

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

**APPLICATION OF CHEVRON U.S.A.
INC. TO AMEND ORDER NO. R-21229,
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____
ORDER NO. R-21229

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 to amend Division Order No. R-21229 (“Order”) to allow for an extension of time for completion of the CB CAL 25 36 State Com 08 #303H Well under the Order. In support of its application, Chevron states:

1. Order No. R-21229, entered on April 2, 2020, in Case No. 21124, created a standard 320-acre horizontal spacing unit comprised of the E/2 W/2 of Sections 25 and 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (“Unit”), and designated Chevron as operator of the Unit.

2. The Order further pooled the uncommitted interests in the Bone Spring formation (Culebra Bluff; Bone Spring, South Pool [Pool code 15011]) in the Unit, and dedicated the Unit to the **CB CAL 25 36 State Com 08 #301H Well**, and the **CB CAL 25 36 State Com 08 #303H Well**.

3. Since the entry of the Order, Chevron’s development plans for this acreage have changed and Chevron no longer intends to drill the **CB CAL 25 36 State Com 08 #301H Well**.

4. Chevron commenced drilling the **CB CAL 25 36 State Com 08 #303H Well** on April 16, 2020.

5. Applicant requests that Order No. R-21229 be re-opened and amended to allow Applicant additional time to commence completion of the **CB CAL 25 36 State Com 08 #303H Well** under the Order.

6. Under the Order, Applicant would be required to complete the well no later than one (1) year after the commencement of drilling the well.

7. There is good cause for Applicant's request for an extension of time for the completion of the initial well, due to issues while drilling, thereby causing Chevron to delay its intended plans to complete the initial well under the Order.

8. Therefore, Chevron asks for the deadline to commence drilling the well be extended for a year, to April 16, 2022.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and, after notice and hearing as required by law, the Division enter an order extending the time for Chevron to complete the **CB CAL 25 36 State Com 08 #303H Well** under the Order.

Respectfully submitted,

HOLLAND & HARTILL

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