

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Deana M. Bennett
deana.bennett@modrall.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 9000

**Chevron U.S.A., Inc. [OGRID 4323]
CO 3 10 Federal Com Well No. 617H
API No. 30-025-53546**

Reference is made to your application received on June 10th, 2025.

Proposed Location

| | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 172 FNL & 2423 FEL | B | 03 | 25S | 32E | Lea |
| First Take Point | 25 FNL & 1430 FEL | B | 03 | 25S | 32E | Lea |
| Last Take Point/ Terminus | 25 FSL & 1430 FEL | O | 10 | 25S | 32E | Lea |

Proposed Horizontal Units

| Description | Acres | Pool | Pool Code |
|--------------------|--------------|-------------------------|------------------|
| E/2 Section 03 | 639.87 | Wildcat; Upper Wolfcamp | 98270 |
| E/2 Section 10 | | | |

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line

Administrative Order NSL – 9000
Chevron U.S.A., Inc.
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perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet within the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 25 feet to the northern and southern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 34, encroachment to the SW/4 SE/4
Section 15, encroachment to the NW/4 NE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location for the greatest recovery of reserves from the unit to prevent waste and protect the correlative rights within the Wolfcamp formation underlying the E/2 Section 03 and the E/2 Section 10.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.



Albert C.S. Chang
Division Director
AC/lrl

Date: 7/3/2025

State of New Mexico
Energy, Minerals and Natural Resources Department

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Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Gerasimos "Gerry" Razatos
Division Director (Acting)
Oil Conservation Division



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Chevron U.S.A., Inc.
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Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

Albert Chang
Division Director
AC/lrl

Date: _____

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 472940

CONDITIONS

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|--|--|
| Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706 | OGRID: 4323 |
| | Action Number: 472940 |
| | Action Type: [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 6/18/2025 |