32 Federal Com 251H, with first take points in the SE/4 SE/4 (Unit P) of Section 5and last take points in the NE/4 NE/4 (Unit A) of Section 32.

The completed interval of the proposed CB SE 5 32 Federal Com 202H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them within this proposed 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, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing each well. Said area is located approximately 5 miles northeast of Malaga, New Mexico.

#5867010, Current Argus, Dec. 19, 2023