

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

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

CASE NOS. 24792-24793

NOTICE OF REVISED EXHIBIT A

Chevron U.S.A. Inc. submits notice that it is filing the attached revised exhibit packet for these cases. The revised exhibit packets updates the correct pool code in the Compulsory Pooling Checklist for each case marked as Exhibit A.

Respectfully submitted,

HOLLAND & HART LLP

By:  _____

Michael H. Feldewert
Adam G. Rankin
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ATTORNEYS FOR CHEVRON U.S.A. INC.

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 12, 2024**

CASE NO. 24793

*DAGGER LAKE 4 9 FED COM #413H, #414H &
#415H WELLS*

LEA 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,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24793

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24793	APPLICANT'S RESPONSE
Date	September 12, 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, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Dagger Lake
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code (Only if NSP is requested):	Red Tank; Bone Spring, East [51687]
Well Location Setback Rules (Only if NSP is Requested):	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	SW/4 of Section 4 and the W/2 of Section 9, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes. The completed interval of the DL 4 9 Federal #414H is within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.
Proximity Defining Well: if yes, description	See above

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Revised Exhibit No. A
 Submitted by: Chevron U.S.A. Inc.
 Hearing Date: September 12, 2024
 Case No. 24793

Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	DL 4 9 Federal Com 413H (API: 30-025-52504) SHL: 2,538' FNL, 1,693' FWL (Unit F) of Section 4 BHL: 25' FSL, 330' FWL (Unit M) of Section 9 Target: Bone Spring Orientation: Standup Completion: Standard Location
Well #2	DL 4 9 Federal Com 414H (API: 30-025-52993) SHL: 2,538' FNL, 1,733' FWL (Unit F) of Section 4 BHL: 25' FSL, 1,210' FWL (Unit M) of Section 9 Target: Bone Spring Orientation: Standup Completion: Standard Location / Proximity Well
Well #3	DL 4 9 Federal Com 414H (API: 30-025-52888) SHL: 2,537' FNL, 1,773' FWL (Unit F) of Section 4 BHL: 25' FSL, 2,090' FWL (Unit N) of Section 9 Target: Bone Spring Orientation: Standup Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit D-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	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-3
Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A

Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	N/A
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-4
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-2
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 provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	9/5/2024

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

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

CASE NO. 24793

APPLICATION

Chevron U.S.A. Inc. (“Chevron” or “Applicant”) (OGRID No. 4323), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the SW/4 of Section 4 and the W/2 of Section 9, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, Chevron states:

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

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **DL 4 9 Federal 413H** and **DL 4 9 Federal 414H** wells, to be horizontally drilled from a common surface location in the SE/4 NW/4 (Unit F) of Section 4, with first take points in the NW/4 SW/4 (Unit L) of Section 4 and last take points in the SW/4 SW/4 (Unit M) of Section 9; and **DL 4 9 Federal 415H** well, to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 4, with a first take point in the NE/4 SW/4 (Unit K) of Section 4 and last take point in the SE/4 SW/4 (Unit N) of Section 9.

3. The completed interval of the **DL 4 9 Federal 414H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.


4. Applicant owns 100 percent of the working interests in the proposed spacing unit and, therefore, seeks to pool only non-cost-bearing interest owners, including overriding royalty interest owners, whose interests have not been pooled within the subject spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 12, 2024, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR CHEVRON U.S.A. INC.

CASE _____: **Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the SW/4 of Section 4 and the W/2 of Section 9, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed **DL 4 9 Federal 413H** and **DL 4 9 Federal 414H** wells, to be horizontally drilled from a common surface location in the SE/4 NW/4 (Unit F) of Section 4, with first take points in the NW/4 SW/4 (Unit L) of Section 4 and last take points in the SW/4 SW/4 (Unit M) of Section 9; and **DL 4 9 Federal 415H** well, to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 4, with a first take point in the NE/4 SW/4 (Unit K) of Section 4 and last take point in the SE/4 SW/4 (Unit N) of Section 9. The completed interval of the **DL 4 9 Federal 414H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the designation of Applicant as operator of the wells. Said area is located approximately 24 miles west of Eunice, 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,
LEA COUNTY, NEW MEXICO.

CASE NO. 24793

SELF-AFFIRMED STATEMENT OF NICHOLAS ANGELLE

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

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

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

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

5. In **Case No. 24793**, Chevron seeks an order pooling all uncommitted interests in Bone Spring formation, underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the SW/4 of Section 4 and the W/2 of Section 9, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico. Chevron seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **DL 4 9 Federal 413H** and **DL 4 9 Federal 414H** wells, to be horizontally drilled from a common surface location in the SE/4 NW/4 (Unit F) of Section 4,

with first take points in the NW/4 SW/4 (Unit L) of Section 4 and last take points in the SW/4 SW/4 (Unit M) of Section 9; and **DL 4 9 Federal 415H** well, to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 4, with a first take point in the NE/4 SW/4 (Unit K) of Section 4 and last take point in the SE/4 SW/4 (Unit N) of Section 9.

6. The completed interval of the **DL 4 33 Federal 414H** 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-2** contains a draft Form C-102 for the wells in this horizontal spacing unit. These forms demonstrate that the completed interval for each well will comply with the statewide setbacks for oil wells. The exhibit shows that the wells will be assigned to the Red Tank; Bone Spring, East [15687].

8. **Chevron Exhibit C-3** identifies the tracts of land comprising the horizontal spacing unit, the ownership interests in each tract, and ownership interests on a spacing unit basis. Chevron owns 100 percent of the working interests in the proposed spacing unit and is seeking to pool the overriding royalty interests highlighted in yellow. The subject acreage is comprised of federal lands.

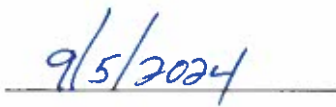
9. Chevron has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that Chevron seeks to pool and instructed that they be notified of this hearing. Chevron has conducted a diligent search of all public records in the county where the property is located, reviewed telephone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

10. **Chevron Exhibits C-1 through C-3** were either prepared by me or compiled under my direction and supervision.

11. 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.



Nicholas Angelle



Date

NICHOLAS ANGELLE

5723 Hummingbird St., Houston, TX, 77096 ♦ (337) 523-2233 ♦ nickangelle@yahoo.com

PROFESSIONAL SUMMARY

Skilled land professional with experience in the oil and gas industry. A strong leader, familiar with land contracts and negotiations with experience in emergency response.

SKILLS

- Self-motivated
- Team liaison
- Strong verbal communication
- Microsoft Office
- Data management
- Process implementation
- Powerful negotiator
- Team leadership
- Conflict resolution

EDUCATION

Bachelor of Science: Professional Land and Resource Management, May 2015
University of Louisiana at Lafayette - Lafayette, Louisiana

WORK HISTORY

Land Representative, Land and Business Development Mid-Continent Business Unit - 1/2023 to Current
Chevron North America Exploration and Production Company, (a Chevron U.S.A., Inc. division) – Houston, Texas

- Acquire land rights and develop contracts to promote exploration and production activities in project areas
- Work cooperatively with internal counterparts in Regulatory, Engineering, Operations, Geology, and HSE to develop comprehensive development plans of acreage in Delaware Basin.
- Establish and maintain strong relationships with working interest parties, mineral owners and operators
- Possess working knowledge of the rules and regulations of the New Mexico Oil and Gas Division, Bureau of Land Management, New Mexico State Land Office
- Manage properties for drilling by securing title and Operating Agreements, and producing
- Organize and supervise efforts of outside brokers, contract landmen and title attorneys.

Land Representative, 04/2018 to Current

Chevron Pipe Line Company, (a Chevron U.S.A., Inc. division) – Houston, Texas

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

- Supported other functionalities of the Pipeline Business Unit with their day-to-day operations from a land perspective by drafting and circulating surface agreements and providing recommendations to the field teams as to the company's rights or best interest.
- Implemented new workflows and digital application systems for third party inquiries that allowed us to prioritize work and simplify document management processes.
- Performed Due Diligence on files and information for assets owned by the company. Used Quorum Land Service to locate and review files associated with these assets; including, comparing hard files to electronic files and making necessary corrections or updates to ensure files are complete in the database and that the asset is active in operations. Created line list and gap reports for active assets and inactivated files for identified divested assets.
- Served as Liaison Officer on emergency response efforts for Chevron Pipe Line Co. Trained in ICS for Liaison Officer roles.
- Supported the rest of the land department with its day-to-day operations including support to field teams and management with their requests or questions pertaining to Right-of-Way and other surface rights obtained or granted by the company.

Contract Environmental Field Landman, 05/2015 to Current

American Environmental Research, Inc

- Contracted through American Environmental Research to do work for Denbury Resources Inc.
- Performed field research for Phase 1 Environmental Site Assessments
- Published Phase 1 Environmental Site Assessment reports compiled of research and field assessments on various oil fields in Louisiana, Texas, Wyoming, Kansas, and Mississippi
- Conducted NORM surveys and compiled reports of findings for the client

Contract Petroleum Landman, 05/2014 to Current

MKM and Associates, Inc

- Contracted through MKM & Associates, Inc. to work for Chevron Pipeline Company, Petro-Guard Production, LLC , Goodrich Petroleum Corporation, and Denbury Resources, Inc.
- Performed Due Diligence work on acquisitions for Chevron Pipeline Company on GOM Tier 1, Sorrento Caverns, TENDS systems and Fourchon Terminal
- Composition of abstract of title with flow charts
- Analysis and preparation of title reports and ownership reports, including substantial title work in the courthouse and online
- Negotiation of oil, gas and mineral leases and preparation of lease packages

PROFESSIONAL AFFILIATIONS

Member, American Association of Professional Landmen

Member, Houston Association of Professional Landmen

Member, International Right-of-way Association

Member, Lafayette Association of Professional Landmen Member, Student Association of Professional

Landmen Member, LAGCOE Young Professionals Committee Member, Ducks Unlimited Lafayette Chapter

2018-2019 Chairman of the Lafayette Chapter Ducks Unlimited Sporting Clay Shoot

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

Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-52504	² Pool Code 51687	³ Pool Name RED TANK;BONE SPRING,EAST
⁴ Property Code 335330	⁵ Property Name DL 4 9 FEDERAL	⁶ Well Number 413H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3653'

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
F	4	22 SOUTH	33 EAST, N.M.P.M.		2538'	NORTH	1693'	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	9	22 SOUTH	33 EAST, N.M.P.M.		25'	SOUTH	330'	WEST	LEA

¹² Dedicated Acres 480	¹³ Joint or Infill Infill	¹⁴ Consolidation Code	¹⁵ Order No. DEFINING WELL IS DL 4 9 FEDERAL 414H
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶
**DL 4 9 FEDERAL
NO. 413H WELL**
X = 732,451.14' (NAD27 NM E)
Y = 517,698.69'
LAT. 32.421015° N (NAD27)
LONG. 103.580025° W
X = 773,633.41' (NAD83/2011 NM E)
Y = 517,758.84'
LAT. 32.421136° N (NAD83/2011)
LONG. 103.580511° W

PROPOSED FIRST TAKE POINT
X = 731,088.41' (NAD27 NM E)
Y = 517,553.55'
LAT. 32.420642° N (NAD27)
LONG. 103.584444° W
X = 772,270.66' (NAD83/2011 NM E)
Y = 517,613.71'
LAT. 32.420764° N (NAD83/2011)
LONG. 103.584930° W

PROPOSED LAST TAKE POINT
X = 731,132.76' (NAD27 NM E)
Y = 509,751.04'
LAT. 32.399195° N (NAD27)
LONG. 103.584478° W
X = 772,315.21' (NAD83/2011 NM E)
Y = 509,811.01'
LAT. 32.399317° N (NAD83/2011)
LONG. 103.584963° W

PROPOSED MID POINT
X = 731,103.27' (NAD27 NM E)
Y = 514,938.59'
LAT. 32.413455° N (NAD27)
LONG. 103.584455° W
X = 772,285.59' (NAD83/2011 NM E)
Y = 514,998.69'
LAT. 32.413576° N (NAD83/2011)
LONG. 103.584941° W

PROPOSED BOTTOM HOLE LOCATION
X = 731,133.20' (NAD27 NM E)
Y = 509,676.04'
LAT. 32.398989° N (NAD27)
LONG. 103.584478° W
X = 772,315.65' (NAD83/2011 NM E)
Y = 509,736.01'
LAT. 32.399110° N (NAD83/2011)
LONG. 103.584963° W

CORNER COORDINATES TABLE (NAD 27)

A	X=730754.19, Y=520241.22
B	X=732068.70, Y=520237.46
C	X=733383.21, Y=520233.70
D	X=736025.52, Y=520252.31
E	X=730772.50, Y=514937.15
F	X=732095.35, Y=514942.92
G	X=733418.21, Y=514948.69
H	X=736060.36, Y=514965.47
I	X=730803.36, Y=509648.01
J	X=732128.23, Y=509660.19
K	X=733453.10, Y=509672.38
L	X=736102.72, Y=509685.81

¹⁷ **OPERATOR CERTIFICATION**
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cindy Herrera-Murillo 07/06/2023
Signature Date

Cindy Herrera-Murillo
Printed Name

eeof@chevron.com
E-mail Address

¹⁸ **SURVEYOR CERTIFICATION**
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

06/07/2023
Date of Survey

STEVEN M. COLEMAN
Signature and Seal of Professional Surveyor:
22921
06/29/2023

Steven M. Coleman
Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-52888	² Pool Code 51687	³ Pool Name RED TANK;BONE SPRING,EAST
⁴ Property Code 335330	⁵ Property Name DL 4 9 FEDERAL	
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁶ Well Number 415H
		⁹ Elevation 3650'

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
F	4	22 SOUTH	33 EAST, N.M.P.M.		2537'	NORTH	1773'	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	22 SOUTH	33 EAST, N.M.P.M.		25'	SOUTH	2090'	WEST	LEA

¹² Dedicated Acres 480	¹³ Joint or Infill Infill	¹⁴ Consolidation Code	¹⁵ Order No. DEFINING WELL IS DL 4 9 FEDERAL 414H
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

DL 4 9 FEDERAL NO. 415H WELL
X = 732,531.14' (NAD27 NM E)
Y = 517,698.69'
LAT. 32.421014° N (NAD27)
LONG. 103.579766° W
X = 773,713.41' (NAD83/2011 NM E)
Y = 517,758.83'
LAT. 32.421135° N (NAD83/2011)
LONG. 103.580252° W

PROPOSED FIRST TAKE POINT
X = 732,848.39' (NAD27 NM E)
Y = 517,561.23'
LAT. 32.420630° N (NAD27)
LONG. 103.578741° W
X = 774,030.67' (NAD83/2011 NM E)
Y = 517,621.37'
LAT. 32.420751° N (NAD83/2011)
LONG. 103.579227° W

PROPOSED LAST TAKE POINT
X = 732,892.69' (NAD27 NM E)
Y = 509,767.23'
LAT. 32.399206° N (NAD27)
LONG. 103.578776° W
X = 774,075.17' (NAD83/2011 NM E)
Y = 509,827.18'
LAT. 32.399327° N (NAD83/2011)
LONG. 103.579261° W

PROPOSED MID POINT
X = 732,863.26' (NAD27 NM E)
Y = 514,946.27'
LAT. 32.413442° N (NAD27)
LONG. 103.578752° W
X = 774,045.61' (NAD83/2011 NM E)
Y = 515,006.35'
LAT. 32.413563° N (NAD83/2011)
LONG. 103.579238° W

PROPOSED BOTTOM HOLE LOCATION
X = 732,893.13' (NAD27 NM E)
Y = 509,692.23'
LAT. 32.398999° N (NAD27)
LONG. 103.578776° W
X = 774,075.62' (NAD83/2011 NM E)
Y = 509,752.18'
LAT. 32.399121° N (NAD83/2011)
LONG. 103.579261° W

CORNER COORDINATES TABLE (NAD 27)

A - X=730754.19, Y=520241.22
B - X=732068.70, Y=520237.46
C - X=733383.21, Y=520233.70
D - X=736025.52, Y=520252.31
E - X=730772.50, Y=514937.15
F - X=732095.35, Y=514942.92
G - X=733418.21, Y=514948.69
H - X=736060.36, Y=514965.47
I - X=730803.36, Y=509648.01
J - X=732128.23, Y=509660.19
K - X=733453.10, Y=509672.38
L - X=736102.72, Y=509685.81

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cindy Herrera-Murillo 07/16/2023
Signature Date

Cindy Herrera-Murillo
Printed Name

eeof@chevron.com
E-mail Address

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

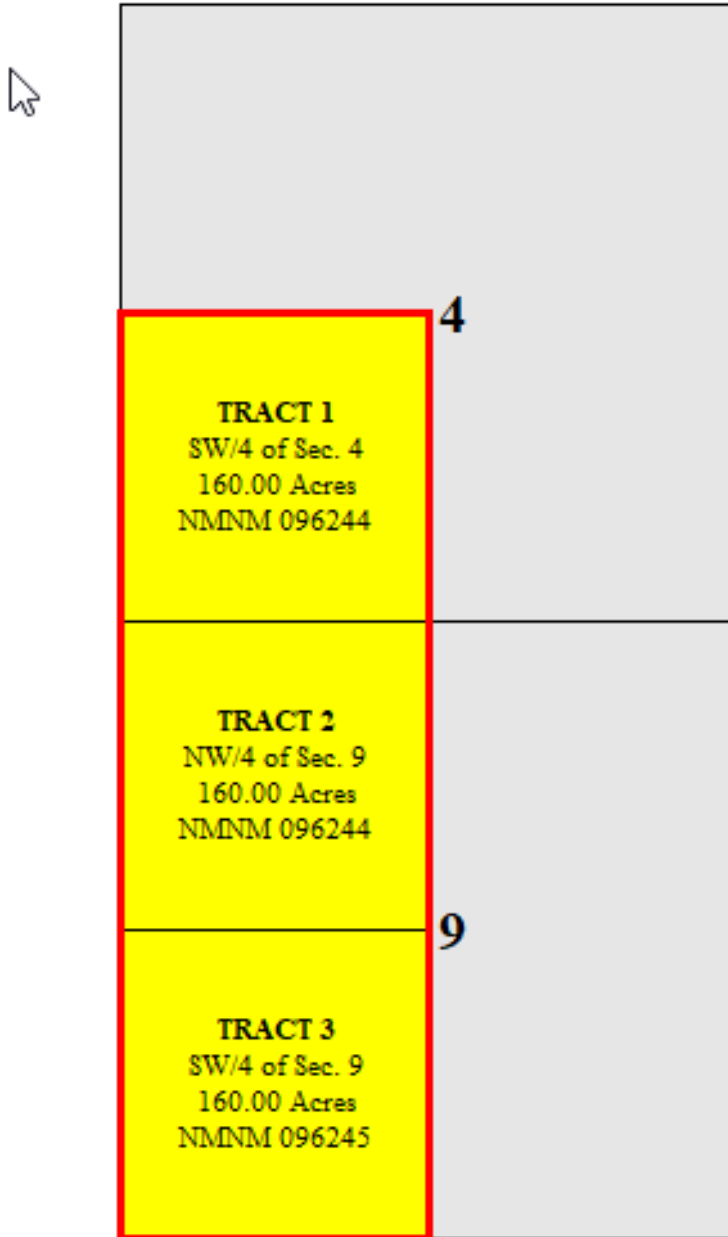
06/07/2023
Date of Survey

STEVEN M. COLEMAN
Signature and Seal of Professional Surveyor:
22921
06/29/2023


Steven M. Coleman
Certificate Number

CHEVRON CASE NO. XXXXX
DL 4 9 Federal Com P401 413H, 414H, 415H
SW/4 of Section 4, T22SR33E & W/2 of Section 9, T22SR33E
Lea County, New Mexico

WORKING INTEREST OWNERSHIP – TRACT MAP



Seeking to compulsory pool working & overriding royalty interest in Tracts 1, 2, and 3

 Federal Leasehold

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

WORKING INTEREST OWNERSHIP

Tract 1: SW/4 of Section 4, T-22-S, R-33-E, from the top of the Bone Spring to the base of the Bone Spring formation

Lease: Federal Oil and Gas Lease NMNM 096244

Chevron U.S.A. Inc.	100.000000%
Total	100.000000%

Tract 2: NW/4 of Section 9, T-22-S, R-33-E, from the top of the Bone Spring to the base of the Bone Spring formation

Lease: Federal Oil and Gas Lease NMNM 096244

Chevron U.S.A. Inc.	100.000000%
Total	100.000000%

Tract 3: SW/4 of Section 9, T-22-S, R-33-E, from the top of the Bone Spring to the base of the Bone Spring formation

Lease: Federal Oil and Gas Lease NMNM 096244

Chevron U.S.A. Inc.	100.000000%
Total	100.000000%

UNIT RECAPITULATION

Unit Description: SW/4 Section 4, and W/2 Section 9, T-22-S, R-33-E from the top of the Bone Spring to the base of the Bone Spring formation

Working Interest Owners:

Chevron U.S.A. Inc.	100.000000%
Total	100.000000%

OVERRIDING ROYALTY INTEREST OWNERS

C. Mark Wheeler
Chisos Minerals, LLC
Paul R. Barwis
John Thoma, Trustee of the Cornerstone Family Trust
CrownRock Minerals, LP
Wing Resources VI, LLC
Jareed Partners, Ltd.
Stryker Energy, LLC

Parties highlighted in yellow are being pooled.

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

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

CASE NO. 24793

SELF-AFFIRMED STATEMENT OF JASON PARIZEK

1. My name is Jason Parizek. 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 land 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 application filed by Chevron in this case, and I have conducted a geologic study of the lands in the subject area.

4. Chevron has targeted the Bone Spring Formation in this case.

5. **Chevron Exhibit D-1** is a project locator map depicting Chevron’s Dagger Lake development area.

6. **Chevron Exhibit D-2** shows a subsea structure map that I prepared on top of the Second Bone Spring sand, with a contour interval of 20 feet. The approximate wellbore paths for the proposed initial wells are depicted with solid black lines. The Bone Spring dips gently to the east-southeast and is consistent across the project area. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted intervals with horizontal wells in the area of the proposed spacing unit. The proposed spacing unit is depicted by the white box.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793**

7. **Chevron Exhibit D-3** shows cross-section A-A' consisting of four wells penetrating the Bone Spring Formation that I used to construct a stratigraphic cross-section from west to east and that is flattened on the SBL marker and this represents the base of the Second Bone Spring sand. I chose the logs from these wells to create the cross-sections because they penetrate the targeted interval, are of good quality, and are representative of the geology in the subject area. The well name of the wells used to construct the cross-section are displayed above each well. The target zones are identified by SBU_TGT2 and SBU_TGT1 as the producing interval.

8. **Chevron Exhibit D-4** is a gun barrel diagram showing Chevron's development plan. The West Line represents the western boundary of the HSU and the Mid Line represents the Eastern boundary of the HSU. The SBU represents the top of the Second Bone Spring sand and SBL represents the base of the Second Bone Spring sand.

9. **Chevron Exhibit D-5** is a gross isopach map. The Second Bone Spring wells are the black lines labeled "413H", "414H" and "415H". The proposed horizontal spacing unit is identified by the white box. The contour interval used in this exhibit is 20 feet.

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

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

12. 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.

13. **Chevron Exhibits D-1 through D-5** 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.


Jason Parizek

9/5/2024
Date

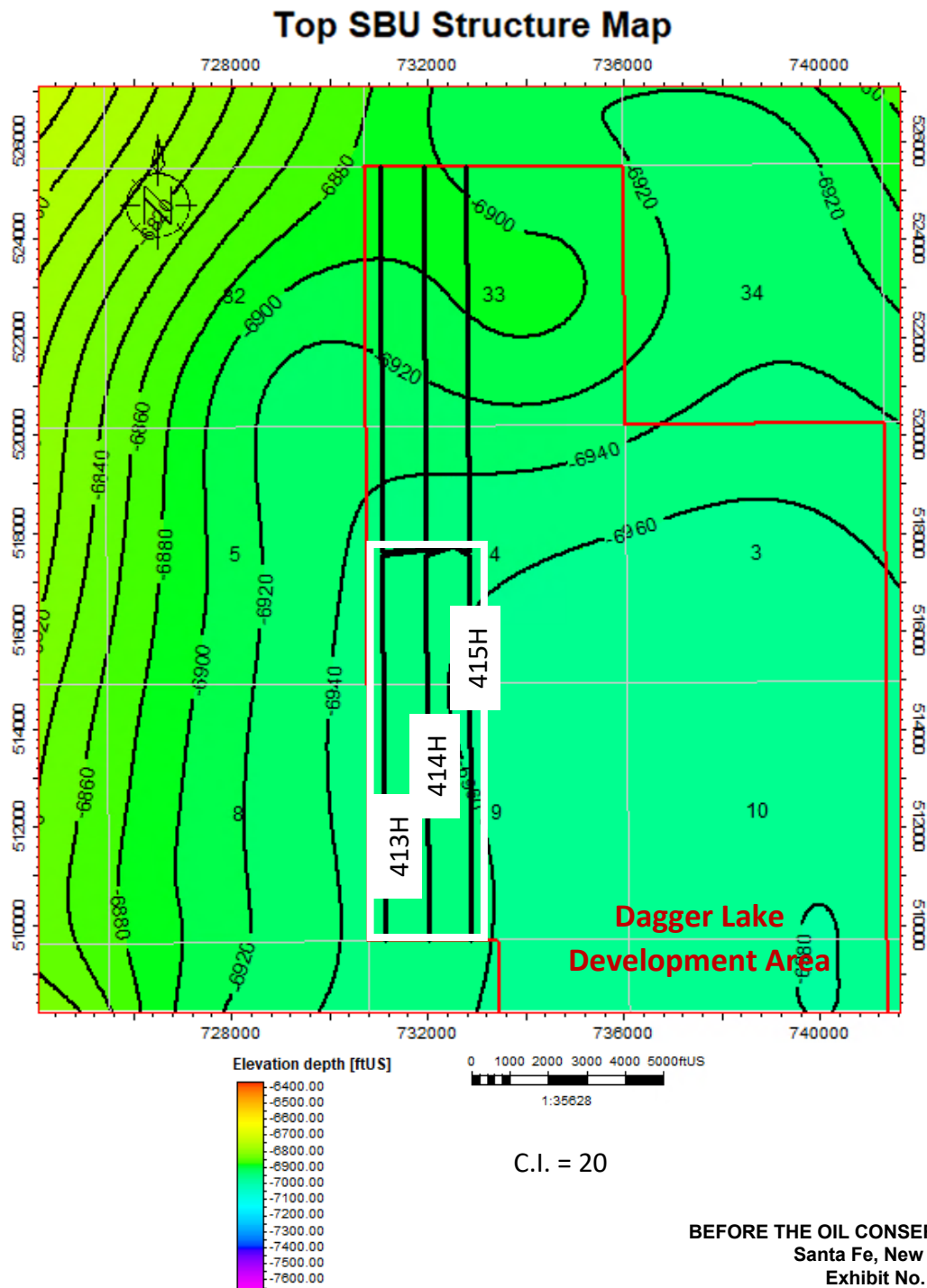
Exhibit D – 1: Location of Development Area



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-1
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

Exhibit D – 2: Second Bone Upper (SBU) Structure Map

SBU formation is dipping to the Southeast; planned wells will be drilled both to the South, and in the proposed area the depth ranges from approximately -6940 ft TVDSS at the heel to approximately -6940 ft TVDSS to the South.



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-2
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

Exhibit D – 3: Stratigraphic Cross-Section

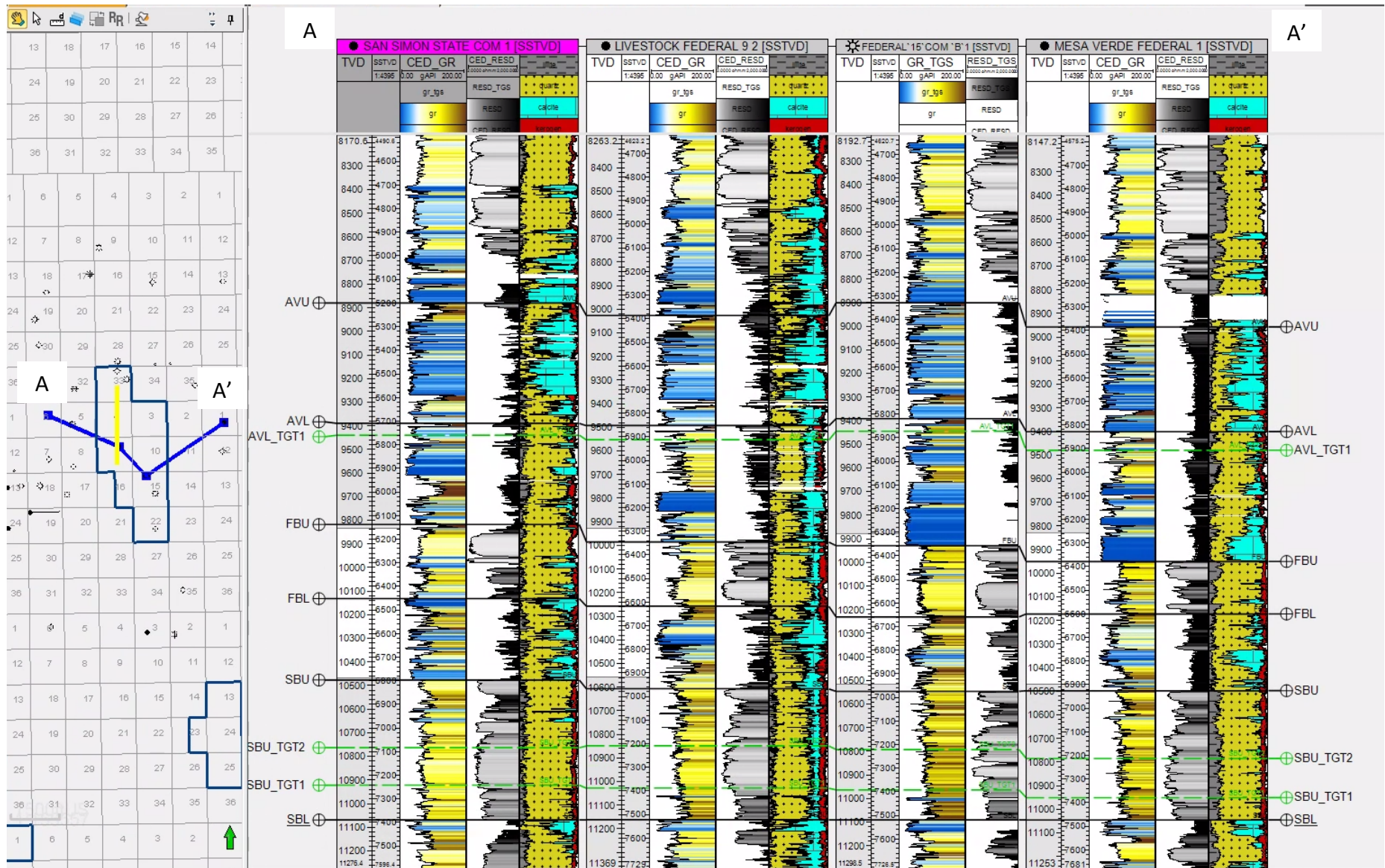
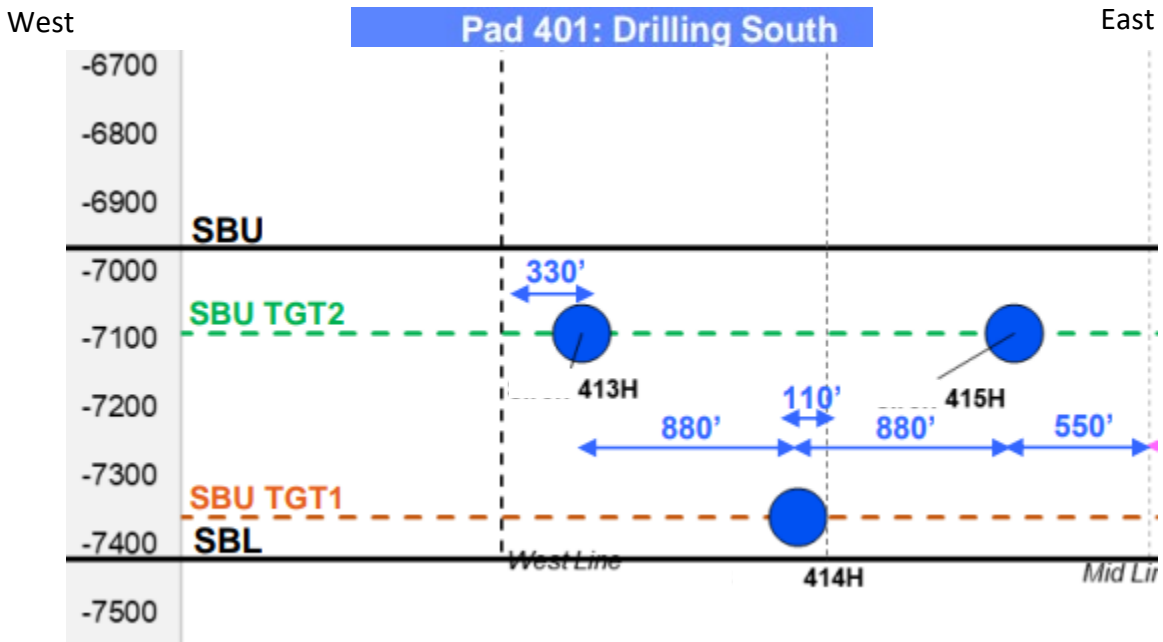


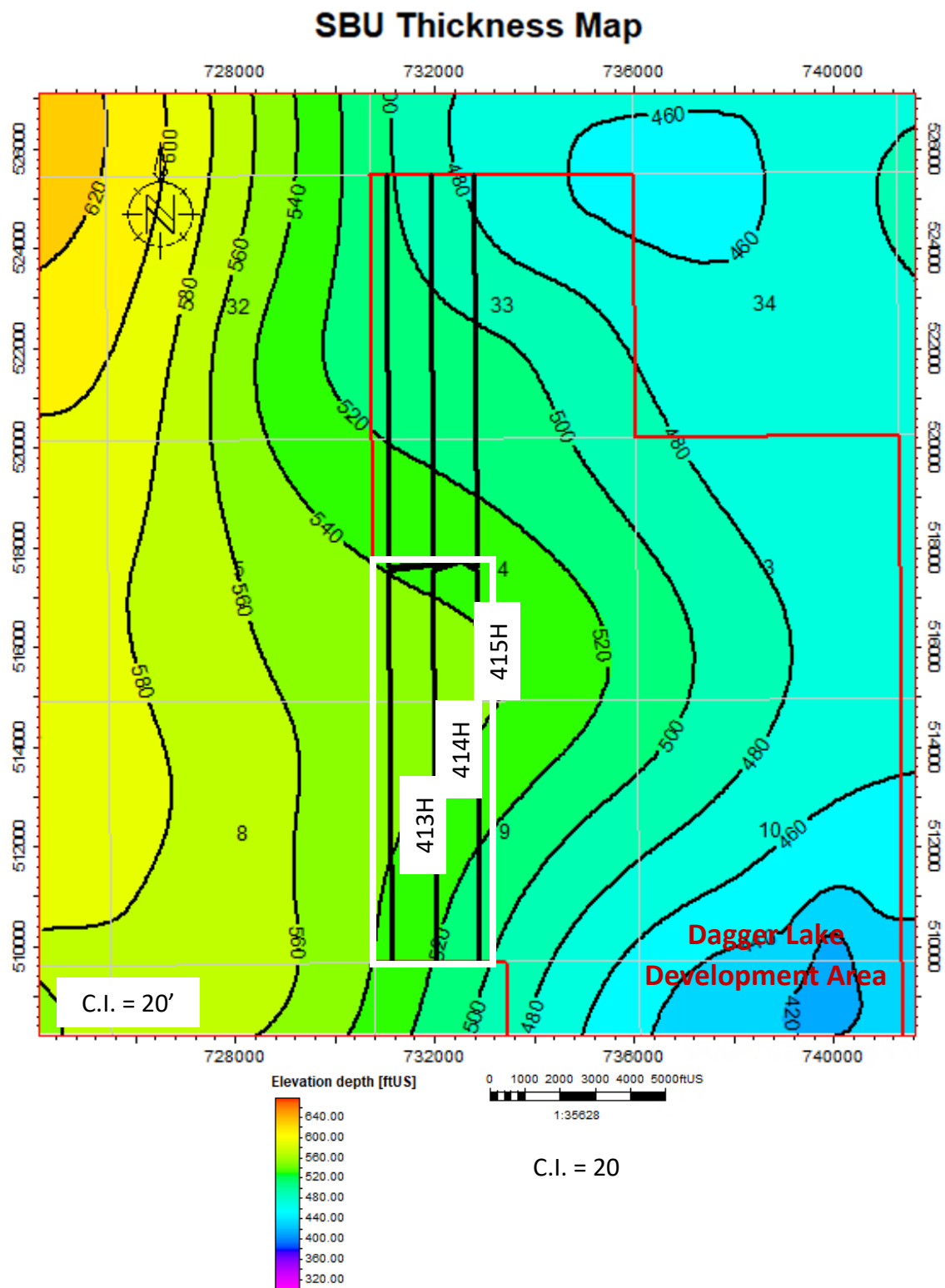
Exhibit D – 4: Gun Barrel Diagram



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-4
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

Exhibit D – 5: Second Bone Upper (SBU) Isopach Map

SBU planned wells will be drilled both to the South, and in the proposed area the thickness range is approximately 520 - 560 ft.



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

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

CASE NO. 24793

**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 August 29, 2024.

5. I caused a notice to be published to the parties subject to this compulsory pooling proceeding. The affidavit of publication from the publication’s legal clerk with a copy of the notices of 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
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793**



Paula M. Vance

9/5/2024

Date



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

August 23, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chevron U.S.A. Inc for Compulsory Pooling, Lea County, New Mexico: DL 4 9 Federal 413H, 414H, and 415H 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 September 12, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

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

If you have any questions about this matter, please contact Nicholas Angelle at (713) 372-3026 or nicholasangelle@chevron.com.

Sincerely,

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

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

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

Chevron - Dagger Lake 413H - 415H wells - Case no. 24793
Postal Delivery Report

9414811898765482552164	C. Mark Wheeler	31105 La Quinta Dr	Georgetown	TX	78628-1175	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765482552126	Chisos Minerals, LLC	1111 Bagby St Ste 301	Houston	TX	77002-2551	Your item was returned to the sender at 11:28 am on August 27, 2024 in HOUSTON, TX 77002 because the forwarding order for this address is no longer valid.
9414811898765482552102	Paul R. Barwis	1980 Split Mtn	Canyon Lake	TX	78133-5987	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765482552195	John Thoma, Trustee of the Cornerstone Family Trust	PO Box 558	Peyton	CO	80831-0558	Your item has been delivered and is available at a PO Box at 9:35 am on August 26, 2024 in PEYTON, CO 80831.
9414811898765482552140	CrownRock Minerals, LP	PO Box 51933	Midland	TX	79710-1933	Your item was picked up at a postal facility at 10:24 am on August 26, 2024 in MIDLAND, TX 79705.
9414811898765482552133	Wing Resources VI, LLC	2100 McKinney Ave Ste 1540	Dallas	TX	75201-2140	Your item was delivered to an individual at the address at 10:34 am on August 28, 2024 in DALLAS, TX 75201.
9414811898765482552171	Jareed Partners, Ltd.	PO Box 51451	Midland	TX	79710-1451	Your item was picked up at a postal facility at 11:07 am on August 28, 2024 in MIDLAND, TX 79705.
9414811898765482552317	Stryker Energy, LLC	PO Box 53448	Houston	TX	77052-3448	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Chevron U.S.A. Inc.
Hearing Date: September 12, 2024
Case No. 24793

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

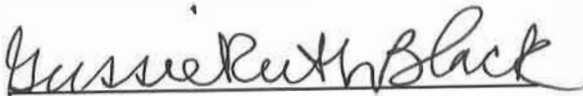
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated August 27, 2024 and ending with the issue dated August 27, 2024.



Publisher

Sworn and subscribed to before me this 27th day of August 2024.



Business Manager

My commission expires

January 29, 2027



LEGAL NOTICE August 27, 2024

Case No. 24793: Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: C. Mark Wheeler; Chisos Minerals, LLC; Paul R. Barwis; John Thoma, Trustee of the Cornerstone Family Trust; CrownRock Minerals, LP; Wing Resources VI, LLC; Jared Partners, Ltd.; Stryker Energy, LLC. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on September 12, 2024, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/oqd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in the Bone Spring formation underlying a standard 480-acre, more or less, horizontal well spacing unit comprised of the SW/4 of Section 4 and the W/2 of Section 9, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed DL 4 9 Federal 413H and DL 4 9 Federal 414H wells, to be horizontally drilled from a common surface location in the SE/4 NW/4 (Unit F) of Section 4, with first take points in the NW/4 SW/4 (Unit L) of Section 4 and last take points in the SW/4 SW/4 (Unit M) of Section 9; and DL 4 9 Federal 415H well, to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 4, with a first take point in the NE/4 SW/4 (Unit K) of Section 4 and last take point in the SE/4 SW/4 (Unit N) of Section 9. The completed interval of the DL 4 9 Federal 414H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the designation of Applicant as operator of the wells. Said area is located approximately 24 miles west of Eunice, New Mexico. #00293465

67100754

00293465

HOLLAND & HART LLC
110 N GUADALUPE ST., STE. 1
SANTA FE, NM 87501

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.