

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

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

CASE NO. _____

APPLICATION

Chevron U.S.A. Inc. (“Chevron” or “Applicant”) (OGRID No. 4323), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 798.97-acre, more or less, horizontal well spacing unit comprised of Lots 1-2, S/2 NE/4, and SE/4 (E/2 equivalent) of irregular Section 2, E/2 of Section 11, and NE/4 of Section 14, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, Chevron states:

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

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Culebra Bluff 14 2 Federal Com 404H** (API No. 30-015-58070), **Culebra Bluff 14 2 Federal Com 504H** (API No. 30-015-58074), and **Culebra Bluff 14 2 Federal Com 704H** (API No. 30-015-58080) wells, all to be horizontally drilled from surface locations in the SE/4 NW/4 (Unit F) of Section 14, with first take points in the SW/4 NE/4 (Unit G) of Section 14, and last take points in Lot 2 (NW/4 NE/4 equivalent) of irregular Section 2; and **Culebra Bluff 14 2 Federal Com 405H** (API No. 30-015-58071), **Culebra Bluff 14 2 Federal Com 505H** (API No. 30-015-58072) and **Culebra Bluff 14 2 Federal Com 705H** (API No. 30-015-58073) wells, all to be horizontally drilled from surface locations in the SW/4 NE/4 (Unit G) of Section 14, with first take points in the SE/4

NE/4 (Unit H) of Section 14, and last take points in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 2.

3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.


4. The pooling of the uncommitted interest owners 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 the August 6, 2026, hearing docket and after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. 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,

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ATTORNEYS FOR CHEVRON U.S.A. INC.

CASE _____: **Application of Chevron U.S.A. Inc. for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 798.97-acre, more or less, horizontal well spacing unit comprised of Lots 1-2, S/2 NE/4, and SE/4 (E/2 equivalent) of irregular Section 2, E/2 of Section 11, and NE/4 of Section 14, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed **Culebra Bluff 14 2 Federal Com 404H** (API No. 30-015-58070), **Culebra Bluff 14 2 Federal Com 504H** (API No. 30-015-58074), and **Culebra Bluff 14 2 Federal Com 704H** (API No. 30-015-58080) wells, all to be horizontally drilled from surface locations in the SE/4 NW/4 (Unit F) of Section 14, with first take points in the SW/4 NE/4 (Unit G) of Section 14, and last take points in Lot 2 (NW/4 NE/4 equivalent) of irregular Section 2; and **Culebra Bluff 14 2 Federal Com 405H** (API No. 30-015-58071), **Culebra Bluff 14 2 Federal Com 505H** (API No. 30-015-58072) and **Culebra Bluff 14 2 Federal Com 705H** (API No. 30-015-58073) wells, all to be horizontally drilled from surface locations in the SW/4 NE/4 (Unit G) of Section 14, with first take points in the SE/4 NE/4 (Unit H) of Section 14, and last take points in Lot 1 (NE/4 NE/4 equivalent) of irregular Section 2. Also, to be considered will be the designation of Applicant as operator of the wells. Said area is located approximately 21 miles southeast of Loving, New Mexico.