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

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

CASE NOS. 21240, 21241, 21244, & 21245



July 9, 2020

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# Tab L

#### **EXHIBIT L**

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

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

CASE NOS. 21240, 21241, 21244, & 21245

#### **AFFIDAVIT OF SHALYCE HOLMES**

STATE OF TEXAS	)
	) ss
COUNTY OF HARRIS	)

SHALYCE HOLMES, being duly sworn, deposes and states:

- 1. I am over the age of 18, I am a Land Representative for CHEVRON U.S.A. INC. ("Chevron") and have personal knowledge of the matters stated herein. I have previously been qualified by the Oil Conservation Division ("Division") as an expert in petroleum land matters.
- 2. I submit the following information pursuant to NMAC 19.15.4.12.A.(1) in support of the above-referenced compulsory pooling applications.
- 3. The purpose of these applications is to compulsorily pool mineral interest owners into the horizontal spacing and proration units described below, and in the wells to be drilled within each unit.
- 4. Upon information and belief, at the time of the filing of this Affidavit no opposition is expected to Chevron's applications in the above-referenced matters. The mineral interest owners being pooled have been contacted regarding the proposed wells and units, but to date have either failed to voluntarily commit their interest in the wells or have been non-responsive.
  - 5. A copy of a general location plat is attached hereto as **Exhibit L-1**.
  - 6. Case Nos. 21240 and 21244 involve requests for orders from the Division for

compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring horizontal spacing units described below, and in the wells to be drilled in those horizontal spacing units.

- 7. Case Nos. 21241 and 21245 involve requests for orders from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Wolfcamp horizontal spacing units described below, and in the wells to be drilled in those horizontal spacing units.
- 8. Prior to filing its applications Chevron made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.
- 9. Chevron identified all of the working interest, unleased mineral interests and overriding royalty interest owners from a Leasehold Ownership Report. To locate interest owners Chevron conducted a diligent search of the public records in the county where the wells will be located, and conducted phone directory and internet searches to locate contact information for the parties entitled to notice. On February 26, 2020, I sent all working interest owners well proposals via certified mail, return receipt requested, including an Authorization for Expenditure for each well proposed and a proposed form of Operating Agreement upon request.
- a letter providing notice of hearing and a copy of each application were provided to all mineral interest owners (i.e. working interest owners, leased mineral interest owners, and overriding royalty interest owners) within each of the proposed spacing units as required by Division Rules NMAC 19.15.4.12 A. (1). Attached to Exhibit L-2 is a copy of the notice letters sent to the mineral interest owners, together with copies of the proof of receipts therefor. As to Case No. 21244 and the proposed DL 10 3 Morag Fed Com 505H well to be drilled at an unorthodox location, notice was also provided to all affected parties as required by Division Rules NMAC 19.15.4.12 A. (2).

Also attached to **Exhibit L-2** is a copy of the notice letter sent to the parties affected by the unorthodox location, together with copies of the proof of receipts therefor.

- 11. Working interest ownership is uniform throughout all four of the spacing and proration units proposed in the referenced applications.
- 12. As reflected in the Affidavit of Publication included in the submittals for these cases as **Exhibit L-3**, notice was published as to all mineral interest owners in each of the proposed spacing units, including the unlocatable mineral interest owners identified in the spreadsheet attached to the Attorney's Affidavit of Notice, **Exhibit L-2**.
- 13. Chevron contacted the interest owners being pooled regarding the proposed wells. The pooled working interest owners have failed or refused to voluntarily commit their interest in the wells. Of the owners of interests within the units proposed in Case Nos. 21240, 21241, 21244 and 21245 (hereinafter "Northern Units"), EOG Resources, Inc. is the only owner of an interest in the Northern Units to have entered an appearance in these cases.
- 14. Leasehold within these units is comprised of four federal leases. Following entry of an order of the Division granting these applications appropriate communitization agreements will be circulated for approval.
- 15. There are no depth severances within the Bone Spring formation in any of the proposed spacing units.
- 16. There are no depth severances within the Wolfcamp formation in any of the proposed spacing units.

- 17. In my opinion, Chevron has made a good faith effort to obtain voluntary joinder of the other working interest owners in the proposed wells.
- 18. Following is a description of the facts supporting each of the compulsory pooling applications in the above-referenced cases.
  - a. **Exhibit L-4,** which is a sample well proposal letter sent to each of the working interest owners seeking their voluntary participation in the proposed wells that provides overhead and administrative rates of \$7,000/month during drilling and \$700/month while producing; and
  - b. **Exhibit L-5**, which is a summary of communications with the non-joined working interest owners with respect to the proposed wells and corresponding applications, demonstrating Chevron's good faith attempts to obtain voluntary agreement for development of the application lands.

#### 19. Case No. 21240

- In its application Chevron seeks an order from the Division pooling all uncommitted interests the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 3 and E/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following four proposed initial wells, all of which will be horizontally drilled from a common surface location in the SW/4SE/4 (Unit O) of Section 10. The bottom hole location of the DL 10 3 Morag Fed Com 210H well will be in the NW/4NE/4 (Unit B) and the bottom hole location of the DL 10 3 Morag Fed Com 211H well, the DL 10 3 Morag Fed Com 212H well and the DL 10 3 Morag Fed Com 506H well will be in the NE/4NE/4 (Unit A) of Section 3. Applicant plans to drill the proposed wells at issue in Case No. 21240 as part of a simultaneous drilling and completion project, and therefore requests an extension of the period for drilling and completing the initial well such that one of the proposed wells be drilled and completed within 2 years after the date of the Division Order granting the application. The Application is attached hereto as Exhibit L-6.
- b. Attached as **Exhibit L-7** are the C-102s for the proposed wells at issue in Case No. 21240. The wells will develop the Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring pool. The completed intervals of these wells will comply with statewide setback requirements, as the first and last take points will be no closer than 100' from the proposed unit boundary and the completed interval will be no closer than 330' from the proposed unit boundary.
- c. Attached as Exhibit L-8 is a lease tract map outlining the tracts in the proposed unit at issue in Case No. 21240; a list of the working interest owners in the proposed unit with their respective percentage of interest, and a list of overriding royalty interest owners in the proposed unit. The names of the parties being pooled are shown in **bold** print.

d. Attached as Exhibit L-9 is the Authorization for Expenditure for each of the proposed wells at issue in Case No. 21240. The estimated costs reflected in each Authorization for Expenditure are fair, reasonable and comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

#### 20. Case No. 21241

- In its application Chevron seeks an order pooling all uncommitted interests in the a. Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 3 and E/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following three proposed initial wells, all of which will be horizontally drilled from a common surface location in the SW/4SE/4 (Unit O) of Section 10. The bottom hole locations of the DL 10 3 Morag Fed Com 610H well and the DL 10 3 Morag Fed Com 611H will be in the NW/4NE/4 (Unit B) of Section 3, and the bottom hole location of the DL 10 3 Morag Fed Com 612H well will be in the NE/4NE/4 (Unit A) of Section 3. Applicant plans to drill the proposed wells at issue in Case No. 21241 as part of a simultaneous drilling and completion project, and therefore requests an extension of the period for drilling and completing the initial well such that one of the proposed wells be drilled and completed within 2 years after the date of the Division Order granting the application. The Application is attached hereto as Exhibit L-10.
- b. Attached as **Exhibit L-11** are the C-102s for the proposed wells at issue in Case No. 21241. The wells will develop the WCA: WC-025 G-10 S213328O pool. The completed intervals of these wells will comply with statewide setback requirements, as the first and last take points will be no closer than 100' from the proposed unit boundary and the completed interval will be no closer than 330' from the proposed unit boundary.
- c. Attached as Exhibit L-12 is a lease tract map outlining the tracts in the proposed unit at issue in Case No. 21241; a list of the working interest owners in the proposed unit with their respective percentage of interest, and a list of overriding royalty interest owners in the proposed unit. The names of the parties being pooled are shown in **bold** print.
- d. Attached as Exhibit L-13 is the Authorization for Expenditure for each of the proposed wells at issue in Case No. 21241. The estimated costs reflected in each Authorization for Expenditure are fair, reasonable and comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

#### 21. Case No. 21244

a. In its application Chevron seeks an order (1) pooling all uncommitted interests in

the Bone Spring formation (Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3 and W/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M., and (2) approving a non-standard location for one of the initial wells, the **DL 10 3 Morag Fed Com 505H** well. Applicant plans to drill the proposed wells at issue in Case No. 21244 as part of a simultaneous drilling and completion project, and therefore requests an extension of the period for drilling and completing the initial well such that one of the proposed wells be drilled and completed within 1 year after the date of the Division Order granting the application. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following five proposed initial wells:

- DL 10 3 Kraken Fed Com 207H well to be drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.
- DL 10 3 Kraken Fed Com 208H well to be drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.
- DL 10 3 Kraken Fed Com 209H well to be drilled from a surface location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NE/4NW/4 of Section 3.
- DL 10 3 Kraken Fed Com 504H well to be drilled from a surface location in the SW/4SE/4 (Unit O) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.
- **DL 10 3 Morag Fed Com 505H** well to be drilled from a surface location in the SW/4SE/4 (Unit O) of Section 10 to a bottom hole location in the NE/4NW/4 of Section 3. The completed interval of this well will be at an unorthodox location 78 feet from the east boundary of the proposed spacing unit, thereby encroaching on the acreage to the east of the proposed spacing unit. The last take points of the completed interval to the north and south will be orthodox. The Application is attached hereto as **Exhibit L-14**.
- b. Attached as **Exhibit L-15** are the C-102s for the proposed wells at issue in Case No. 21244. The wells will develop the Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring pool. With the exception of the **DL 10 3 Morag Fed Com 505H** well the completed intervals of these wells will comply with statewide setbacks., as the first and last take points will be no closer than 100' from the proposed unit boundary and the completed interval will be no closer than 330' from the proposed unit boundary. The completed interval of the **DL 10 3 Morag Fed Com 505H** well will be at an unorthodox location 78 feet from the east boundary of the proposed spacing unit, thereby encroaching on the

- acreage to the east of the proposed spacing unit. The last take points of the completed interval to the north and south will be orthodox.
- c. Attached as **Exhibit L-16** is a lease tract map outlining the tracts in the proposed unit at issue in Case No. 21244; a list of the working interest owners in the proposed unit with their respective percentage of interest, and a list of overriding royalty interest owners in the proposed unit. The names of the parties being pooled are shown in **bold** print. The mineral and working interest ownership in the E/2 of Sections 3 and 10 is identical to the mineral and working interest ownership in the W/2 of Sections 3 and 10. Correlative rights will not be harmed by the unorthodox location for the DL 10 3 Morag Fed Com 505H well.
- d. Attached as **Exhibit L-17** is the Authorization for Expenditure for each of the proposed wells at issue in Case No. 21244. The estimated costs reflected in each Authorization for Expenditure are fair, reasonable and comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

#### 22. <u>Case No. 21245</u>

- In its application seeks an order pooling all uncommitted interests in the Wolfcamp a. formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3 and W/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following three proposed initial wells, all of which will be horizontally drilled from a common surface location in the SE/4SW/4 (Unit N) of Section 10. The bottom hole locations of the DL 10 3 Kraken Fed Com 607H well and the DL 10 3 Kraken Fed Com 608H will be in the NW/4NW/4 (Unit D) of Section 3, and the bottom hole location of the DL 10 3 Kraken Fed Com 609H well will be in the NE/4NW/4 (Unit C) of Section 3. Applicant plans to drill the proposed wells at issue in Case No. 21245 as part of a simultaneous drilling and completion project, and therefore requests an extension of the period for drilling and completing the initial well such that one of the proposed wells be drilled and completed within 2 years after the date of the Division Order granting the application. The Application is attached hereto as Exhibit L-18.
- b. Attached as **Exhibit L-19** are the C-102s for the proposed wells at issue in Case No. 21245. The wells will develop the WCA: WC-025 G-10 S213328O pool. The completed intervals of these wells will comply with statewide setback requirements, as the first and last take points will be no closer than 100' from the proposed unit boundary and the completed interval will be no closer than 330' from the proposed unit boundary.
- c. Attached as Exhibit L-20 is a lease tract map outlining the tracts in the proposed unit at issue in Case No. 21245; a list of the working interest owners in the proposed unit with their respective percentage of interest, and a list of overriding royalty interest owners in the proposed unit. The names of the parties being pooled are

shown in **bold** print.

- d. Attached as Exhibit L-21 is the Authorization for Expenditure for each of the proposed wells at issue in Case No. 21245. The estimated costs reflected in each Authorization for Expenditure are fair, reasonable and comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
- 23. Chevron requests overhead and administrative rates of \$7000/month for drilling a well and \$700/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern New Mexico.
- 24. Chevron requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
- 25. Chevron requests that overriding royalty interest owners in each of the proposed units be pooled.
- 26. Chevron requests that it be designated operator of all of the spacing units at issue in the above-referenced cases, and the wells drilled thereon.
- 27. The attachments to this affidavit were prepared by me, under my direction or compiled from company business records.
- 28. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.
- 29. Based on my knowledge of land matters, in my expert opinion, the granting of Chevron's applications in these cases is in the interests of conservation, the prevention of waste and protection of correlative rights.

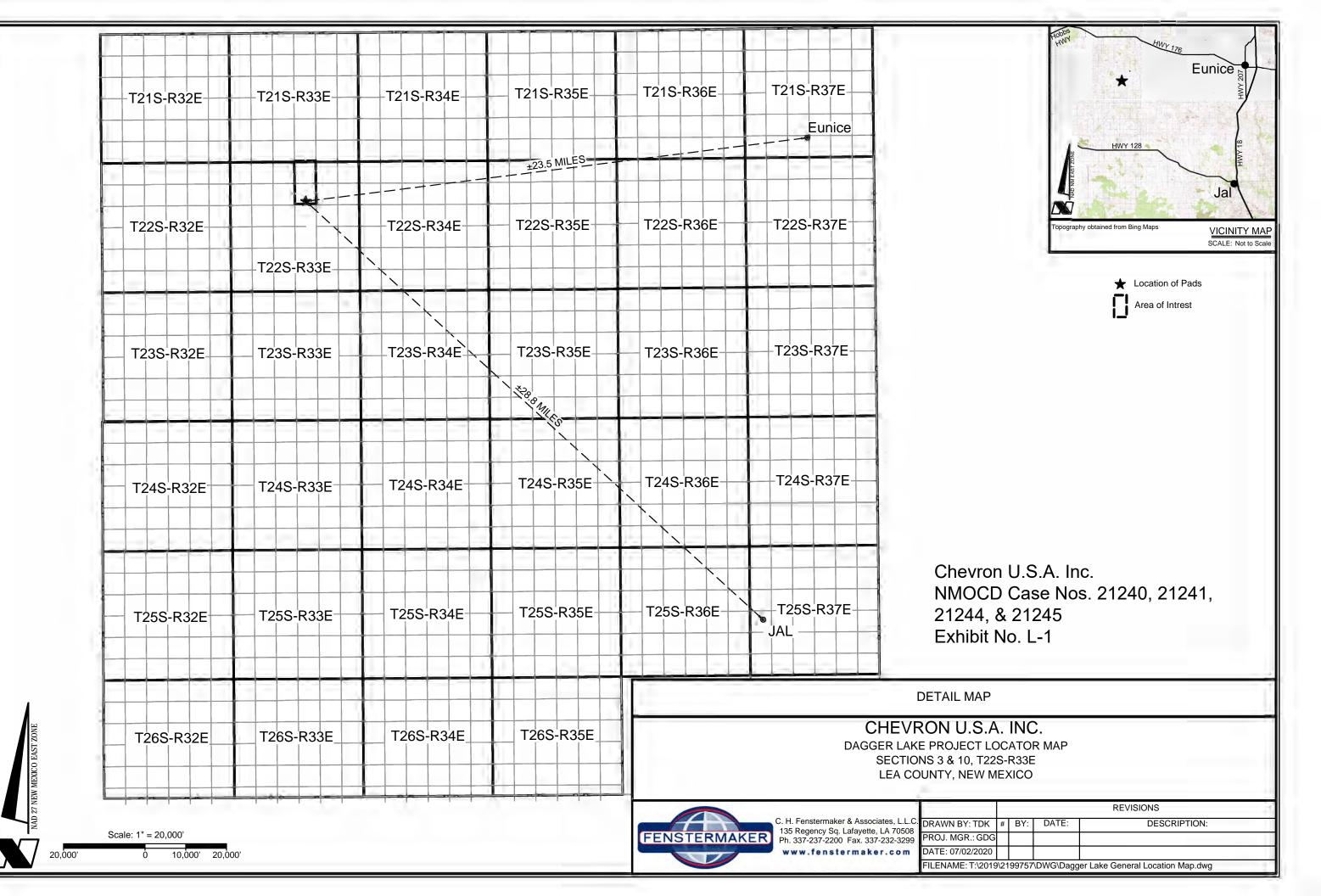
SHALY CE HOLMES

SUBSCRIBED AND SWORN to before me this Uth day of July, 2020, by SHALYCE HOLMES on behalf of Chevron U.S.A. Inc.

Notary Public

My Commission Expires: 11-4-2020

BRITTANY WESLEY
My Notary ID # 130890696
Expires November 4, 2020



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

APPLICATION OF CHEVRON U.S.A. INC.

FOR COMPULSORY POOLING,

LEA COUNTY, NEW MEXICO

CASE NOS. 21240, 21241, 21244, & 21245

#### **ATTORNEY'S AFFIDAVIT OF NOTICE**

COUNTY OF SANTA FE	)	
	)	SS
STATE OF NEW MEXICO	)	

Candace Callahan, attorney in fact and authorized representative of Chevron U.S.A. Inc., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under the notice letters and proof of receipts attached hereto as Exhibit "A" to all mineral interest owners entitled to notice under the notice provisions of Division Rules NMAC 19.15.4.12.A. (1) and (2). The interest owners who were unlocatable are identified in the attached Exhibit "B". Notice was also provided to all mineral interest owners entitled to notice by publication in the Albuquerque Journal on May 29, 2020, as reflected in Exhibit L-03.

Candace Callahan

Votary Public

SUBSCRIBED AND SWORN TO before me this day of July, 2020, by Candace Callahan.

My Commission Expires:

Official Seal
LEANDRA C. VARELA
Notary Public
State of New Mexico
My Commission Expires

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-2

#### **EXHIBIT A** (21240, 21241, 21245)

#### BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 500 DON GASPAR AVENUE SANTA FE, NEW MEXICO 87505 TELEPHONE (505) 983-8545 FACSIMILE (800) 886-6566 www.bwenergylaw.com

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NEW MEXICO

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WYOMING

WYOMING

CANDACE CALLAHAN

DIRECT: (505) 983-8764

E-MAIL: CCALLAHAN@BWENERGYLAW.COM

April 10, 2020

#### VIA CERTIFIED MAIL-RETURN RECEIPT

#### To: ALL INTEREST OWNERS ON THE ATTACHED LIST

Re: NMOCD Case No. 21240 – Application of Chevron U.S.A., Inc. for Compulsory Pooling, Lea County, New Mexico – DL 10 3 Morag Fed Com 210H, 211H, 212H and 506H (E/2 of Sections 3 and 10; Bone Spring formation)

NMOCD Case No. 21241 – Application of Chevron U.S.A., Inc. for Compulsory Pooling, Lea County, New Mexico – DL 10 3 Morag Fed Com 610H, 611H and 612H (E/2 of Sections 3 and 10; Wolfcamp formation)

NMOCD Case No. 21245 - Application of Chevron U.S.A., Inc. for Compulsory Pooling, Lea County, New Mexico – DL 10 3 Kraken Fed Com 607H, 608H and 609H (W/2 of Sections 3 and 10; Wolfcamp formation)

#### Dear Interest Owner:

This letter is to advise you that Chevron U.S.A., Inc. has filed the enclosed applications for compulsory pooling with the New Mexico Oil Conservation Division. These applications will be set for hearing before a Division Examiner at 8:15 a.m. on April 30, 2020. Although ordinarily the hearing would be held in the Oil Conservation Division's Santa Fe offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, during the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on April 30, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD hearings website: <a href="http://www.emnrd.state.nm.us/OCD/announcements.html">http://www.emnrd.state.nm.us/OCD/announcements.html</a>. You are not required to attend this hearing, but as an interest owner in the well unit you may be affected by this application, and you may appear and present testimony. Failure to appear at that time and become a part of record will preclude you from challenging the matter at a later date.

All Interest Owners on the Attached List April 10, 2020 Page 2

If you have any questions about this matter, please contact either me or Stephen Pesce at SPesce@chevron.com.

Very truly yours,

Candace Callahan

Attorneys for Chevron U.S.A., Inc.

Enclosures: as stated.

### **EXHIBIT A** (21240, 21241, 21245) **LIST OF OWNERS**

#### WORKING INTEREST AND UNLEASED MINERAL INTEREST OWNERS

EOG RESOURCES 5509 CHAMPIONS DRIVE MIDLAND, TX 79706

UTI ENERGY 16800 GREENSPOINT PARK,SUITE 225N HOUSTON, TX 77060

TAP ROCK RESOURCES LLC 602 PARK POINT DRIVE, SUITE 200 GOLDEN, CO 80401

BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE AUSTIN, TX 78735

THE FAMILY TRUST U/W/O RICHARD KEVIN BARR 8027 CHALK KNOLL DRIVE AUSTIN, TX 78735

#### OVERRIDING ROYALTY INTERESTS OWNERS

CHISOS MINERALS, LLC 1111 BAGBY STREET, SUITE 2150 HOUSTON, TX 77060

PAUL R. BARWIS 2201 SOUTHAMPTON LANE MIDLAND, TX 79705

CROWNROCK MINERALS, L.P. P.O. BOX 51933 MIDLAND, TX 79710

THE CORNERSTONE FAMILY TRUST P.O. BOX 17656 GOLDEN, CO 80402

C. MARK WHEELER AND HIS WIFE, J'LYNN WHEELER P.O. BOX 248 ROUND ROCK, TX 78680

JAREED PARTNERS, LTD. 2407 BELLECHASE COURT MIDLAND, TX 79705

MADISON M. HINKLE P.O. BOX 2292 ROSWELL, NM 88202

ROLLA HINKLE P.O. BOX 2992 ROSWELL, NM 88202

MUSTANG OIL & GAS, LLC P.O. BOX 412 ROSWELL, NM 88202

NEW TEX OIL COMPANY 901 SOUTH CECIL STREET HOBBS, NM 88240

TAP ROCK MINERALS, LP 602 PARK POINT DRIVE, SUITE 200 GOLDEN, CO 80401

#### **ROYALTY OWNER**

UNITED STATES OF AMERICA BUREAU OF LAND MANAGEMENT 301 DINOSAUR TRAILL SANTA FE, NM 87508

#### EXHIBIT A (21244)

#### BEATTY & WOZNIAK, P.C.

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CANDACE CALLAHAN

DIRECT: (505) 983-8764

E-MAIL: CCALLAHAN@BWENERGYLAW.COM

April 10, 2020

#### VIA CERTIFIED MAIL-RETURN RECEIPT

To: ALL INTEREST OWNERS WITHIN THE PROPOSED SPACING UNIT AND OFFSETTING LESSEES AND UNLEASED MINERAL INTEREST OWNERS IDENTIFIED ON THE ATTACHED LIST

Re: NMOCD Case No. 21244 – Application of Chevron U.S.A., Inc. for Compulsory Pooling and Approval of a Non-Standard Well Location, Lea County, New Mexico – DL 10 3 Kraken Fed Com 207H, 208H, 209H, 504H, and DL 10 3 Morag Fed Com 505H (W/2 of Sections 3 and 10; Bone Spring formation)

#### Dear Interest Owner:

This letter is to advise you that Chevron U.S.A., Inc. has filed the enclosed application for compulsory pooling with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on April 30, 2020. Although ordinarily the hearing would be held in the Oil Conservation Division's Santa Fe offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, during the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on April 30, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, posted the instructions on the OCD hearings website: see http://www.emnrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but as an interest owner in the well unit you may be affected by this application, and you may appear and present testimony. Failure to appear at that time and become a part of record will preclude you from challenging the matter at a later date.

If on the attached list you are only identified as an Offset Owner, your interests are not being pooled under this application; however, as a lessee or unleased mineral interest owner in an offsetting tract or tracts affected by the non-standard well location, you are entitled to notice of this application.

All Interest Owners on the Attached List April 10, 2020 Page 2

A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a Pre-Hearing Statement four days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address or electronically addressed to OCD.Hearings@state.nm.us. The statement should include: the names of the party and its attorney; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned and to the persons listed on Exhibit A.

If you have any questions about this matter, please contact either me or Stephen Pesce at SPesce@chevron.com.

Very truly yours,

Candace Callahan

Attorneys for Chevron U.S.A., Inc.

Enclosures: as stated.

#### **EXHIBIT** A (21244) **LIST OF OWNERS**

#### WORKING INTEREST & UNLEASED MINERAL INTEREST OWNERS

EOG RESOURCES 5509 CHAMPIONS DRIVE MIDLAND, TX 79706

UTI ENERGY 16800 GREENSPOINT PARK,SUITE 225N HOUSTON, TX 77060

TAP ROCK RESOURCES LLC 602 PARK POINT DRIVE, SUITE 200 GOLDEN, CO 80401

BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE AUSTIN, TX 78735

THE FAMILY TRUST U/W/O RICHARD KEVIN BARR 8027 CHALK KNOLL DRIVE AUSTIN, TX 78735

#### OFFSET LESSEES OR OFFSET UNLEASED MINERAL INTEREST OWNERS

CHEVRON NORTH AMERICA EXPLORATION AND PRODUCTION 1400 SMITH HOUSTON, TX 77002

EOG RESOURCES 5509 CHAMPIONS DRIVE MIDLAND, TX 79706

UTI ENERGY 16800 GREENSPOINT PARK,SUITE 225N HOUSTON, TX 77060

TAP ROCK RESOURCES LLC 602 PARK POINT DRIVE, SUITE 200 GOLDEN, CO 80401

BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE AUSTIN, TX 78735

THE FAMILY TRUST U/W/O RICHARD KEVIN BARR 8027 CHALK KNOLL DRIVE AUSTIN, TX 78735

#### OVERRIDING ROYALTY INTERESTS OWNERS

CHISOS MINERALS, LLC 1111 BAGBY STREET, STE 2150 HOUSTON, TX 77060

PAUL R. BARWIS 2201 SOUTHAMPTON LANE MIDLAND, TX 79705

CROWNROCK MINERALS, L.P. P.O. BOX 51933 MIDLAND, TX 79710

THE CORNERSTONE FAMILY TRUST P.O. BOX 17656 GOLDEN, CO 80402

C. MARK WHEELER AND HIS WIFE, J'LYNN WHEELER P.O. BOX 248 ROUND ROCK, TX 78680 JAREED PARTNERS, LTD. 2407 BELLECHASE COURT MIDLAND, TX 79705

MADISON M. HINKLE P.O. BOX 2292 ROSWELL, NM 88202

ROLLA HINKLE P.O. BOX 2992 ROSWELL, NM 88202

MUSTANG OIL & GAS, LLC P.O. BOX 412 ROSWELL, NM 88202

NEW TEX OIL COMPANY 901 SOUTH CECIL STREET HOBBS, NM 88240

TAP ROCK MINERALS, LP 602 PARK POINT DRIVE, STE 200 GOLDEN, CO 80401

#### ROYALTY OWNER

UNITED STATES OF AMERICA BUREAU OF LAND MANAGEMENT 301 DINOSAUR TRAILL SANTA FE, NM 87508















347	U.S. Postal Service <sup>™</sup> CERTIFIED MAIL <sup>®</sup> RECEIPT Domestic Mail Only	
m	For delivery information, visit our website at www.usps.com	
9068	OFFICIAL USE	
1000	Extra Services & Fees princition, and its as appropriate)    Return Receipt (electronic) \$   Postmark     Certified Mail Restricted Delivery \$   Here     Adult Signature Required \$     Adult Signature Restricted Delivery \$	
228	Postage  Total Post  NM 21244	
5	EOG RESOURCES INC	
5	5509 CHAMPIONS DRIVE MIDLAND, TX 79706	
	PS Form duou, reprintors rate administration	dions





ENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature  Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery	3273	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT  Domestic Mail Only  For delivery information, visit our website at www.usps.com
Article Addressed to:	D. Is delivery address different from item 1?   Yes	8	OFFICIAL USE
NM 21244 CHEVRON NORTH AMERICA EXPLORATION AND PRODUCTION 1400 SMITH HOUSTON, TX 77002	If YES, enter delivery address below:   No	60 COOO 08	Extra Sicrylcon & Pries (short sick and his as appropriate Postmark Receipt (landcopy)    Return Receipt (electronic)   Postmark     Certified Mell Restricted Delivery   Here   Adult Signature Premied   Adult Signature Premied Delivery     Postmark   Postmark   Postmark
9590 9402 5164 9122 9912 34 2. Article Number (Transfer from service label) 7019 2280 0001 8906 32	3. Service Type	7019 228	NM 21244 CHEVRON NORTH AMERICA EXPLORATION AND PRODUCTION 1400 SMITH HOUSTON, TX 77002
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt		
31 Gill 331 1, duly 2013 F3N 7530-02-000-9053	Domestic neum necelpt		PS Form 3600, April 2015 PSn /Snzazouces#* See Reverse (U. Institucijons
SENDER: COMPLETE THIS SECTION			
Print your name and address on the reverse so that we can return the	A. Signature	99	U.S. Postal Service <sup>™</sup> CERTIFIED MAIL® RECEIPT
or on the front if space permits	B. Received by (Printed Name) C. Date of Delivery		For delivery information, visit our website at NVIN.III.ps.com
1. Article Addressed to:  NM 21244 CHISOS MINERALS, LLC 1111 BAGBY STREET, STE 2150 HOUSTON, TX 77060	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No	0001 8906	Certified Mail Fee  Extra Services & Fees (chair hav, and fee as sportments)    Return Receipt (readcopy)
9590 9402 5164 9122 9912 03  2. Article Number (Transfer from service label)  7019 2280 0001 8906 32	3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Certified Mail® Restricted Delivery  Collect on Delivery  Collect on Delivery  Iali  Restricted Delivery  Iali  Signature Confirmation™  Signature Confirmation  Signature Confirmation	- E	NM 21244  CHISOS MINERALS, LLC  1111 BAGBY STREET, STE 2150  HOUSTON, TX 77060
PS Form 3811, July 2015 PSN 7530-02-000-9053	0) Hestitoted Delivery		COS
	Domestic Return Receipt		PS Form 3800, April 2015 revi into (c-uco)(c47 See Reverse for Instructions
		1	
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.	A. Signature	755	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT  Domestic Mail Only
Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery	m	For delivery information, visit our website at www.usps.com*,
Article Addressed to:	D. Is delivery address different from item 1? Yes	106	Artified Mail Fine
NM 21244 CROWNROCK MINERALS, L.P. P.O. BOX 51933 MIDLAND, TX 79710	If YES, enter delivery address below:	8 1000	Adut Startuce & Feet (check box, add fee at appropriate)  [Return Receipt Instactopy)  [Hellery Receipt (elegatorist)  [Certified Mail Restricted Delivery  Adut Startuce Restricted Delivery  Detaigs
9590 9402 5164 9122 9912 89	3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Certified Mail Restricted Delivery  Coefficient Mail Restricted Delivery  Coefficient Coeff	7019 220	NM 21244 CROWNROCK MINERALS, L.P. P.O. BOX 51933 MIDLAND, TX 79710
7019 2280 0001 8906 3327	Collect an Delivery Restricted Delivery   Signature Confirmation   Si		To the Management of the Control of
0.044 1.4. 0.045 DOM 7530 00 000 0.053	(over \$300) Restricted Delivery		S Form 3800, April 2015 F. II 100002 000-0017 See Revenue for Instructions





U.S. Postal Service CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.u.sps.com

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Rostage

NM 21244

ROLLA HINKLE

P.O. BOX 2992

ROSWELL, NM 88202

ROSWELL, NM 88202





AUSTIN, TX 78735

GEKTIFIED WAIL

7019 2280 0001 8906 4348

**EXHIBIT B** (21240, 21241 21245)



NM 21240 21241 21245 BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE, AUSTIN AUSTIN, TX 78735

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.	A. Signature  Agent  Addressee

B. Received by (Printed Name)

If YES, enter delivery address below: 

No

or on the front if space permits. 1. Article Addressed to:

NM 21240 21241 21245 BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE, AUSTIN AUSTIN, TX 78735

so that we can return the card to you.

Attach this card to the back of the mailpiece,



9590 9402 5163 9122 0853 92

2. Article Number (Transfer from service label)

7019 2280 0001 8906 4348

PS Form 3811, July 2015 PSN 7530-02-000-9053

- 3. Service Type
- ☐ Adult Signature ☐ Adult Signature Restricted Delivery
- Certified Mail® ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery Insured Mail
  - Mail Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™

C. Date of Delivery

- ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery

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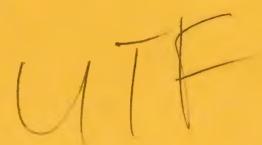
#### U.S. Postal Service™ CERTIFIED MAIL® RECEIPT 906 Extra Services & Fees (check box, add fee as appro Postmark D Return Receipt (hardcopy) Return Receipt (electronis) Here Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery \$ NM 21240 21241 21245 2280 16800 GREENSPOINT PARK, STE 225N 7019 STOR HOUSTON, TX 77060

4362



**GENTIFIED IMAIL** 

016 4069 1000 0922 6TO





NM 21240 21241 21245 UTI ENERGY CORP 16800 GREENSPOINT PARK, STE 225N HOUSTON, TX 77060

☐ Agent

C. Date of Delivery

☐ No

☐ Addressee

SEN	DER:	COMPL	LETE	THIS	SEC	TION
				_		_

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

NM 21240 21241 21245 UTI ENERGY CORP 16800 GREENSPOINT PARK, STE 225N HOUSTON, TX 77060



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PS Form 3811, July 2015 PSN 7530-02-000-9053

2. Article Number (Transfer from service label)

7019 2280 0001 8906 4362

3. Service Type ☐ Adult Signature

A. Signature

X

☐ Adult Signature Restricted Delivery Certified Mail®

B. Received by (Printed Name)

- ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
  - il Restricted Delivery

COMPLETE THIS SECTION ON DELIVERY

If YES, enter delivery address below:

- ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted
  Delivery ☐ Return Receipt for
- Merchandise ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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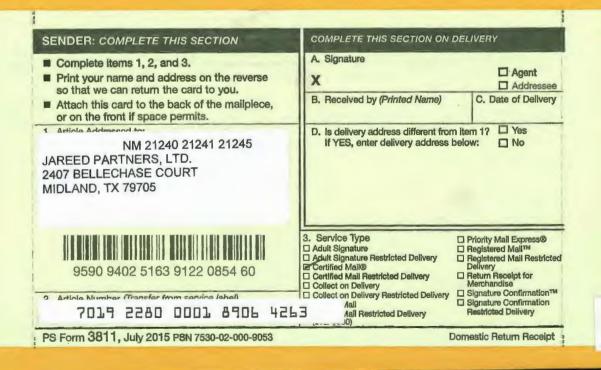
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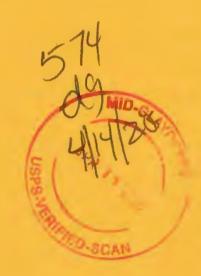
RETURN TO SENDER NOT DELIVERABLE AS ADDRESSED UNABLE TO FORWARD



NM 21240 21241 21245 JAREED PARTNERS, LTD. 2407 BELLECHASE COURT MIDLAND, TX 79705









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RETURN TO SENDER AND TEMPART OF TO FORWARD

82/41/4018

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BIXIN

NM 21240 21241 21245 **NEW TEX OIL COMPANY** 901 SOUTH CECIL STREET HOBBS, NM 88240

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  NM 21240 21241 21245  NEW TEX OIL COMPANY 901 SOUTH CECIL STREET  HOBBS, NM 88240	A. Signature  X □ Agent □ Addressee  B. Received by (Printed Name) □ C. Date of Delivery  D. Is delivery address different from item 1? □ Yes If YES, enter delivery address below: □ No
9590 9402 5163 9122 0855 07	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect In Delivery ☐ Collect In Delivery Restricted Delivery ☐ Collect In De

#### U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only Certified Mail Fee Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Postmark Return Receipt (electronic) Here Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Dullvery 8 2280 NM 21240 21241 21245 Total Post PAUL R. BARWIS 2201 SOUTHAMPTON LANE -707 Street and MIDLAND, TX 79705 City, State

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7019 2280 0001 8906 4300





NM 21240 21241 21245 PAUL R. BARWIS 2201 SOUTHAMPTON LANE MIDLAND, TX 79705

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
1. Article Addressed to:  NM 21240 21241 21245 PAUL R. BARWIS 2201 SOUTHAMPTON LANE MIDLAND, TX 79705	D. Is delivery address different from item 1?  If Yes  If YES, enter delivery address below:  No
9590 9402 5163 9122 0854 46	3. Service Type
2 Article Number Transfer from service labell 7019 2280 0001 8906 430	Alail   Signature Confirmation   Restricted Delivery   Restricted Delivery   Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

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BAR NOT	RETURN TO SEN DELIVERABLE AS UNABLE TO FOR	ADDRESSED
BC:		

U.S. Postal Service<sup>™</sup> CERTIFIED MAIL<sup>®</sup> RECEIPT 34 Domestic Mail Only EE 8906 Certified Mail Fee Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) 1000 **Postmark** Return Receipt (electronic) Here Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery \$\_ 2280 NM 21244 UTI ENERGY CORP 16800 GREENSPOINT PARK, STE Sent To 707 Street and A 225N City, State, 2 HOUSTON, TX 77060 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instru

**EXHIBIT B** (21244)





First-Class ZIP 80202

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NM 21244 UTI ENERGY CORP 16800 GREENSPOINT PARK, STE 225N HOUSTON, TX 77060

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
1. Article Addressed to:  NM 21244  UTI ENERGY CORP 16800 GREENSPOINT PARK, STE 225N HOUSTON, TX 77060	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 5164 9122 9912 96	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Aail Restricted Delivery ☐ Aail Restricted Delivery ☐ Registered Mail™ ☐ Repturn Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery
PS Form 3811 July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

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## U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only otira Services & Fees (check box, add for an appropriate Petam Receipt (hardcopy) Poetmark Return Receipt (electronic) Certified Mali Restricted Delivery NM 21244 BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE AUSTIN, TX 78735 City, S WILS601\* TO FORWARD/FOR REVIEW####\*\*

2. Article Number (Transfer from service label)

PS Form 3811, July 2015 PSN 7530-02-000-9053

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NM 21244 BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE AUSTIN, TX 78735

NOT DELIVERABLE AS ADDRESSED

BC: 20737511575 222801 20157 - DD D2

Y III iv	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
NM 21244 BYPASS TRUST, CYNTHIA WILSON 7601 MIRADOR DRIVE AUSTIN, TX 78735	D. Is delivery address different from item 1?  If YES, enter delivery address below:
9590 9402 5164 9122 9912 65	3. Service Type ☐ Priority Mail Express ☐ Registered Mail™ ☐ Registered Mail™ ☐ Registered Mail™ ☐ Registered Mail™ ☐ Registered Mail®

Domestic Return Receipt

☐ Certified Mail Restricted Delivery

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#### GEKTIFIED WAIL U.S. Postal Service™ CERTIFIED-MAIL® RECEIPT 59 Domestic Mail Only 필 10P Certified Mail Fee 4000 4000 8906 THE THE PERSON IN THE REAL PROPERTY OF THE PERSON OF THE P 0 xtra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) 1000 Postmark Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required GAZZARAGA OT NAUTAN GRAMAGA GTALANUTAN GRAMAGA GTAL Adult Signature Restricted Delivery 2280 NM 21244 BIXIN Total P PAUL R. BARWIS 2201 SOUTHAMPTON LANE 7019 MIDLAND, TX 79705 City, S. 82 TO | 50 TO PS Form 3800, April 2015 PSN 7539-02-000-9047 Tru healthighthe hearthe the things the things of the thin COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION

NM 21244
PAUL R. BARWIS
2201 SOUTHAMPTON LANE
MIDLAND, TX 79705

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so that we can  Attach this can	ne and address on the reverse in return the card to you.  Indicate the back of the mailplece if space permits.	B. Received by (Printed Name)	☐ Agent ☐ Addressee C. Date of Delivery
Article Addresse		's delivery address different from 'YES, enter delivery address be	
01	NM 21244 , R. BARWIS SOUTHAMPTON LANE LAND, TX 79705		,
9590 940 2. Article Number	02 5164 9122 9911 97 (Transfer from service label) 2280 0001 8906	□ Adult Signature     □ datut Signature Restricted Delivery     □ Certified Mail®     □ Certified Mail Restricted Delivery     □ Collect on Delivery     □ Collect on Delivery Restricted Delivery	Priority Mail Express®     Registered Mail™     Registered Mail Restricte     Delivery     Return Receipt for     Merchandise     Signature Confirmation™     Signature Confirmation     Restricted Delivery

Domestic Return Receipt

PS Form 3811, July 2015 PSN 7530-02-000-9053

UNABLE 731 FE RD/FOR REVIEW 017\*\*

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NM 21244 JAREED PARTNERS, LTD. 2407 BELLECHASE COURT MIDLAND, TX 79705





CERTIFIFN MAII U.S. Postal Service™ CERTIFIED MAIL® RECEIPT 340 7019 2280 0001 8906 3402 406 40 xtra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) 1000 Return (Receipt (electronic) **Postmark** Certified Mail Restricted Delivery Here Adult Signature Required Adult Signature Restricted Delivery 4 280 ելուկակիկարդիննորիայինիուկըսիիինիինո SZSTTSZOZOS NM 21244 TATSOTNOZEZ LI NEW TEX OIL COMPANY RETURN TO SENDER OF WHOWN TON TO STREET OF STREET 7019 901 SOUTH CECIL STREET HOBBS, NM 88240 MIXIE City, S. TBT TET F000



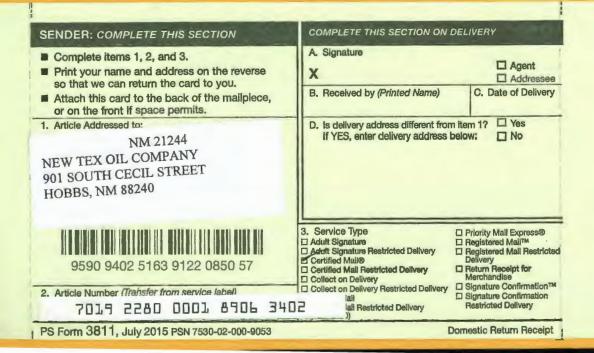
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First-Class

04/09/2020

ANK 4-13-20 AH

NM 21244 NEW TEX OIL COMPANY 901 SOUTH CECIL STREET HOBBS, NM 88240



Owners	Address1	Address2	Ownership	Date RR received or returned/undelievered mail
EOG RESOURCES INC	5509 Champions Drive	Midland, TX 79706	WI	4/13/2020
UTI ENERGY CORP	16800 Greenspoint Park, Suite 225N	Houston, TX 77060	WI	Not deliverable as addressed
TAP ROCK RESOURCES LLC	602 Park Point Drive, Suite 200	Golden, CO 80401	WI	4/10/2020
BYPASS TRUST, CYNTHIA WILSON	7601 Mirador Drive, Austin	Austin, TX 78735	WI	No such number
THE FAMILY TRUST U/W/O RICHARD KEVIN BARR	8027 Chalk Knoll Drive	Austin, TX 78735	WI	RR rec'd - no date
United States of America / Bureau of Land Management	301 Dinosaur Trail	Santa Fe, NM 87508	Royalty	4/13/2020
Chisos Minerals, LLC	1111 Bagby Street, Suite 2150	Houston, TX 77060	ORRI	RR rec'd - no date
Paul R. Barwis	2201 Southampton Lane	Midland, TX 79705	ORRI	Not deliverable as addressed (returned)
Crownrock Minerals, L.P.	P.O. Box 51933	Midland, TX 79710	ORRI	4/13/2020
The Cornerstone Family Trust	P.O. Box 17656	Golden, CO 80402	ORRI	4/11/2020
C. Mark Wheeler and his wife, J'Lynn Wheeler	P.O. Box 248	Round Rock, TX 78680	ORRI	4/14/2020
Jareed Partners, Ltd.	2407 Bellechase Court	Midland, TX 79705	ORRI	Unclaimed - Unable to forward (returned)
Madison M. Hinkle	P.O. Box 2292	Roswell, NM 88202	ORRI	4/15/2020
Rolla Hinkle	P.O. Box 2992	Roswell, NM 88202	ORRI	4/15/2020
Mustang Oil & Gas, LLC	P.O. Box 412	Roswell, NM 88202	ORRI	4/15/2020
New Tex Oil Company	901 South Cecil Street	Hobbs, NM 88240	ORRI	Attempted Not Known (returned)

Owners	Address1	Address2	Ownership	Date RR received or returned/undelievered mail
EOG RESOURCES INC	5509 Champions Drive	Midland, TX 79706	WI/offset	4/14/2020
JTI ENERGY CORP	16800 Greenspoint Park, Suite 225N	Houston, TX 77060	WI/offset	Not deliverable as addressed
TAP ROCK RESOURCES LLC	602 Park Point Drive, Suite 200	Golden, CO 80401	WI/offset	4/10/2020
BYPASS TRUST, CYNTHIA WILSON	7601 Mirador Drive, Austin	Austin, TX 78735	WI/offset	Not deliverable as addressed
THE FAMILY TRUST U/W/O RICHARD KEVIN BARR	8027 Chalk Knoll Drive	Austin, TX 78735	WI/offset	RR rec'd - no date
Jnited States of America / Bureau of Land Management	301 Dinosaur Trail	Santa Fe, NM 87508	Royalty	4/13/2020
Chevron North America Exploration and Production	1400 Smith	Houston, TX 77002	offset	4/14/2020
Chisos Minerals, LLC	1111 Bagby Street, Suite 2150	Houston, TX 77060	ORRI	RR rec'd - no date
Paul R. Barwis	2201 Southampton Lane	Midland, TX 79705	ORRI	Not deliverable as addressed
Crownrock Minerals, L.P.	P.O. Box 51933	Midland, TX 79710	ORRI	4/13/2020
The Cornerstone Family Trust	P.O. Box 17656	Golden, CO 80402	ORRI	4/11/2020
C. Mark Wheeler and his wife, J'Lynn Wheeler	P.O. Box 248	Round Rock, TX 78680	ORRI	4/14/2020
areed Partners, Ltd.	2407 Bellechase Court	Midland, TX 79705	ORRI	Unclaimed - Unable to forward (returned)
Madison M. Hinkle	P.O. Box 2292	Roswell, NM 88202	ORRI	4/15/2020
Rolla Hinkle	P.O. Box 2992	Roswell, NM 88202	ORRI	4/15/2020
Mustang Oil & Gas, LLC	P.O. Box 412	Roswell, NM 88202	ORRI	4/15/2020
New Tex Oil Company	901 South Cecil Street	Hobbs, NM 88240	ORRI	Attempted Not Known (returned)

List of Unlocatable Mineral Interest Owners	Address1	Address2	Ownership	Date RR received or returned/undelievered mail
UTI ENERGY CORP	16800 Greenspoint Park, Suite 225N	Houston, TX 77060	WI	Not deliverable as addressed
BYPASS TRUST, CYNTHIA WILSON	7601 Mirador Drive, Austin	Austin, TX 78735	WI	No such number
Paul R. Barwis	2201 Southampton Lane	Midland, TX 79705	ORRI	Not deliverable as addressed (returned)
Jareed Partners, Ltd.	2407 Bellechase Court	Midland, TX 79705	ORRI	Unclaimed - Unable to forward (returned)
New Tex Oil Company	901 South Cecil Street	Hobbs, NM 88240	ORRI	Attempted Not Known (returned)



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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 a.m. on May 28, 2020. Pursuant to the current Oil Conservation Division's publicies established Division's policies established to address the COVID-19 Public Health Emergency, a hearing on the merits of the case identified below will be contin-ued from the May 28, 2020 hearing date. The status of the continued hearing date can be monitored through the Division's website at http://www.enmrd.state.nm.us/ocd/ or by contacting Florene Da-vidson, the OCD Clerk. Al-though ordinarily the hearing would be held in the Oil Con-servation Division's Santa Fe servation Division's Santa Fe offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, during the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD hearings website: http://www.emn.rd.state.mu.s/ hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. A party appearing in a Division case is required by Division Rule 19.15.4.13.8 to file a pre-hearing statement at least four business days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address or elected. at the above address or electronically addressed to OCD. Hearings@state.nm.us, and a copy served on opposing counsel of record. If the OCD does not timely receive a pre-hearing statement from the applicant, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment.
Wireless internet is available; however, the party must provide its own laptop computer. STATE OF NEW MEXICO

All named parties and persons having any right, title interest or claim in the following cases and notice to the public (NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated)

Principal Meridian whether or not so stated)

CASE NO. 21240

TO: EOG Resources, UTI Energy, Tap Rock Minerals, LP, Bypass Trust, Cynthia Wilson, The Family Trust UWO Richard Kevin Barr, Chisos Minerals, LLC, Paul R. Barwis, Crownrock Minerals, L.P., The Cornerstone Family Trust, C. Mark Wheeler, Jareed Partners, Ltd., Madison M. Hinkle, Rolla Hinkle, Mustang Oil & Gas, LLC, New Tex Oil Company, United States Of America - Bureau Of Land Management

## AFFIDAVIT OF PUBLICATION

#### STATE OF NEW MEXICO

County of Bernalillo

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following

05/29/2020

Eli		La			My Commission E	Su NOTARY PU	OFFICIAL SEAL USAN RAMITEZ BLIC-STATE OF NEW MEXICO
Sworn and for the Count 29 day of	subscribed y of Bernal May	before me, a	Nota New I	ry Public, in Mexico this 2020	and	8	200
PRICE	\$173.64						
Statement to	come at th	e end of month.					
ACCOUNT N	LIMBER	1097734					

Case No. 21240: Applica-tion of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling cause seeks an order pooling all uncommitted interests in the Bone Spring formation (Lower Avalor: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring) underlying a standard 640-acre, more or less bortzontal seeks portionated in the seeks bortzontal seeks bort standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 3 and E/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. Applicant seeks to dedicate the abovereferenced horizontal spacing unit to the following four proposed initial wells, all of which will be horizontally drilled from a common surface location in will be horizontally drilled from a common surface location in the SW/4SE/4 (Unit O) of Section 10. The bottom hole location of the DL 10 3 Morag Fed Com 210H well will be in the NW/4NE/4 (Unit B) and the bottom hole location of the DL 10 3 Morag Fed Com 211H well, the DL 10 3 Morag Fed Com 212H well and the DL 10 3 Morag Fed Com 212H well and the DL 10 3 Morag Fed Com 52 Morag Fed Com 53 The completed intervals of these wells will comply with statewide setbacks. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs, as well as actual operation of the seconds of the second of th weils, the allocation of these costs, as well as actual operating costs and charges for supervision, designation of Applicant as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 21 miles northwest of Jal, New Mexico.

Journal: May 29, 2020

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-3

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

0

DIVISION SANTA FE, NEW MEXICO N The State of New Mexico through its Oil Conservation C Division hereby gives notice pursuant to law and the Rules and Regulations of the DiviIC sion of the following public theating to be held at 8:15 a.m. on May 28, 2020. Pursuant to the current Oil Conservation Dividents public extensible but the current oil Conservation T Division's policies established to address the COVID-19 Public Health Emergency, a hear-ing on the merits of the case identified below will be contin-ued from the May 28, 2020 hearing date. The status of the continued hearing date can be monitored through the Division's website at http:// www.enmrd.state.nm.us/ocd/ or by contacting Florene Da-videon, the OCD Clerk. Al-though ordinarily the hearing would be held in the Oil Con-servation Division's Santa Fe offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, during the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted re-motely. To participate in the electronic hearing, see the in-structions posted on the OCD hearings website: http://www. emnrd.state.nm.us/ OCD/announcements.html. A OCD/announcements.ntml. A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a pre-hearing statement at least four business days in advance of a scheduled hearing. This statement must be filed with the Division's Sente filed with the Division's Santa Fe office at the above address or electronically addressed to OCD. Hearings@state.nm.us, and a copy served on opposing counsel of record. If the OCD counsel of record. If the OCD does not timely receive a pre-hearing statement from the applicant, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer.
STATE OF NEW MEXICO
TO:

All named parties and persons All rained paries and persons having any right, title interest or claim in the following cases and notice to the public (NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or public extend).

Principal Meridian whether or not so stated)
CASE NO. 21241
TO: EOG Resources, UTI Energy, Tap Rock Resources LLC, Tap Rock Minerals, LP, Bypass Trust, Cynthia Wilson, The Family Trust U/W/O Richard Kevin Barr, Chisos Minerals, LLC, Paul R. Barwis, Crownrock Minerals, L.P., The Cornerstone Family Trust, C. Mark Wheeler And His Wife, J'lynn Wheeler, Jareed Partenals Pares Pares Pares (1997) J'lynn Wheeler, Jareed Part-ners, Ltd., Madison M. Hinkle, Rolla Hinkle, Mustang Oil & Gas, LLC, New Tex Oil Company, United States Of Ameri-ca - Bureau Of Land Manage-

## AFFIDAVIT OF PUBLICATION

#### STATE OF NEW MEXICO

County of Bernalillo

SS

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

05/29/2020

OFFICIAL SEAL Susan Ramirez NOTARY PUBLIC - STATE OF NEW MEXICO My Commission Expires:

Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this

day of

2020

PRICE

\$169.23

May

Statement to come at the end of month.

ACCOUNT NUMBER

Case No. 21241: Applica-tion 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 interests in Wolfcamp WC-025 formation G-10 S213328O) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the £/2 of Section 3 and E/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. Applicant seeks to dedicate the abovereferenced horizontal specing unit to the following three pro-posed initial wells, all of which will be horizontally drilled from will be horizontally drilled from a common surface location in the SW/4SE/4 (Unit 0) of Section 10. The bottom hole locations of the DL 10 3 Morag Fed Com 610H well and the DL 10 3 Morag Fed Com 611H will be in the NW/4NE/4 (Unit B) of Section 3, and the bottom hole location of the DL 10 3 Morag Fed Com 612H well will be in the NE/4NE/4 (Unit A) of Section 3. The completed intervals of all wells will comply with statewide sets will comply with statewide set-backs. Also to be considered will be the cost of drilling and completing said wells, the allo-cation of these costs, as well cation of these costs, as well as actual operating costs and charges for supervision, designation of Applicant as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 21 miles northwest of Jal, New Mexico.

Journal: May 29, 2020

## AFFIDAVIT OF PUBLICATION

#### STATE OF NEW MEXICO

County of Bernalillo

SS

STATEOFNEWMEXIC OENERGYMINERALSA **NDNATURALRESOUR** CESDEPARTMENTOIL CONSERVATIONDIVIS **IONSANTAFENEWME XICOTHESTATEOFNE WMEXICOTHROUGH TSOILCON** 

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

05/29/2020

OFFICIAL SEAL Susan Ramirez NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires

Sworn and subscribed before Arre. Notary Public, in and for the County of Bernalillo and State of New Mexico this

day of May

2020

PRICE

\$512.58

Statement to come at the end of month.

ACCOUNT NUMBER



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

OIL CONSERVATION DIVISION

SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 a.m. on May 28, 2020. Pursuant to the current Oil Conservation Division's policies established to address the COVID-19 Public Health Emergency, a hearing on the merits of the case identified below will be continued from the May 28, 2020 hearing date. The status of the continued hearing date can be monitored through the Division's website at http://www.enmrd.state.nm.us/ocd/ or by contacting Florene Davidson, the OCD Clerk. Although ordinarily the hearing would be held in the Oil Conservation Division's Santa Fe offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, during the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remoterly. To participate in the electronic hearing, see the instructions posted on the OCD hearings website: http://www.emmrd.state.nm.us/OCD/announcements.html. A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a pre-hearing statement at least four business days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address or electronically addressed to OCD Hearings @state.nm.us, and a copy served on opposing counsel of record. If the OCD does not timely receive a pre-hearing statement from the applicant, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. Wireless internet is available; however, the party

a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title interest or claim in the following cases and notice to the public (NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whather or not so estated)

land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated)
CASE NO. 21244
TO: EOG Resources, UTI Energy, Tap Rock Resources LLC,
Tap Rock Minerals, LP, Bypass Trust, Cynthia Wilson, The
Farmily Trust U/W/O Richard Kevin Barr, Chevron North America Exploration And Production, Chisos Minerals, LLC, Paul R.
Barwis, Crownrock Minerals, L.P., The Comerstone Family
Trust, C. Mark Wheeler And His Wife, J'lynn Wheeler, Jareed
Partners, Ltd., Madison M. Hinkle, Rolla Hinkle, Mustang Oil &
Gas, LLC, New Tex Oil Company, United States Of America
Bureau Of Land Managament

Case No. 21244: Application of Chevron U.S.A. Inc. for Compulsory Pooling, Las County, New Mexico. Applicant in the above-styled cause seeks an order (1) pooling all uncommitted interests in the Bone Spring formation (Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3 and W/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M., and (2) approving a non-standard tocation for one of the initial wells, the DL 10 3 Morag Fed Com 505H well. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following five proposed initial wells: case No. 21244: Application of Chevron U.S.A. Inc. for

DL 10 3 Kraken Fed Com 207H well to be drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Sec-

ODL 10 3 Kraken Fed Com 208H well to be drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Sec-

to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.

• DL 10 3 Kraken Fed Com 209H well to be drilled from a surface location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NE/4NW/4 of Section 3.

• DL 10 3 Kraken Fed Com 504H well to be drilled from a surface location in the SW/4SE/4 (Unit O) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.

• DL 10 3 Morag Fed Com 505H well to be drilled from a surface location in the SW/4SE/4 (Unit O) of Section 10 to a bottom hole location in the NE/4NW/4 of Section 3. The completed interval of this well will be at an unorthodox location 78 feet from the east boundary of the proposed spacing unit. The last take points of the completed interval to the north and south will be orthodox.

With the exception of the DL 10 3 Morag Fed Com 505H well the completed intervals of these wells will comply with statewide setbacks. Also to be considered will be the cost of drilling and completing said wells, the altocation of these costs, as well as actual operating costs and charges for supervision, designation of Applicant as operator of the wells and a 200% charge for fisk involved in drilling said wells. Said area is located approximately 21 miles northwest of Jal, New Mexico.

Journal: May 29, 2020

STATE OF NEW MEXICO

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

DIVISION
SANTA FE, NEW MEXICO
The State of New Mexico
through its Oil Conservation
Division hereby gives notice
pursuant to law and the Rules and Regulations of the Divi-sion of the following public hearing to be held at 8:15 a.m. on May 28, 2020. Pursuant to the current Oil Conservation Division's policies established to address the COVID-19 Public Health Emergency, a hear-ing on the merits of the case identified below will be contin-ued from the May 28, 2020 hearing date. The status of the continued hearing date can be monitored through the Division's website at http:// www.enmrd.state.nm.us/ocd/ or by contacting Florene Da-vidson, the OCD Clerk. Al-though ordinarily the hearing would be held in the Oil Conmough ordinarily the hearing would be held in the Oil Conservation Division's Santa Fe offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, during the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD hearings website: http://www.em.nrd.state.nm.us/OCD/announcements.html. A party appearing in a Division case is required by Division Rule 19.15.4.13.B to file a pre-hearing statement at least four business days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address or electronarical statement and some content of the at the above address or electronically addressed to OCD.
Hearings@state.nm.us, and a copy served on opposing counsel of record. If the OCD does not theoby coursel of record. If the OCD does not timely receive a prehearing statement from the applicant, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. Wireless internet is available; however, the party must prohowever, the party must pro-vide its own laptop computer. STATE OF NEW MEXICO

TO:
All named parties and persons having any right, title interest or claim in the following cases and notice to the public (NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated)
CASE NO. 21245
TO: FOG Resources LITI En-

CASE NO. 21245
TO: EOG Resources, UTI Energy. Tap Rock Resources, LC, Tap Rock Minerals, LP, Bypass Trust, Cynthia Wilson, The Family Trust U/W/O Richard Kevin Barr, Chisos Minerals, LLC, Paul R. Barwis, Crownrock Minerals, L.P., The Comerstone Family Trust, C. Mark Wheeler And His Wife, J'lynn Wheeler, Jareed Partners, Ltd., Madison M. Hinkle, Golla Hinkle, Mustang Oil & Gas, LLC, New Tex Oil Company, United States Of America - Bureau Of Land Management

## **AFFIDAVIT OF PUBLICATION**

#### STATE OF NEW MEXICO

County of Bernalillo

SS

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

for the County	of Bernalil		Notary Public f New Mexico th	OFFICIAL SEAL Susan Ramirez NOTARY PUBLIC - STATE OF NEW MEXICO IN Expires: 2/5/2073
29 day of	Мау		of 2020	
PRICE	\$169.23			
Statement to	come at the	end of month.		
ACCOUNT N		1097734		

Case No. 21245: 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 interests in the Wolfcamp formation (WCA: WC-025 G-10 S213328O) underlying a standard 640-acre, more or leas, horizontal spacing unit comprised of the W/2 of Section 3 and W/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following three proposed infitial wells, all of which will be hortzontally drilled from a common surface location in the SE/4SW/4 (Unit N) of Section 10. The bottom hole locations of the DL 10 3 Kraken Fed Com 609H well will be in the NW/4NW/4 (Unit D) of Section 3, and the bottom hole location of the DL 10 3 Kraken Fed Com 609H well will be in the NE/4NW/4 (Unit C) of Section 3. The completed intervals of all wells will comply with statewide setbacks. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs, as well as actual operating costs and charges for supervision, designation of Applicant as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 21 miles northwest of Jal, New Mexico.

Journal: May 29, 2020



#### Shalyce Holmes Land Representative

Mid-Continent Business Unit North American Exploration and Production Co., a division of Chevron U.S.A. Inc. 1400 Smith Street, Room 41102 Houston, Texas 77002 Tel 713-372-6051 Fax 866.819.1448 SLHolmes@chevron.com

#### VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 26, 2020

RE: Participation Proposals

DL 15 22 Ogopogo Fed Com 222H, 223H, 224H, 511H, 512H, 622H, 623H, & 624H

DL 10 3 Kraken Fed Com 207H, 208H, 209H, 504H, 607H, 608H, & 609H DL 15 22 Narwhal Fed Com 219H, 220H, 221H, 510H, 619H, 620H, &621H DL 10 3 Morag Fed Com 210H, 211H, 212H, 505H, 506H, 610H, 611H, & 612H

Township 22 South, Range 33 East

Section 3: All Section 10: All Section 15: All Section 22: All

Lea County, New Mexico (the "Wells")

#### Dear Interest Owner:

Chevron U.S.A. Inc. ("Chevron") hereby proposes to drill the following Wells by pad drilling to prevent waste and protect correlative rights. Please note: the attached well proposals replace the DL Poseidon well proposals dated August 14, 2019 and the DL Kraken, DL Ogopogo and DL Morag well proposals dated November 27, 2019 — please disregard all of the aforementioned well proposals.

Accordingly, enclosed are AFE's for the following:

Well Name	Target Formation	SHL	BHL	Estimated TVD	Estimated MD
DL 10 3 Kraken	Lower Avalon	370 FSL / 1790 FWL	25 FNL / 330 FWL	9,450'	19,450'
Fed Com 207H	Lower Avaion	(Sec 10-22S-33E)	(Sec 3-22S-33E)		
DL 10 3 Kraken	Lower Avalon	370 FSL / 1815 FWL	25 FNL / 1254 FWL	9,450'	19,450'
Fed Com 208H	Lower Avaion	(Sec 10-22S-33E)	(Sec 3-22S-33E)		
DL 10 3 Kraken	Lower Avalon	370 FSL / 1840 FWL	25 FNL / 2178 FWL	9,450'	19,450'
Fed Com 209H	Lower Avaion	(Sec 10-22S-33E)	(Sec 3-22S-33E)		
DL 10 3 Morag	Lawar Aunlan	370 FSL / 1665 FEL	25 FNL / 2178 FEL	9,450'	19,450'
Fed Com 210H	Lower Avalon	(Sec 10-22S-33E)	(Sec 3-22S-33E)		
DL 10 3 Morag	Lower Avalon	370 FSL / 1640 FEL	25 FNL / 1254 FEL	9,450'	19,450'
Fed Com 211H	Lower Avaion	(Sec 10-22S-33E)	(Sec 3-22S-33E)		
DL 10 3 Morag	Lower Avalon	370 FSL / 1615 FEL	25 FNL / 330 FEL	9,450'	19,450'
Fed Com 212H	Lower Avaion	(Sec 10-225-33E)	(Sec 3-22S-33E)		
DL 15 22 Narwhal	Lower Avalon	860 FSL / 1790 FWL	25 FSL / 330 FWL	9,450'	19,450'
Fed Com 219H	Lower Avaion	(Sec 10-22S-33E)	(Sec 22-22S-33E)		
DL 15 22 Narwhal	Lower Avalon	860 FSL / 1815 FWL	25 FSL / 1254 FWL	9,450'	19,450'
Fed Com 220H	LOWEI AVAION	(Sec 10-22S-33E)	(Sec 22-22S-33E)		

DL 15 22 Narwhai	Lower Avalon	860 FSL / 1840 FWL	25 FSL / 2178 FWL	9,450′	19,450′
Fed Com 221H		(Sec 10-22S-33E)	(Sec 22-225-33E)	2 1721	40.50
DL 15 22 Ogopogo	Lower Avalon	860 FSL / 1665 FEL	25 FSL / 2178 FEL	9,450'	19,450'
Fed Com 222H		(Sec 10-22S-33E)	(Sec 22-22S-33E)		
DL 15 22 Ogopogo	Lower Avalon	860 FSL / 1640 FEL	25 FSL / 1254 FEL	9,450'	19,450'
Fed Com 223H		(Sec 10-225-33E)	(Sec 22-22S-33E)		
DL 15 22 Ogopogo	Lower Avalon	860 FSL / 1615 FEL	25 FSL / 330 FEL	9,450'	19,450′
Fed Com 224H		(Sec 10-225-33E)	(Sec 22-22S-33E)		
DL 10 3 Kraken	3rd Bone Spring	270 FSL / 1790 FEL	25 FNL / 870 FWL	12,015'	22,015'
Fed Com 504H		(Sec 10-22S-33E)	(Sec 3-22S-33E)		
DL 10 3 Morag	3rd Bone Spring	270 <b>FS</b> L / 1715 FEL	25 FNL / 2718 FEL	12,015'	22,015'
Fed Com 505H		(Sec 10-225-33E)	(Sec 3-22S-33E)	12,013	
DL 10 3 Morag	3rd Bone Spring	270 FSL / 1640 FEL	25 FNL / 714 FEL	12,015'	22,015'
Fed Com 506H		(Sec 10-22S-33E)	(Sec 3-22S-33E)	12,013	
DL 15 22 Narwhal	3rd Bone Spring	960 FSL / 1790 FEL	25 FSL / 870 FWL	12,015'	22,015'
Fed Com 510H		(Sec 10-22S-33E)	(Sec 22-22S-33E)	12,013	
DL 15 22 Ogopogo	3rd Bone Spring	960 FSL / 1715 FEL	25 FSL / 2718 FEL	12.015/	22,015'
Fed Com 511H		(Sec 10-22S-33E)	(Sec 22-22S-33E)	12,015'	
DL 15 22 Ogopogo	3 10 . 6 1 .	960 FSL / 1640 FEL	25 FSL / 714 FEL	13.015/	22,015'
Fed Com 512H	3rd Bone Spring	(Sec 10-225-33E)	(Sec 22-22S-33E)	12,015'	
DL 10 3 Kraken	Wolfcamp A	270 FSL / 1765 FWL	25 FNL / 330 FWL	12,160'	22,160'
Fed Com 607H	·	(Sec 10-225-33E)	(Sec 3-225-33E)		
DL 10 3 Kraken	Wolfcamp A	270 FSL / 1815 FWL	25 FNL / 1254 FWL	12,160'	22,160'
Fed Com 608H	'	(Sec 10-22S-33E)	(Sec 3-22S-33E)	·	'
DL 10 3 Kraken	Wolfcamp A	270 FSL / 1840 FWL	25 FNL / 2178 FWL	12,160'	22,160'
Fed Com 609H	ľ	(Sec 10-225-33E)	(Sec 3-22S-33E)	,	
DL 10 3 Morag	Wolfcamp A	270 FSL / 1690 FEL	25 FNL / 2178 FEL	12,160'	22,160′
Fed Com 610H		(Sec 10-22S-33E)	(Sec 3-225-33E)	<b>_/</b>	
DL 10 3 Morag	Wolfcamp A	270 FSL / 1665 FEL	25 FNL / 1254 FEL	12,160'	22,160'
Fed Com 611H		(Sec 10-22S-33E)	(Sec 3-22S-33E)		,
DL 10 3 Morag	Wolfcamp A	270 FSL / 1615 FEL	25 FNL / 330 FEL	12,160'	22,160'
Fed Com 612H	77	(Sec 10-225-33E)	(Sec 3-225-33E)	22,200	22,200
DL 15 22 Narwhal	Wolfcamp A	960 FSL / 1765 FWL	25 FSL / 330 FWL	12,160'	22,160'
Fed Com 619H	Troncamp / t	(Sec 10-225-33E)	(Sec 22-22S-33E)	12,100	22,100
DL 15 22 Narwhal	Wolfcamp A	960 FSL / 1815 FWL	25 FSL / 1254 FWL	12,160'	22,160'
Fed Com 620H	**Oncomp A	(Sec 10-22S-33E)	(Sec 22-22S-33E)	12,100	22,100
DL 15 22 Narwhal	Wolfcamp A	960 FSL / 1840 FWL	25 FSL / 2178 FWL	12,160'	22,160'
Fed Com 621H	woncamp A	(Sec 10-22S-33E)	(Sec 22-22S-33E)	12,100	22,100
DL 15 22 Ogopogo	Wolfcamp A	960 FSL / 1690 FEL	25 FSL / 2178 FEL	12,160'	22,160'
Fed Com 622H	woncamp A	(Sec 10-22S-33E)	(Sec 22-225-33E)	12,100	22,100
DL 15 22 Ogopogo		960 F5L / 1665 FEL	25 FSL / 1254 FEL	12,160'	22,160′
Fed Com 623H	Wolfcamp A	(Sec 10-22S-33E)	(Sec 22-225-33E)	12,100	22,100
DL 15 22 Ogopogo	Wolfcamp A	960 FSL / 1615 FEL	25 FSL / 330 FEL	12,160'	22,160'
Fed Com 624H	woncamp A	(Sec 10-22S-33E)	(Sec 22-22S-33E)	12,100	22,100
red Colli 024H		(26r TO-552-23E)	(366 22-223-336)		

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

Enclosed are documents for your review and execution. Please see detailed AFEs for each well, reflecting estimated costs that will be incurred to drill, complete and equip the wells associated with this proposal. If you intend to participate, please execute in the appropriate box on each AFE, for each individual well, 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.

After receipt of your elections to participate in the wells, Chevron will send a Form 610 -1989 Model Form Operating Agreement with these general provisions for your execution:

- 100/300/300 non-consent penalty
- \$7000/\$700 drilling and producing rates
- Contract Area covering all of Sections 3, 10, 15 and 22, T22S-R33E, Lea County, New Mexico as
  to all depths from the top of the Bone Spring formation to the base of the Wolfcamp formation

<u>Chevron will submit an application for a Compulsory Pooling Order with the New Mexico Oil</u>

<u>Conservation Division after 30 days of your receipt of this letter.</u> This will allow Chevron to move forward with planning and drilling the subject well 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 acreage. Should you be interested or have any questions, please feel free to contact me at the information listed above.

Sincerety,

Shalyce Holmes

Land Representative

CHEVRON U.S.A. INC. NMOCD Case Nos. 21240, 21241, 21244 & 21245

Exhibit L-5

I WORKING INTEREST OWNER ——	11	11/19/2019			12/19/2019		01/19/2020		02/19/2020		03/19/2020			04/19/2020			05/19/2020			06/19/2020				
	Phone	Mail	E-mail	Phone	Mail	E-mail	Phone	Mail	E-mail	Phone	Mail	E-mail	Phone	Mail	E-mail	Phone	Mail	E-mail	Phone	Mail	E-mail	Phone	Mail	E-mail
EOG Resources, Inc.	Х	Х	Х	Х	Χ	Х	Х	Х	Х	Х	Х	Х	Х	Χ	Х	Х	Χ	Х	Х	Х	Х	Х	Х	Х
UTI Energy Corporation		Х						Х			Х			Х								Х	Х	Х
The Family Trust U/W/O Richard K Barr		Х						Х			Х			Х										
Bypass Trust, Cynthia Wilson		Х						Х			Х			Х										

## **COMPULSORY POOLING APPLICATION CHECKLIST**

### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case 21240	APPLICANT'S RESPONSE
Date: July 9, 2020	
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	4323
Applicant's Counsel:	Beatty & Wozniak, P.C. (Candace Callahan & Jill Fulcher)
Case Title:	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	Ernie Padilla obo EOG Resources, Inc.; Sharon T. Shaheen & John F. McIntyre obo Tap Rock
	Resources, LLC; J. E. Gallegos & Michael J. Condon obo Stewarts, Helms, JAFT and Worrells,
	James Bruce obo Antelope Energy Company, LLC (NOTE: EOG Resources, Inc. is the only party entering an appearance which owns an interest in the proposed spacing and proration unit)
Well Family	Morag
Formation/Pool	INIOI ag
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	Lower Avalon; Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone
	Spring
Well Location Setback Rules:	Standard Oil, 330' setback
Spacing Unit Size:	640 acres, more or less
Spacing Unit	Horizontal
Type (Horizontal/Vertical)	Horizontal 640 acres, more or less
Size (Acres)	, , , , , , , , , , , , , , , , , , ,
Building Blocks: Orientation:	40 acres (quarter-quarter section)  North-South
Description: TRS/County	North-South E/2 of Section 3 and E/2 of Section 10, T22S, R33E, Lea Co.
Description: 1R5/County	E/2 of Section 3 and E/2 of Section 10, 1225, R33E, Lea Co.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations Depth Severance: Y/N. If yes, description	No
	No
Proximity Tracts: If yes, description Proximity Defining Well: if yes, description	Yes: W/2E/2 of Sections 3 and 10, T22S, R33E, Lea Co.
Applicant's Ownership in Each Tract	DL 10 3 Morag Fed Com 211H Tract 1: 100%; Tract 3: 25%
	11act 1. 100%, 11act 3. 23%
Well(s)  Name & API (if assigned), surface and bottom hole location, footages, completion target,	
orientation, completion status (standard or non-standard)	
Well #1	DL 10 3 Morag Fed Com 210H
	SHL 370 FSL / 1665 FEL, Section 10, T22S, R33E
	BHL: 25 FNL / 2178 FEL, Section 3, T22S,R33E
	Well Orientation: North to South
Well #2	Completion location expected to be standard DL 10 3 Morag Fed Com 211H
1100.112	SHL: 370 FSL / 1640 FEL, Section 10, T22S, R33E
	BHL: 25 FNL / 1254 FEL, Section 3, T22S, R33E
	Well Orientation: North to South
Well #3	Completion location expected to be standard DL 10 3 Morag Fed Com 212H
vveii #5	SHL: 370 FSL / 1615 FEL, Section 10, T22S, R33E
	BHL: 25 FNL / 330 FEL, Section 3, T22S, R33E
	Well Orientation: North to South
	Completion location expected to be standard
Well #4	DL 10 3 Morag Fed Com 506H
	SHL: 270 FSL / 1640 FEL, Section 10, T22S, R33E BHL: 25 FNL / 714 FEL, Section 3, T22S, R33E
	Well Orientation: North to South
	Completion location expected to be standard
Horizontal Well #1 First and Last Take Points	Exhibit L-7 (C-102)
Horizontal Well #2 First and Last Take Points	Exhibit L-7 (C-102)
Horizontal Well #3 First and Last Take Points	Exhibit L-7 (C-102)
Horizontal Well #4 First and Last Take Points	Exhibit L-7 (C-102)
Completion Target Well #1, #2 and #3 (Formation, TVD and MD)	Lower Avalon at approx. 9,450' TVD and 19,450' MD
Completion Target Well #4 (Formation, TVD and MD)	3rd Bone Spring at approx. 12,015' TVD and 22,015' MD
AFE Capex and Operating Costs	\$7,000 Eyhibit I. Paragrah 23
Drilling Supervision/Month \$ Production Supervision/Month \$	\$7,000; Exhibit L, Paragrah 23 \$700; Exhibit L, Paragraph 23
Justification for Supervision Costs	Exhibit L-4 and Exhibit L, Paragraph 23
Requested Risk Charge	200%; Exhibit L Paragraph 24
Notice of Hearing	20076, Exhibit E Faragraph 27
Proposed Notice of Hearing	Submitted with Application; See Online Case file
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit L-2 (Attorney's Affidavit)
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit L-3 (Certificate of Publication)
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit L-8
Tract List (including lease numbers and owners)  Pooled Parties (including ownership type)	Exhibit L-8 Exhibit L-8
Unlocatable Parties to be Pooled	Exhibit L-8
Ownership Depth Severance (including percentage above & below)	
	Not applicable

Joinder	
Sample Copy of Proposal Letter	Exhibit L-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit L-8
Chronology of Contact with Non-Joined Working Interests	Exhibit L-5
Overhead Rates In Proposal Letter	Exhibit L-4
Cost Estimate to Drill and Complete	See AFE at Exhibit L-9
Cost Estimate to Equip Well	See AFE at Exhibit L-9
Cost Estimate for Production Facilities	See AFE at Exhibit L-9
Geology	
Summary (including special considerations)	Exhibit L, Paragraph 19
Spacing Unit Schematic	Exhibit G-1 and G-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit G-1 and G-2
Well Orientation (with rationale)	Exhibit G, Paragraph 23
Target Formation - Avalon (Well # 1, 2 & 3)	Exhibits G-3 and G-4
Target Formation - Third Bone Spring (Well # 4)	Exhibits G-5 and G-6
HSU Cross Section - Avalon (Well # 1, 2 & 3)	Exhibits G-3 and G-4
HSU Cross Section - Third Bone Spring (Well # 4)	Exhibits G-5 and G-6
Depth Severance Discussion	Not applicable
Forms, Figures and Tables	
C-102	Exhibit L-7
Tracts	Exhibit L-8
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit L-8
General Location Map (including basin)	Exhibit L-1
Well Bore Location Map	Exhibit L-7 (C-102s)
Structure Contour Map - Subsea Depth: Avalon Well # 1, 2 & 3	Exhibit G-9
Structure Contour Map - Subsea Depth: Third Bone Spring Well # 4	Exhibit G-10
Seismic Section Map - North to South	Exhibit G-7
Seismic Section Map - West to East	Exhibit G-8
Cross Section Location Map (including wells): Avalon Well # 1, 2 & 3	Exhibits G-3 and G-4
Cross Section Location Map (including wells):3rd Bone Spring Well # 4	Exhibits G-5 and G-6
Cross Section (including Landing Zone):	Exhibits G-3 and G-4
Cross Section (including Landing Zone)	Exhibits G-5 and G-6
Additional Information	
Special Provisions/Stipulations	Applicant requests an extension of the requirement to drill and complete the initial we within 120-days to a requirement to drill and complete the initial well within two years from the date of the Division Order granting this application.
CERTIFICATION: I hereby certify that the information provided in this checklis	st is complete and accurate.
Printed Name (Attorney or Party Representative):	Candace Callahan
Signed Name (Attorney or Party Representative):	Col
Date:	July 6, 2020
<u>.</u>	

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245

Exhibit No. L-6

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

APPLICATION OF CHEVRON U.S.A., INC. FOR COMPULSORY POOLING, LEA 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), Section 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation (Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 3 and E/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. 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 dedicate the above-referenced horizontal spacing unit to the following four proposed initial wells, all of which will be horizontally drilled from a common surface location in the SW/4SE/4 (Unit O) of Section 10. The bottom hole location of the **DL 10** 3 Morag Fed Com 210H well will be in the NW/4NE/4 (Unit B) and the bottom hole location of the **DL 10 3 Morag Fed Com 211H** well, the **DL 10 3 Morag Fed Com 212H** well and the **DL 10 3 Morag Fed Com 506H** well will be in the NE/4NE/4 (Unit A) of Section 3.
  - 3. The completed intervals of these wells will comply with statewide setbacks.

- 4. No depth severances exist within the Bone Spring formation underlying the proposed horizontal spacing unit.
- 5. Applicant plans to drill the proposed wells as part of a simultaneous drilling and completion project; therefore, Applicant requests an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof require that one of the proposed wells be drilled and completed within two years after the date of the Division Order granting this application.
- 6. Applicant has made a good faith effort but has been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners within the subject horizontal spacing unit.
- 7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 8. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in this proposed horizontal spacing unit should be pooled, and Applicant should be designated as operator of these proposed horizontal wells and spacing unit.
  - 9. Notice of this application is being given in accordance with Division rules.

**WHEREFORE**, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 30, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon:
- 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, equipping and completing the initial 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;
- E. Granting an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof requiring that one of the proposed wells be drilled and completed within two years after the date of the Division Order granting this application; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the initial wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Candace Callahan

500 Don Gaspar Avenue

Santa Fe, New Mexico 87505

(505) 983-8545 or (505) 983-8765 (direct)

(800) 886-6566 (fax)

ccallahan@bwenergylaw.com

ATTORNEYS FOR CHEVRON U.S.A., INC.

#### <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u>

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

640

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

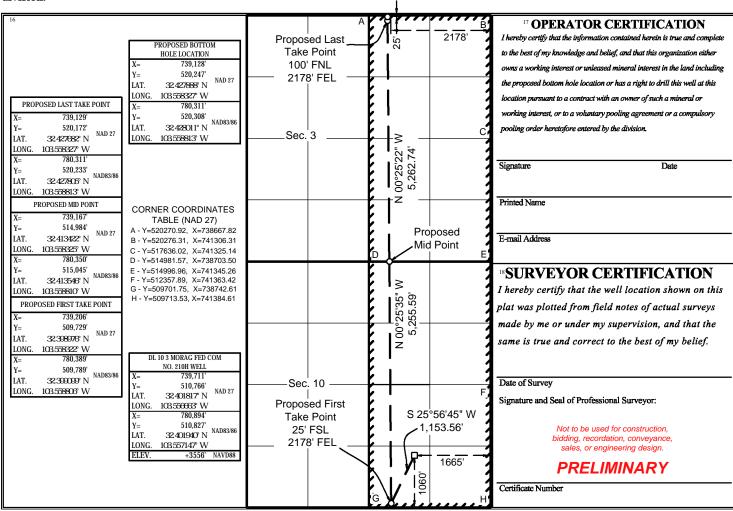
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Num	ber	<sup>2</sup> Pool C	Code	<sup>3</sup> Pool Name					
			5168	7	RED TANK;BONE SPRING					
<sup>4</sup> Proper	ty Code			<sup>5</sup> P1	roperty Name				6 1	Well Number
				DL 10 3 M	ORAG FED O	COM				210H
<sup>7</sup> OGR	ID No.			8 <b>O</b> J	perator Name					<sup>9</sup> Elevation
43:	23			CHEVR	ON U.S.A. IN	IC.				3556'
	<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County
О	10	22 SOUTH	33 EAST, N.M.P.M.		1060'	SOUTH	1665'	EAST LEA		LEA
	<sup>11</sup> 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/V	Vest line	County
В	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	2178'	EA	ST	LEA
12 Dedicated A	cres 13 Joir	t or Infill	14 Consolidation Code 15	Order No.						

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.



#### District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 8'

640

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

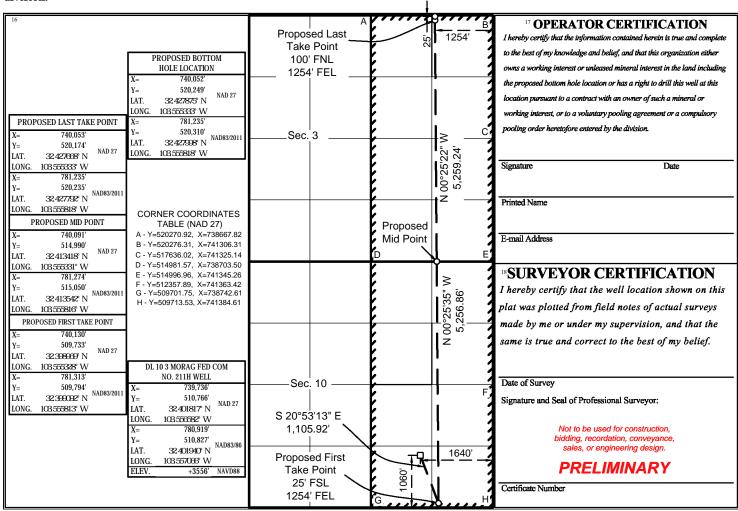
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API N	ımber	<sup>2</sup> Pool (	Code	<sup>3</sup> Pool Name						
			5168	37	RED TANK; BONE SPRING						
<sup>4</sup> Proper	ty Code			<sup>5</sup> <b>P</b> :	roperty Name 6 Well Number					Well Number	
				DL 10 3 M	ORAG FED	COM				211H	
<sup>7</sup> OGR	ID No.			8 <b>O</b>	perator Name			ĺ		<sup>9</sup> Elevation	
43	23			CHEVR	RON U.S.A. IN	C.			3556'		
<sup>10</sup> Surface Location											
UL or lot no.	Section	n Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County	
0	10	22 SOUTH	33 EAST, N.M.P.M.		1060'	SOUTH	1640'	EAST		LEA	
	<sup>11</sup> Bottom Hole Location If Different From Surface										
UL or lot no.	Section	n Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	East/West line County		
A	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	1254'	EAS	EAST LEA		
12 Dedicated A	cres 13 J	oint or Infill	14 Consolidation Code 11	Order No.							

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.



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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

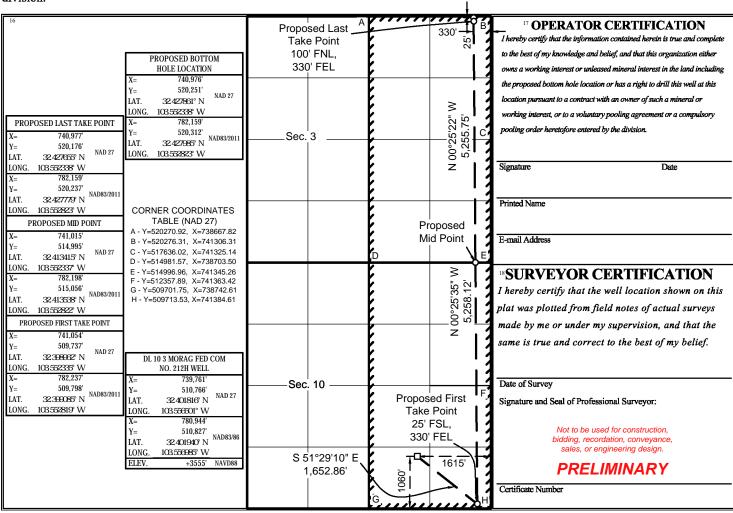
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Nun	nber	<sup>2</sup> Pool	Code	<sup>3</sup> Pool Name							
			516	587	RED TANK; BONE SPRING							
<sup>4</sup> Proper	ty Code		•	<sup>5</sup> P	roperty Name				<sup>6</sup> Well Number			
				DL 10 3 N	MORAG FED (	COM				212H		
<sup>7</sup> OGR	ID No.			8 O	perator Name					<sup>9</sup> Elevation		
43	23			CHEVE	RON U.S.A. IN	IC.			3555'			
				10 Sur	face Locat	ion						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County		
О	10	22 SOUTH	33 EAST, N.M.P.M		1060'	SOUTH	1615'	EAST		LEA		
			11 Bottom	Hole 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	Vest line	County		
A	3	22 SOUTH	33 EAST, N.M.P.M		25'	NORTH	330'	EA	ST	LEA		
12 Dedicated A	cres 13 Joi	nt or Infill	14 Consolidation Code	15 Order No.								
640												

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.



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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

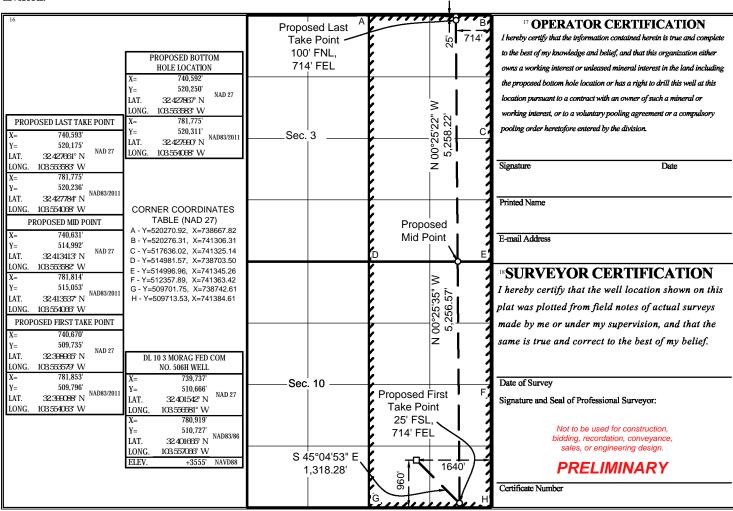
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

	<sup>1</sup> API Nu	mber	<sup>2</sup> Pool	Code	<sup>3</sup> Pool Name					
			516	87	RED TANK; BONE SPRING					
<sup>4</sup> Proper	ty Code		<sup>5</sup> Property Name <sup>6</sup> Well Numb					Well Number		
				DL 10 3 N	MORAG FED (	COM				506H
<sup>7</sup> OGR	ID No.			8 O	perator Name					<sup>9</sup> Elevation
43	23			CHEVE	RON U.S.A. IN	IC.				3555'
<sup>10</sup> Surface Location										
UL or lot no.	Sectio	n Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County
О	10	22 SOUTH	33 EAST, N.M.P.M.		960'	SOUTH	1640'	EA	ST	LEA
<sup>11</sup> 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/V	West line	County
A	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	714'	EA	ST	LEA
12 Dedicated A	cres 13 Jo	int or Infill	14 Consolidation Code	15 Order No.						
640										

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.



#### **CHEVRON'S CASE NO. 21240**

DL 10 3 Morag Fed Com #210H, #211H, #212H & #506H T22S-R33E – Section 3, E/2 T22S-R33E – Section 10, E/2 Lea County, NM

Tract 1 Ownership: TRACT 1: Chevron U.S.A. Inc. E/2 of SEC. 3 Tract 2 Ownership: 320.00 ACRES NMNM 96244 EOG Resources, Inc. Tract 3 Ownership: EOG Resources, Inc. Chevron U.S.A. Inc. **UTI Energy Corporation** Sec 3 The Family Trust U/W/O Richard K Barr Bypass Trust, Cynthia Wilson Tract 4 Ownership: EOG Resources, Inc. TRACT 2: N/2 NE/4 of SEC. 10 80.00 ACRES NMNM 126489 TRACT 3: Sec 10 **SE/4 of SEC. 10** 160.00 ACRES NMNM 17440 TRACT 4: S/2 SE/4 of SEC. 10

Seeking to compulsory pool interests in Tracts 2, 3 & 4

80.00 ACRES NMNM 126490

#### **CHEVRON'S CASE NO. 21240**

DL 10 3 Morag Fed Com #210H, #211H, #212H & #506H T22S-R33E – Section 3, E/2 T22S-R33E – Section 10, E/2 Lea County, NM

#### **WORKING INTEREST OWNERSHIP:**

#### Tract 1: E/2 of Section 3, Township 22 South, Range 33 East (NMNM 96244)

Chevron U.S.A. Inc.	100.00%
Total	100.00%

#### Tract 2: N/2 NE/4 of Section 10, Township 22 South, Range 33 East (NMNM 126489)

EOG Resources, Inc.	100.00%
Total	100.00%

#### Tract 3: S/2 NE/4 & N/2 SE/4 of Section 10, Township 22 South, Range 33 East (NMNM 17440)

EOG Resources, Inc.	65.00%
Chevron U.S.A. Inc.	25.00%
UTI Energy Corporation	5.00%
The Family Trust U/W/O Richard K Barr	2.50%
Bypass Trust, Cynthia Wilson	2.50%
Total	100.00%

#### Tract 4: S/2 SE/4 of Section 10, Township 22 South, Range 33 East (NMNM 126490)

EOG Resources, Inc.	100.00%
Total	100.00%

#### **CHEVRON'S CASE NO. 21240**

DL 10 3 Morag Fed Com #210H, #211H, #212H & #506H T22S-R33E – Section 3, E/2 T22S-R33E – Section 10, E/2 Lea County, NM

### **UNIT RECAPITULATION\***

Section 3: E/2 Section 10: E/2 Township 22 South, Range 33 East

Chevron U.S.A. Inc.	62.50%
UTI Energy Corporation**	1.25%
The Family Trust U/W/O Richard K Barr	0.625%
Bypass Trust, Cynthia Wilson**	0.625%
EOG Resources, Inc.	35.00%
Total:	100.00%

<sup>\*</sup>Working Interests Chevron seeks to compulsory pool are in bold print.

Chevron is also seeking to pool all overriding royalty interest owners, as follows:

Chisos Minerals, LLC
Paul R. Barwis**
Crownrock Minerals, L.P.
The Cornerstone Family Trust
C. Mark Wheeler and his wife, J'Lynn Wheeler
Jareed Partners, Ltd.**
Madison M. Hinkle
Rolla Hinkle
Mustang Oil & Gas, LLC
New Tex Oil Company**

<sup>\*\*</sup>Unlocatable interest owner

Chevron North American Exploration			Appropriation Request		
County, State	Well Type	Field	Well Name		
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 210H		
Area	Objective	Date	Project Engineer	Duration (days)	
Dagger Lake	Avalon	Feb-20	B. Abney	20.0	
			Business Unit	Joint Venture	
			мсви	Yes	
Reason for Expenditure				h	
DRILLING AFE					
Cost Ca	tegory	Code	Sub-code	Amount (\$)	
Company Labor		6601	0100	1	
Contract Project Supervisio	n	7000	0200	1	
Fuel Diesel		7129			
Utilities / Potable Water		7129	0300	\$ 8,956	
Casing (tangible)		7190	0022	\$ 654,100	
Wellheads (tangible)		7190	0110		
Materials, Parts, & Supply		7190	0500		
Drilling Fluids		7190	1900	\$ 276,510	
Surface Equipment Rentals		7230	0100	\$ 294,099	
Well Service Equipment Re	ntals	7230	0200	\$ 134,673	
Rig Rentals		7230	0200	\$ 10,983	
Transportation Services, Land & Marine		7340	0300	\$ 49,597	
Rig Work		7440	0001	\$ 610,485	
Mobilization / De-Mobilizat	ion	7440	0003	\$ -	
Solid Waste Disposal		7420	0300	\$ 130,393	
Directional Survey & Service	es	7440	0006	\$ 263,308	
Drill-Pipe Rental & Bits		7440	0007	······································	
Coring		7440	0017	\$ -	
Testing		7440	0018	\$ -	
Logging Wireline		7440	0019	\$ -	
Logging While Drilling (LWE	)}	7440	0020	\$ -	
Logging Mud		7440	0021		
Cementing		7440	0024	\$ 263,673	
Sitework / Locations		7450	0021	\$ 14,192	
			Total	\$ 3,165,807	
Participation & Authorizati	on		Share (%)	Amount (\$)	
Approved (Print Name)		Approved (Signature)			
			Date		

Chevron North American Exploration		Appropria	ation Request	
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 210H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	Lower Avalon	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
•			MCBU	Yes
Reason for Expenditure		•		
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6603	0100	\$ 92,690
Contract Labor	······································	7000	0200	\$ 97,409
Fuel & Utilities		7129	0100	\$ 524,266
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 112,536
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Flui	ds	7190	1900	\$ 1,007,987
Equipment Rentals		7230	0100	\$ 842,712
Materials, Supplies, & Parts		7190	0500	\$ -
Transportation		7340	0300	\$ 30,442
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 52,037
Coil Tubing		7440	0009	\$ 242,445
Stimulation / Gravel Pack		7440	0010	\$ 2,082,349
Stimulation / Gravel Pack		7440	0010	\$ 694,010
Perforating & Electric Line	Services	7440	0014	\$ 457,264
Logging – Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 6,383,730
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
			Date	
			Dote	

Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake	
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag	

Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	Date

Delaware Basin   DL 10 3 Morag Fed Cor 211H	Chevron North American Exploration		Appropriation Request		
Area	County, State	Well Type	Field	Well Name	
Area	Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 211H	
Business Unit   MCBU   Vers	Area	Objective	Date		
Business Unit   MCBU   Vers	Dagger Lake	Avalon	Feb-20	B. Abney	20.0
Cost Category   Code   Sub-code   Amount (\$)					Joint Venture
Cost Category   Code   Sub-code   Amount (\$)				MCBU	Yes
Cost Category   Code   Sub-code   Amount (\$)	Reason for Expenditure				
Company Labor	DRILLING AFE				
Contract Project Supervision 7000 0200 \$ 26,79 Fuel Diesel 7129 0100 \$ 122,94 Utilities / Potable Water 7129 0300 \$ 8,95 Cassing (tangible) 7190 0022 \$ 654,10 Wellheads (tangible) 7190 0110 \$ 32,16 Materials, Parts, & Supply 7190 0500 \$ 35,17 Drilling Fluids 7190 1900 \$ 276,551 Utilities / Potable Water 7190 1900 \$ 276,551 Criffing Fluids 7230 0100 \$ 294,09 Well Service Equipment Rentals 7230 0200 \$ 134,677 Rig Rentals 7230 0200 \$ 134,677 Rig Rentals 7230 0200 \$ 10,98 Transportation Services, Land & Marine 7340 0300 \$ 49,59 Rig Work 7440 0301 \$ 610,48 Mobilization / De-Mobilization 7440 0001 \$ 610,48 Mobilization / De-Mobilization 7440 0003 \$ -30 Coring 7440 0003 \$ 130,39 Directional Survey & Services 7440 0007 \$ 122,92 Coring 7440 0017 \$ -30 Testing 7440 0018 \$ -30 Testing 7440 0018 \$ -30 Testing 7440 0019 \$ -	Cost Ca	tegory	Code	Sub-code	Amount (\$)
Fuel Diesel 7129 0100 \$ 122,94 Utilities / Potable Water 7129 0300 \$ 8,955 Casing (tangible) 7190 0012 \$ 654,100 Materials, Parts, & Supply 7190 0110 \$ 32,165 Materials, Parts, & Supply 7190 0010 \$ 35,177 Drilling Fluids 7190 1900 \$ 276,511 Surface Equipment Rentals 7230 0100 \$ 294,099 Well Service Equipment Rentals 7230 0200 \$ 134,657 Rig Rentals 7230 0200 \$ 10,985 Transportation Services, Land & Marine 7340 0300 \$ 49,597 Rig Work 7440 0001 \$ 610,485 Mobilization / De-Mobilization 7440 0003 \$ 130,399 Drirectional Survey & Services 7440 0006 \$ 263,300 Drill-Pipe Rental & Bits 7440 0007 \$ 122,925 Coring 7440 0007 \$ 122,925 Coring 7440 0008 \$ 122,925 Coring 7440 0008 \$ 122,925 Coring 7440 0009 \$ 122,925 Coring 7440	Company Labor		6601		
Ditilities / Potable Water	Contract Project Supervisio	n	7000		
Casing (tangible)	Fuel Diesel		7129		
Wellheads (tangible)       7190       0110       \$ 32,16         Materials, Parts, & Supply       7190       0500       \$ 35,17         Drilling Fluids       7190       1900       \$ 276,51         Surface Equipment Rentals       7230       0100       \$ 294,09         Well Service Equipment Rentals       7230       0200       \$ 134,67         Rig Rentals       7230       0200       \$ 10,98         Fransportation Services, Land & Marine       7340       0300       \$ 49,59         Rig Work       7440       0001       \$ 610,48         Mobilization / De-Mobilization       7440       0003       \$ -         Solid Waste Disposal       7420       0300       \$ 130,39         Drill-Pipe Rental & Bits       7440       0007       \$ 122,92         Corring       7440       0007       \$ -         Testing       7440       0017       \$ -         Testing       7440       0018       \$ -         Logging Wireline       7440       0019       \$ -         Logging While Drilling (LWD)       7440       0021       \$ 16,68         Cementing       7440       0021       \$ 14,19         Sitework / Locations       7450 </td <td>Utilities / Potable Water</td> <td></td> <td>****</td> <td></td> <td></td>	Utilities / Potable Water		****		
Materials, Parts, & Supply   7190   0500   \$ 35,177	Casing (tangible)		7190	0022	
Drilling Fluids	Wellheads (tangible)	w			
Surface Equipment Rentals   7230   0100   \$ 294,095	Materials, Parts, & Supply				
Well Service Equipment Rentals   7230   0200   \$ 134,675     Rig Rentals   7230   0200   \$ 10,985     Transportation Services, Land & Marine   7340   0300   \$ 49,595     Rig Work   7440   0001   \$ 610,485     Mobilization / De-Mobilization   7440   0003   \$					
Rig Rentals   7230   0200   \$ 10,98    Transportation Services, Land & Marine   7340   0300   \$ 49,59    Rig Work   7440   0001   \$ 610,48    Mobilization / De-Mobilization   7440   0003   \$					
Transportation Services, Land & Marine   7340   0300   \$ 49,59	Well Service Equipment Re	ntals			
Rig Work 7440 0001 \$ 610,48! Mobilization / De-Mobilization 7440 0003 \$ Solid Waste Disposal 7420 0300 \$ 130,39! Directional Survey & Services 7440 0006 \$ 263,30! Drill-Pipe Rental & Bits 7440 0007 \$ 122,92! Coring 7440 0017 \$ Testing 7440 0018 \$ Logging Wireline 7440 0019 \$ Logging While Drilling (LWD) 7440 0020 \$ Logging Mud 7440 0021 \$ 16,68! Cementing 7440 0024 \$ 263,67! Sitework / Locations 7450 0021 \$ 14,19! Total \$ 3,165,80!  Participation & Authorization Share (%) Amount (\$)	Rig Rentals				
Mobilization / De-Mobilization   7440   0003 \$   5   5	Transportation Services, Land & Marine				
Solid Waste Disposal   7420   0300   \$   130,395	Rig Work				
Directional Survey & Services   7440   0006   \$ 263,300     Drill-Pipe Rental & Bits   7440   0007   \$ 122,920     Coring   7440   0017   \$		ion			
Drill-Pipe Rental & Bits   7440   0007   \$   122,925					
Testing		es			
Testing	Drill-Pipe Rental & Bits				
Cogging Wireline	Coring				
Approved (Print Name)   Approved (Signature)   Cogging While Drilling (LWD)   7440   0020   \$	Testing				
Commenting   7440   0021   \$ 16,688					<u> </u>
		)			
Sitework / Locations 7450 0021 \$ 14,193 Total \$ 3,165,803  Participation & Authorization Share (%) Amount (\$)  Approved (Print Name) Approved (Signature)					
Total \$ 3,165,800  Participation & Authorization Share (%) Amount (\$)  Approved (Print Name) Approved (Signature)	Cementing				
Participation & Authorization Share (%) Amount (\$)  Approved (Print Name) Approved (Signature)	Sitework / Locations		7450	1	
Approved (Print Name) Approved (Signature)			<del></del>	Total	\$ 3,165,807
	Participation & Authorizati	on		Share (%)	Amount (\$)
	Approved (Print Name)			Approved (Cienatura)	
Date	Approved (Frint Name)			whhiosen (signature)	· · · · · · · · · · · · · · · · · · ·
				Date	

Chevron North American Exploration		Appropria	ntion Request	
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 211H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	Lower Avalon	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
•			мсви	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 92,690
Contract Labor		7000	0200	\$ 97,409
Fuel & Utilities		7129	0100	\$ 524,266
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 112,536
Wellheads & Trees		. 7190	0110	\$ 19,117
Drilling & Completion Flui	ds	7190	1900	\$ 1,007,987
Equipment Rentals		7230	0100	\$ 842,712
Materials, Supplies, & Par	ts	7190	0500	\$ -
Transportation		7340	0300	\$ 30,442
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 52,037
Coil Tubing		7440	0009	\$ 242,445
Stimulation / Gravel Pack		7440	0010	\$ 2,082,349
Stimulation / Gravel Pack		7440	0010	\$ 694,010
Perforating & Electric Line	Services	7440	0014	\$ 457,264
Logging – Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	ก	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 6,383,730
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)	AND THE PERSON OF STREET	and and the part from the party of the	Approved (Signature)	
			D-4-	
			Date	

Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signatur	e)	Date

Chevro	n North American Ex	ploration	Appropriati	ion Request
County, State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 212H	
Area	Objective	Date	Project Engineer	Duration (days)
Dagger Lake	Avalon	Feb-20	B. Abney	20.0
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
DRILLING AFE				
Cost Car	tegory	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 98,146
Contract Project Supervision	n	7000	0200	\$ 26,791
Fuel Diesel		7129	0100	\$ 122,947
Utilities / Potable Water		7129	0300	\$ 8,956
Casing (tangible)		7190		
Wellheads (tangible)		7190	0110	\$ 32,165
Materials, Parts, & Supply		7190	0500	\$ 35,178
Drilling Fluids		7190	1900	\$ 276,510
Surface Equipment Rentals		7230	0100	\$ 294,099
Well Service Equipment Rea	ntals	7230	0200	\$ 134,673
Rig Rentals		7230	0200	\$ 10,983
Transportation Services, La	nd & Marine	7340	0300	\$ 49,597
Rig Work		7440	0001	\$ 610,485
Mobilization / De-Mobilizat	ion	7440	0003	\$ -
Solid Waste Disposal		7420	0300	\$ 130,393
Directional Survey & Service	es	7440	0006	\$ 263,308
Drill-Pipe Rental & Bits		7440	0007	\$ 122,928
Coring		7440	0017	\$ -
Testing		7440		
Logging Wireline		7440	0019	\$ -
Logging While Drilling (LWD	)	7440	0020	\$ -
Logging Mud		7440	0021	
Cementing		7440	0024	\$ 263,673
Sitework / Locations		7450		7
			Total	\$ 3,165,807
Participation & Authorization		Share (%)	Amount (\$)	
a supution & Authorizati	~		51141 (70)	7
Approved (Print Name)	and the second second		Approved (Signature)	
			Date	

Chevron North American Exploration		Appropria	tion Request	
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 212H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	Lower Avalon	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	
Contract Labor		7000	0200	\$ 97,409
Fuel & Utilities		7129	0100	\$ 524,266
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	. 0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 112,536
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Fluid	ds	7190	1900	\$ 1,007,987
Equipment Rentals		7230	0100	\$ 842,712
Materials, Supplies, & Part	ts	7190	0500	\$ -
Transportation		7340	0300	\$ 30,442
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 52,037
Coil Tubing		7440	0009	\$ 242,445
Stimulation / Gravel Pack		7440	0010	\$ 2,082,349
Stimulation / Gravel Pack		7440	0010	\$ 694,010
Perforating & Electric Line	Services	7440	0014	\$ 457,264
Logging - Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 6,383,730
		<u> Paramana and an </u>		
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
			Date	
			Date	

Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake				
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag				

Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
TC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost: \$	1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	Date

Chevron	North American Exp	Appropriation Request				
County, State	Well Type	Well Name				
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Co	m 506H		
Area	Objective	Date	Project Engineer	Duration (days)		
Dagger Lake	TBS	Feb-20	B. Abney	26.00		
			Business Unit	Joint Venture		
:			MCBU	Yes		
Reason for Expenditure						
DRILLING AFE						
Cost Cat	egory	Code	Sub-code	Amount (\$)		
Company Labor		6601	0100	\$ 152,202		
Contract Project Supervision	1	7000	0200	\$ 31,431		
Fuel Diesel		7129	0100	\$ 244,238		
Utilities / Potable Water		7129	0300	\$ 10,507		
Casing (tangible)		7190	0022	7		
Wellheads (tangible)		7190	0110			
Materials, Parts, & Supply		7190	0500	\$ 61,270		
Drilling Fluids		7190	1900	\$ 279,366		
Surface Equipment Rentals		7230	0100	\$ 345,030		
Well Service Equipment Ren	tals	7230	0200	\$ 207,995		
Rig Rentals		7230	0200	\$ 10,538		
Transportation Services, Lan	d & Marine	7340	0300	\$ 58,512		
Rig Work		7440	0001	\$ 747,938		
Mobilization / De-Mobilization	on	7440	0003	\$ -		
Solid Waste Disposal		7420	0300	\$ 155,974		
Directional Survey & Service	S	7440	0006	\$ 388,906		
Drill-Pipe Rental & Bits		7440	0007	\$ 197,287		
Coring		7440	0017	\$ -		
Testing		7440	0018	\$ -		
Logging Wireline		7440	0019	\$ -		
Logging While Drilling (LWD)		7440	0020	\$ -		
Logging Mud		7440	0021	\$ 19,574		
Cementing		7440	0024	\$ 271,630		
Sitework / Locations		7450		\$ 14,192		
			Total	\$ 4,281,180		
Participation & Authorization	ın		Share (%)	Amount (\$)		
				, (+/		
Approved (Print Name)			Approved (Signature)			
			Date			

Chevror	North American Ex	Appropriation Request					
ounty, State Well Type Field				Well Name			
Lea County, New Mexico	Development	Delaware Basin		DL 10 3 Morag Fed Cor	n 506H		
Area	Objective	Date		Project Engineer	Well Duration (days)		
Dagger Lake	TBS	Feb-20		B. Abney	12.0		
				Business Unit	Joint Venture		
			MCBU	Yes			
Reason for Expenditure							
COMPLETIONS AFE							
Cost Cate	egory	Code		Sub-code	Amount (\$)		
Company Labor		66	501	0100	\$ 63,623		
Contract Labor		70	000	0200	\$ 67,373		
Fuel & Utilities		7:	129	0100	\$ 306,279		
Artificial Lift Equipment & M	Materials	7:	150	0100	\$ 27,671		
Tubing		7:	190	0021	\$ 57,188		
Sub-Surface Well Equipment	t & Materials	7:	190	0100	\$ 66,912		
Wellheads & Trees		7:	190	0110	\$ 19,117		
Drilling & Completion Fluids		73	190	1900	\$ 613,545		
Equipment Rentals		72	230	0100	\$ 565,897		
Materials, Supplies, & Parts		7:	190	0500	\$ -		
Transportation	_	73	340	0300	\$ 24,310		
Waste Water Disposal		74	120	0600	\$ -		
Rig Daywork		74	140	0001	\$ 4,941		
Drill String & Drill Bits		74	140	0007	\$ 37,319		
Coil Tubing		74	140	0009	\$ 187,254		
Stimulation / Gravel Pack		74	140	0010	\$ 2,241,166		
Stimulation / Gravel Pack		74	140	0010	\$ 395,229		
Perforating & Electric Line So	ervices	74	140	0014	\$ 171,979		
Logging - Wireline		7/	140	0019	\$ 13,666		
Sitework / Roads / Location		74	150	0021	\$ -		
Capitalized G&A		94	110	0700	\$ -		
				Total	\$ 4,863,468		
	n ku wajiya Turki kate,	: Nacy Britains Transfer	149				
Participation & Authorization	on			Share (%)	Amount (\$)		
Approved (Print Name)			- 1,3	Approved (Signature)			
rippi o sea (i fine famile)				- the area (signature)			
			-	Date			

# Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

	Ogopogo, nei man, menen		
Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328 <u>,</u> 752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	Date

# **COMPULSORY POOLING APPLICATION CHECKLIST**

# ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

21241	APPLICANT'S RESPONSE
Date: July 9, 2020	
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	4323
Applicant's Counsel:	Beatty & Wozniak, P.C. (Candace Callahan & Jill Fulcher)
Case Title:	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	Ernie Padilla obo EOG Resources, Inc.; Sharon T. Shaheen & John F. McIntyre obo Tap Rock Resources, LLC; J. E. Gallegos & Michael J. Condon obo Stewarts, Helms, JAFT and Worrells, James Bruce obo Antelope Energy Company, LLC (NOTE: EOG Resources, Inc. is the only party entering an appearance which owns an interest in the proposed spacing and proration unit)
Well Family	Morag
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	WCA: WC-025 G-10 S213328O
Well Location Setback Rules:	Standard Oil, 330' setback
Spacing Unit Size:	640 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres, more or less
Building Blocks:	40 acres (quarter-quarter section)
Orientation:	North-South
Description: TRS/County	E/2 of Section 3 and E/2 of Section 10, T22S, R33E, Lea Co.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	Na
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes: W/2E/2 of Sections 3 and 10, T22S, R33E, Lea Co.
Proximity Defining Well: if yes, description	DL 10 3 Morag Fed Com 611H
Applicant's Ownership in Each Tract	Tract 1: 100%; Tract 3: 25%
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	DL 10 3 Morag Fed Com 610H SHL 270 FSL / 1690 FEL, Section 10, T22S, R33E BHL: 25 FNL / 2178 FEL, Section 3, T22S,R33E Well Orientation: North to South Completion location exxpected to be standard
Well #2	DL 10 3 Morag Fed Com 611H SHL: 270 FSL / 1665 FEL, Section 10, T22S, R33E BHL: 25 FNL / 1254 FEL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Well #3	DL 10 3 Morag Fed Com 612H SHL: 270 FSL / 1615 FEL, Section 10, T22S, R33E BHL: 25 FNL / 330 FEL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Horizontal Well #1 First and Last Take Points	Exhibit L-11 (C-102)
Horizontal Well #2 First and Last Take Points	Exhibit L-11 (C-102)
Horizontal Well #3 First and Last Take Points	Exhibit L-11 (C-102)
Completion Target Well #1, #2 and #3 (Formation, TVD and MD)	Wolfcamp at approx. 12,160' TVD and 22,160' MD
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,000; Exhibit L, Paragrah 23
Production Supervision/Month \$	\$700; Exhibit L, Paragraph 23
Justification for Supervision Costs	Exhibit L-4 and Exhibit L, Paragraph 23
Requested Risk Charge	200%; Exhibit L, Paragraph 24
Notice of Hearing	
Proposed Notice of Hearing	Submitted with Application; See Online Case file
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit L-2 (Attorney's Affidavit)
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit L-3 (Certificate of Publication)

Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit L-12
Tract List (including lease numbers and owners)	Exhibit L-12
Pooled Parties (including ownership type)	Exhibit L-12
Unlocatable Parties to be Pooled	Exhibit L-12
Ownership Depth Severance (including percentage above & below)	EXTIIDIT L-12
	Not applicable
Joinder	
Sample Copy of Proposal Letter	Exhibit L-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit L-12
Chronology of Contact with Non-Joined Working Interests	Exhibit L-5
Overhead Rates In Proposal Letter	Exhibit L-4
Cost Estimate to Drill and Complete	See AFE at Exhibit L-13
Cost Estimate to Equip Well	See AFE at Exhibit L-13
Cost Estimate for Production Facilities	See AFE at Exhibit L-13
Geology	
Summary (including special considerations)	Exhibit L, Paragraph 20
Spacing Unit Schematic	Exhibit G-1 and G-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit G-1 and G-2
Well Orientation (with rationale)	Exhibit G, Paragraph 23
Target Formation - Wolfcamp A (Well # 1, 2 & 3)	Exhibits G-5 and G-6
HSU Cross Section - Wolfcamp A (Well # 1, 2 & 3)	Exhibits G-5 and G-6
Depth Severance Discussion	Not applicable
Forms, Figures and Tables	11
C-102	Exhibit L-11 (C-102)
Tracts	Exhibit L-12
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit L-12
General Location Map (including basin)	Exhibit L-1
Well Bore Location Map	Exhibit L-11 (C-102s)
Structure Contour Map - Subsea Depth: Wolfcamp A Well # 1, 2 & 3	Exhibit G-11
Seismic Section Map - North to South	Exhibit G-7
Seismic Section Map - West to East	Exhibit G-8
Cross Section Location Map (including wells): Wolfcamp A Well # 1, 2 & 3	Exhibits G-5 and G-6
Cross Section (including Landing Zone):	Exhibits G-5 and G-6
Additional Information	
Special Provisions/Stipulations	Applicant requests an extension of the requirement to drill and complete the initial well within 120-days to a requirement to drill and complete the initial well within two years from the date of the Division Order granting this application.
CERTIFICATION: I hereby certify that the information provided in this checklist	is complete and accurate.
Printed Name (Attorney or Party Representative):	Candace Callahan
Signed Name (Attorney or Party Representative):	Col_
Date:	July 6, 2020
	1 7

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-10

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

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

**CASE NO.** \_\_\_\_\_21241

# 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), Section 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation (WCA: WC-025 G-10 S213328O) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 3 and E/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. 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 dedicate the above-referenced horizontal spacing unit to the following three proposed initial wells, all of which will be horizontally drilled from a common surface location in the SW/4SE/4 (Unit O) of Section 10. The bottom hole locations of the **DL 10** 3 Morag Fed Com 610H well and the **DL 10** 3 Morag Fed Com 611H will be in the NW/4NE/4 (Unit B) of Section 3, and the **DL 10** 3 Morag Fed Com 612H well will be in the NE/4NE/4 (Unit A) of Section 3.
  - 3. The completed intervals of these wells will comply with statewide setbacks.

- 4. No depth severances exist within the Wolfcamp formation underlying the proposed horizontal spacing unit.
- 5. Applicant plans to drill the proposed wells as part of a simultaneous drilling and completion project; therefore, Applicant requests an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof require that one of the proposed wells be drilled and completed within two years after the date of the Division Order granting this application.
- 6. Applicant has made a good faith effort but has been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners within the subject horizontal spacing unit.
- 7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 8. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in this proposed horizontal spacing unit should be pooled, and Applicant should be designated as operator of these proposed horizontal wells and spacing unit.
  - 9. Notice of this application is being given in accordance with Division rules.

**WHEREFORE**, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 30, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon:
- 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, equipping and completing the initial 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;
- E. Granting an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof requiring that one of the proposed wells be drilled and completed within two years after the date of the Division Order granting this application; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the initial wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Candace Callahan

500 Don Gaspar Avenue

Santa Fe, New Mexico 87505

(505) 983-8545 or (505) 983-8765 (direct)

(800) 886-6566 (fax)

ccallahan@bwenergylaw.com

ATTORNEYS FOR CHEVRON U.S.A., INC.

# <u>District I</u> 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

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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

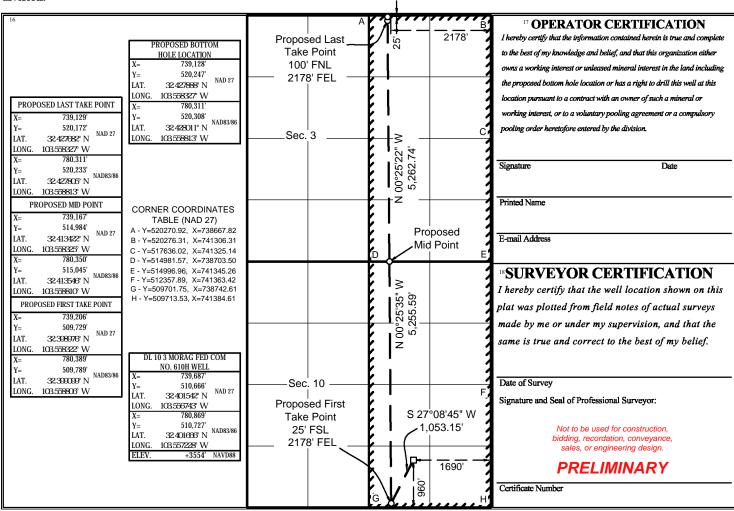
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Num	ber	er <sup>2</sup> Pool Code			<sup>3</sup> Pool Name					
			51687 RED TANK;BONE SPRING								
<sup>4</sup> Proper	ty Code		•	<sup>5</sup> P	roperty Name				<sup>6</sup> Well Number		
				DL 10 3 N	ORAG FED	COM				610H	
<sup>7</sup> OGR	ID No.			8 O	perator Name					<sup>9</sup> Elevation	
43	23			CHEVE	RON U.S.A. IN	IC.				3554'	
				10 Sur	face Locat	ion					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County	
О	10	22 SOUTH	33 EAST, N.M.P.M.		960' SOUTH 1690' EAST LE				LEA		
Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Township Range Lot Idn Feet from the North/South line Feet from the East/West line					County			
В	3	22 SOUTH	33 EAST, N.M.P.M.	AST, N.M.P.M. 25' NORTH 2178' EAST						LEA	
12 Dedicated Acres   13 Joint or Infill   14 Consolidation Code   15 Order No.							_				

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.



# District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fay: (575) 393-07

Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 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

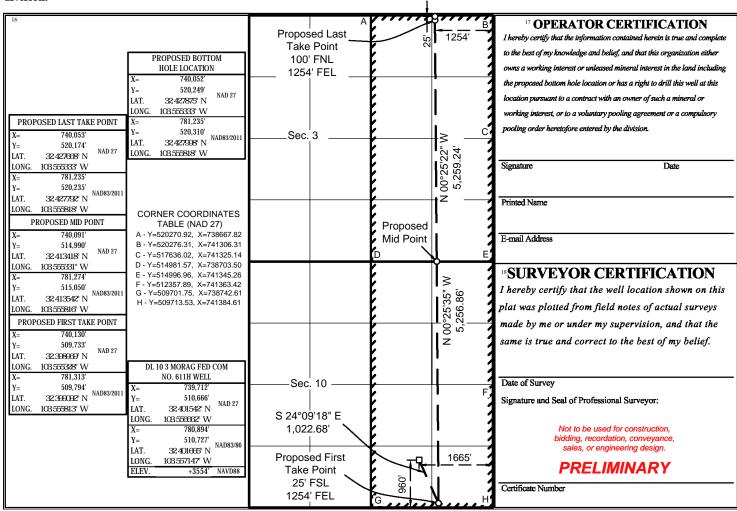
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# WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Nı	mber	<sup>2</sup> Pool	Code		<sup>3</sup> Pool Name					
			51687 RED TANK; BONE SPRING								
<sup>4</sup> Proper	ty Code		•	<sup>5</sup> P	roperty Name				<sup>6</sup> Well Number		
			DL 10 3 MORAG FED COM						611H		
<sup>7</sup> OGR	ID No.			8 O	perator Name					Elevation	
43	23			CHEVE	RON U.S.A. IN	IC.				3554'	
<sup>10</sup> Surface Location											
UL or lot no.	Section	n Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/\	West line	County	
О	10	22 SOUTH	33 EAST, N.M.P.M		960'	SOUTH	1665'	EA	ST	LEA	
			11 Bottom	Hole Locat	tion If Diffe	erent From S	Surface				
UL or lot no.	Section	n Township	Township Range Lot Idn Feet from the North/South line Feet from the H		East/V	Vest line	County				
A	3	22 SOUTH	33 EAST, N.M.P.M		25'	NORTH	1254'	EA	ST	LEA	
12 Dedicated A	cres 13 J	oint or Infill	14 Consolidation Code	15 Order No.							
640											

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.



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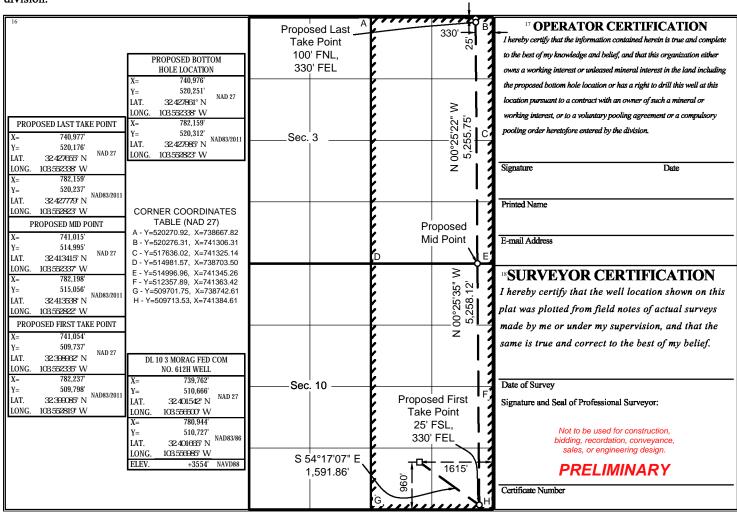
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Num	ber	Pool Code 3 Pool Name								
			51687 RED TANK; BONE SPRIN						G		
<sup>4</sup> Proper	ty Code			<sup>5</sup> <b>P</b> :	roperty Name				<sup>6</sup> Well Number		
			DL 10 3 MORAG FED COM						612H		
<sup>7</sup> OGR	ID No.			8 O	perator Name					<sup>9</sup> Elevation	
43	23			CHEVR	RON U.S.A. IN	IC.				3554'	
	<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County	
О	10	22 SOUTH	33 EAST, N.M.P.M.		960'	SOUTH	1615'	EA	ST	LEA	
			11 Bottom I	Hole Locat	ion If Diffe	erent From S	Surface				
UL or lot no.	Section	Township	Township Range		Feet from the	North/South line	Feet from the	East/V	Vest line	County	
A	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	330'	EA	ST	LEA	
12 Dedicated A	cres 13 Join	nt or Infill	14 Consolidation Code	15 Order No.							
640											

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.

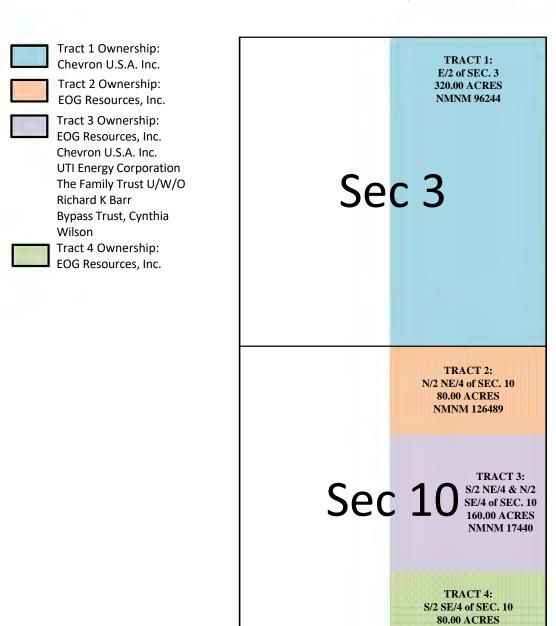


Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

Exhibit No. L-11

DL 10 3 Morag Fed Com #610H, #611H & #612H T22S-R33E – Section 3, E/2 T22S-R33E – Section 10, E/2 Lea County, NM



Seeking to compulsory pool interests in Tracts 2, 3 & 4

NMNM 126490

DL 10 3 Morag Fed Com #610H, #611H & #612H T22S-R33E – Section 3, E/2 T22S-R33E – Section 10, E/2 Lea County, NM

# **WORKING INTEREST OWNERSHIP**

# Tract 1: E/2 of Section 3, Township 22 South, Range 33 East (NMNM 96244)

Chevron U.S.A. Inc.	100.00%
Total	100.00%

# Tract 2: N/2 NE/4 of Section 10, Township 22 South, Range 33 East (NMNM 126489)

EOG Resources, Inc.	100.00%
Total	100.00%

# Tract 3: S/2 NE/4 & N/2 SE/4 of Section 10, Township 22 South, Range 33 East (NMNM 17440)

EOG Resources, Inc.	65.00%
Chevron U.S.A. Inc.	25.00%
UTI Energy Corporation	5.00%
The Family Trust U/W/O Richard K Barr	2.50%
Bypass Trust, Cynthia Wilson	2.50%
Total	100.00%

# Tract 4: S/2 SE/4 of Section 10, Township 22 South, Range 33 East (NMNM 126490)

EOG Resources, Inc.	100.00%
Total	100.00%

DL 10 3 Morag Fed Com #610H, #611H & #612H T22S-R33E – Section 3, E/2 T22S-R33E – Section 10, E/2 Lea County, NM

# **UNIT RECAPITULATION\***

Section 3: E/2 Section 10: E/2 Township 22 South, Range 33 East

Chevron U.S.A. Inc.	62.50%
UTI Energy Corporation**	1.25%
The Family Trust U/W/O Richard K Barr	0.625%
Bypass Trust, Cynthia Wilson**	0.625%
EOG Resources, Inc.	35.00%
Total:	100.00%

<sup>\*</sup>Working Interests Chevron seeks to compulsory pool are in bold print.

Chevron is also seeking to pool all overriding royalty interest owners, as follows:

Chisos Minerals, LLC
Paul R. Barwis**
Crownrock Minerals, L.P.
The Cornerstone Family Trust
C. Mark Wheeler and his wife, J'Lynn Wheeler
Jareed Partners, Ltd.**
Madison M. Hinkle
Rolla Hinkle
Mustang Oil & Gas, LLC
New Tex Oil Company**

<sup>\*\*</sup>Unlocatable interest owners

Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

Exhibit No. L-12

Chevron North American Exploration		Appropriat	ion Request		
County, State	Well Type	Field	Well Name		
Lea County, New Mexico	Development	Delaware Basin DL 10 3 Morag Fed Com 610H		m <b>610</b> H	
Area	Objective	Date Project Engineer		Duration (days)	
Dagger Lake	WCA	Feb-20	B. Abney	26.00	
	W		Business Unit	Joint Venture	
			MCBU	Yes	
Reason for Expenditure					
DRILLING AFE					
Cost Ca	itegory	Code	Sub-code	Amount (\$)	
Company Labor		6601	I		
Contract Project Supervisio	n	7000	0200	\$ 31,431	
Fuel Diesel		7129	0100		
Utilities / Potable Water		7129	0300		
Casing (tangible)		7190	0022		
Wellheads (tangible)		7190	0110	\$ 30,633	
Materials, Parts, & Supply		7190	0500		
Drilling Fluids		7190	1	1	
Surface Equipment Rentals		7230	I		
Well Service Equipment Re	ntals	7230	0200		
Rig Rentals		7230	0200	<u> </u>	
Transportation Services, Land & Marine		7340	0300		
Rig Work		7440	0001		
Mobilization / De-Mobilizat	tion	7440		1 . 7	
Solid Waste Disposal		7420			
Directional Survey & Servic	es	7440	0006		
Drill-Pipe Rental & Bits		7440		\$ 197,287	
Coring		7440	0017	\$ .	
Testing		7440			
Logging Wireline		7440			
Logging While Drilling (LWD	))	7440	0020		
Logging Mud	· · · · · · · · · · · · · · · · · · ·	7440			
Cementing		7440	0024		
Sitework / Locations		7450		\$ 14,192	
			Total	\$ 4,281,180	
Participation & Authorizati	on		Share (%)	Amount (\$)	
Approved (Print Name)			Approved (Signature)		
			Date	<u> </u>	

Chevron North American Exploration		Appropriation Request		
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com	610H
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	WCA	Feb-20	B. Abney	15.:
Playbook Name	J		Business Unit	Joint Venture
			мсви	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 94,823
Contract Labor		7000	0200	\$ 99,613
Fuel & Utilities		7129	0100	\$ 567,193
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 106,019
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Flui	ds	7190	1900	\$ 1,016,380
Equipment Rentals		7230	0100	\$ 976,809
Materials, Supplies, & Par	ts	7190	0500	\$ -
Transportation		7340	0300	\$ 29,566
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 49,934
Coil Tubing		7440	0009	\$ 234,560
Stimulation / Gravel Pack		7440	0010	\$ 2,333,459
Stimulation / Gravel Pack		7440	0010	\$ 1,494,604
Perforating & Electric Line	Services	7440	0014	\$ 435,688
Logging - Wireline		7440	0019	\$ 13,666
Sitework / Roads / Location	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 7,586,232
	eggggggeveler verseeve			
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
	Ma.,		Date	

# Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake	
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag	

WELL NAIVIE:	Ogopogo, Narwnai, Kraken	x iviorag	
Description	\$USD	1	
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
TC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	Date

Chevron North American Exploration		Appropriation Request		
County, State	Well Type	. Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 611H	
Area	Objective	Date	Project Engineer	Duration (days)
Dagger Lake	WCA	Feb-20	B. Abney	26.00
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
DRILLING AFE				
Cost Car	tegory	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	
Contract Project Supervision	n	7000	0200	
Fuel Diesel		7129	0100	
Utilities / Potable Water		7129	0300	
Casing (tangible)		7190	0022	\$ 1,053,957
Wellheads (tangible)		7190	0110	\$ 30,633
Materials, Parts, & Supply		7190	0500	
Drilling Fluids		7190	1900	\$ 279,366
Surface Equipment Rentals		7230	0100	\$ 345,030
Well Service Equipment Rer	ntals	7230	0200	\$ 207,995
Rig Rentals		7230	0200	\$ 10,538
Transportation Services, Land & Marine		7340	0300	\$ 58,512
Rig Work		7440		
Mobilization / De-Mobilizat	ion	7440	0003	\$ -
Solid Waste Disposal		7420	0300	\$ 155,974
Directional Survey & Service	es	7440	0006	
Drill-Pipe Rental & Bits		7440	0007	\$ 197,287
Coring		7440	0017	\$ -
Testing		7440	0018	\$ -
Logging Wireline		7440	0019	\$ -
Logging While Drilling (LWD	)	7440	0020	\$ -
Logging Mud		7440	0021	
Cementing		7440	0024	
Sitework / Locations		7450	0021	
			Total	\$ 4,281,180
Participation & Authorization	on		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
·				
			Date	

Chevron North American Exploration		Appropria	ition Request	
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com 611H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	WCA	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost (	Category	Code	Sub-code	Amount (\$)
Company Labor		6601		
Contract Labor		7000		
Fuel & Utilities		7129		
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 106,019
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Fluid	ds	7190	1900	\$ 1,016,380
Equipment Rentals		7230	0100	\$ 976,809
Materials, Supplies, & Part	ts	7190	0500	\$ -
Transportation		7340	0300	\$ 29,566
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 49,934
Coil Tubing		7440	0009	\$ 234,560
Stimulation / Gravel Pack		7440	0010	\$ 2,333,459
Stimulation / Gravel Pack		7440	0010	\$ 1,494,604
Perforating & Electric Line	Services	7440	0014	\$ 435,688
Logging – Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 7,586,232
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
Approved (Finit Mame)	Assessment Conservation and	Control of the Control of the Section 1	Approved (Signature)	and the second state of the second se
			Date	

# Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

AAFFF IAUIAIF.	ogopogo, ital wildi, ki aken i	X IVIOIOE	
Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	Date

Chevro	n North American Exp	Appropriation Request				
County, State	Well Type	Field	Well Name			
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Co	m 612H		
Area	Objective	Date	Project Engineer	Duration (days)		
Dagger Lake	WCA	Feb-20	B. Abney	26.00		
			Business Unit	Joint Venture		
			MCBU	Yes		
Reason for Expenditure						
DRILLING AFE						
Cost Ca	tegory	Code	Sub-code	Amount (\$)		
Company Labor		6601	0100	1		
Contract Project Supervisio	n	7000	0200	\$ 31,431		
Fuel Diesel		7129	0100			
Utilities / Potable Water		7129	0300	\$ 10,507		
Casing (tangible)		7190				
Wellheads (tangible)		7190	0110	\$ 30,633		
Materials, Parts, & Supply		7190	0500	\$ 61,270		
Drilling Fluids		7190	1900	\$ 279,366		
Surface Equipment Rentals		7230	0100	\$ 345,030		
Well Service Equipment Rer	ntals	7230	0200	\$ 207,995		
Rig Rentals		7230	0200	\$ 10,538		
Transportation Services, Lar	nd & Marine	7340	0300	\$ 58,512		
Rig Work		7440	0001	\$ 747,938		
Mobilization / De-Mobilizat	ion	7440	0003	\$ -		
Solid Waste Disposal		7420	0300	\$ 155,974		
Directional Survey & Service	25	7440	0006	\$ 388,906		
Drill-Pipe Rental & Bits		7440	0007	\$ 197,287		
Coring		7440	0017	\$ -		
Testing		7440	0018	\$ -		
Logging Wireline		7440	0019	\$ -		
Logging While Drilling (LWD	)	7440	0020	\$ -		
Logging Mud		7440	0021	\$ 19,574		
Cementing		7440	0024	\$ 271,630		
Sitework / Locations		7450	0021	\$ 14,192		
			Total	\$ 4,281,180		
Participation & Authorization	on		Share (%)	Amount (\$)		
Approved (Print Name)			Approved (Signature)			
			Date			

Chevro	on North American Ex	Appropriation Request				
State	Well Type	Field	Well Name			
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Com	612H		
Area	Objective	Date	Project Engineer	Well Duration (days)		
Dagger Lake	WCA	Feb-20	B. Abney	15.3		
Playbook Name			Business Unit	Joint Venture		
			MCBU	Yes		
Reason for Expenditure						
COMPLETIONS AFE						
Cost C	Category	Code	Sub-code	Amount (\$)		
Company Labor		6601	0100	\$ 94,823		
Contract Labor		7000	0200	\$ 99,613		
Fuel & Utilities		7129	0100	\$ 567,193		
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671		
Tubing		7190				
Sub-Surface Well Equipme	nt & Materials	7190	0100	\$ 106,019		
Wellheads & Trees		7190	0110	\$ 19,117		
Drilling & Completion Fluid	ls	7190	1900	\$ 1,016,380		
Equipment Rentals		7230	0100	\$ 976,809		
Materials, Supplies, & Part	5	7190	0500	\$ -		
Transportation		7340	0300	\$ 29,566		
Waste Water Disposal		7420	0600	\$ -		
Rig Daywork		7440	0001	\$ 4,941		
Drill String & Drill Bits		7440	0007	\$ 49,934		
Coil Tubing		7440	0009	\$ 234,560		
Stimulation / Gravel Pack		7440	0010	\$ 2,333,459		
Stimulation / Gravel Pack		7440	0010	\$ 1,494,604		
Perforating & Electric Line	Services	7440	0014	\$ 435,688		
Logging - Wireline		7440	0019	\$ 13,666		
Sitework / Roads / Location	n	7450	0021	\$ -		
Capitalized G&A		9410	0700	\$ -		
			Total	\$ 7,586,232		
Participation & Authorizat	ion		Share (%)	Amount (\$)		
Approved (Print Name)			Approved (Signature)			
			Date			

# Facilities and Central Tank Battery - Detail of Cost Estimate

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

***************************************			
Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	`	Date

# **COMPULSORY POOLING APPLICATION CHECKLIST**

# ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

21244	APPLICANT'S RESPONSE
Date: July 9, 2020	
• •	Chauran II S A Inc
Applicant Designated Operator & OGRID (affiliation if applicable)	Chevron U.S.A. Inc. 4323
Applicant's Counsel:	Beatty & Wozniak, P.C. (Candace Callahan & Jill Fulcher)
Case Title:	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	Ernie Padilla obo EOG Resources, Inc.; Sharon T. Shaheen & John F. McIntyre obo Tap Rock Resources, LLC; J. E. Gallegos & Michael J. Condon obo Stewarts, Helms, JAFT and Worrells, James Bruce obo Antelope Energy Company, LLC (NOTE: EOG Resources, Inc. is the only party entering an appearance which owns an interest in the proposed spacing and proration unit)
Well Family	Kraken and Morag
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:  Pool Name and Pool Code:	Bone Spring formation  Lower Avalon; Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring
Well Location Setback Rules:	Standard Oil, 330' setback
Spacing Unit Size:	640 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres, more or less
Building Blocks:	40 acres (quarter-quarter section)
Orientation:	North-South
Description: TRS/County	W/2 of Section 3 and W/2 of Section 10, T22S, R33E, Lea Co.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes: E/2W/2 of Sections 3 and 10, T22S, R33E, Lea Co.
Proximity Defining Well: if yes, description	DL 10 3 Kraken Fed Com 208H
, ,	
Applicant's Ownership in Each Tract	Tract 1: 100%; Tract 3: 25%
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	DL 10 3 Kraken Fed Com 207H SHL 370 FSL / 1790 FWL, Section 10, T22S, R33E BHL: 25 FNL / 330 FWL, Section 3, T22S,R33E Well Orientation: North to South Completion location exxpected to be standard
Well #2	DL 10 3 Kraken Fed Com 208H SHL: 370 FSL / 1815 FWL, Section 10, T22S, R33E BHL: 25 FNL / 1254 FWL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Well #3	DL 10 3 Kraken Fed Com 209H SHL: 370 FSL / 1840 FWL, Section 10, T22S, R33E BHL: 25 FNL / 2178 FWL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Well #4	DL 10 3 Kraken Fed Com 504H SHL: 270 FSL / 1790 FEL, Section 10, T22S, R33E BHL: 25 FNL / 870 FWL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Well #5	DL 10 3 Morag Fed Com 505H SHL: 270 FSL / 1715 FEL, Section 10, T22S, R33E BHL: 25 FNL / 2718 FEL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be unorthodox
Horizontal Well #1 First and Last Take Points	Exhibit L-15 (C-102)
Horizontal Well #2 First and Last Take Points	Exhibit L-15 (C-102)
Horizontal Well #3 First and Last Take Points	Exhibit L-15 (C-102)
Horizontal Well #4 First and Last Take Points Horizontal Well #5 First and Last Take Points	Exhibit L-15 (C-102) Exhibit L-15 (C-102)
Completion Target Well #1, #2 and #3 (Formation, TVD and MD)	Lower Avalon at approx. 9,450' TVD and 19,450' MD
· · · · · · · · · · · · · · · · · · ·	
Completion Target Well #4 and #5 (Formation, TVD and MD)	3rd Bone Spring at approx. 12,015' TVD and 22,015' MD
AFE Capex and Operating Costs  Drilling Supervision/Month \$	\$7,000; Exhibit L, Paragrah 23
Production Supervision/Month \$	\$7,000, Exhibit L, Paragran 23 \$700; Exhibit L, Paragraph 23
Justification for Supervision Costs	Exhibit L-4 and Exhibit L, Paragraph 23
Requested Risk Charge	200%; Exhibit L Paragraph 24
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Notice of Hearing	
Proposed Notice of Hearing	Submitted with Application; See Online Case file
<u> </u>	11 '
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit L-2 (Attorney's Affidavit)
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit L-3 (Certificate of Publication)
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit L-16
Tract List (including lease numbers and owners)	Exhibit L-16
Pooled Parties (including ownership type)	Exhibit L-16
Unlocatable Parties to be Pooled	Exhibit L-16
Ownership Depth Severance (including percentage above & below)	Not applicable
Joinder	THE REPORT OF THE PERSON OF TH
Sample Copy of Proposal Letter	Exhibit L-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit L-16
Chronology of Contact with Non-Joined Working Interests	Exhibit L-5
Overhead Rates In Proposal Letter	Exhibit L-4
Cost Estimate to Drill and Complete	See AFE at Exhibit L-17
Cost Estimate to Equip Well	See AFE at Exhibit L-17
Cost Estimate for Production Facilities	See AFE at Exhibit L-17
Geology	
Summary (including special considerations)	Exhibit L, Paragraph 21
Spacing Unit Schematic	Exhibit G-1 and G-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit G-1 and G-2
Well Orientation (with rationale)	Exhibit G, Paragraph 23
Target Formation - Avalon (Well # 1, 2 & 3)	Exhibits G-3 and G-4
Target Formation - Third Bone Spring (Well # 4)	Exhibits G-5 and G-6
Target Formation - Third Bone Spring (Well # 5)	Exhibits G-5 and G-6
HSU Cross Section - Avalon (Well # 1, 2 & 3)	Exhibits G-3 and G-4
HSU Cross Section - Third Bone Spring (Well # 4)	Exhibits G-5 and G-6
HSU Cross Section - Third Bone Spring (Well # 5)	Exhibits G-5 and G-6
Depth Severance Discussion	Not applicable
Forms, Figures and Tables	
C-102	Exhibit L-15
Tracts	Exhibit L-16
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit L-16
General Location Map (including basin)	Exhibit L-1
Well Bore Location Map	Exhibit L-15 (C-102s)
Structure Contour Map - Subsea Depth: Avalon Well # 1, 2 & 3	Exhibit G-9
Structure Contour Map - Subsea Depth: Third Bone Spring Well # 4 & 5	Exhibit G-10
Seismic Section Map - North to South	Exhibit G-7
Seismic Section Map - West to East	Exhibit G-8
Cross Section Location Map (including wells): Avalon Well # 1, 2 & 3	Exhibits G-3 and G-4
Cross Section Location Map (including wells):3rd Bone Spring Well # 4 & 5	Exhibits G-5 and G-6
Cross Section (including Landing Zone): Avalon Well #1, 2 & 3	Exhibits G-3 and G-4
Cross Section (including Landing Zone): 3rd Bone Spring Well # 4 & 5	Exhibits G-5 and G-6
Additional Information	
Special Provisions/Stipulations	Applicant requests an extension of the requirement to drill and complete the initial well within 120-days to a requirement to drill and complete the initial well within one year from the date of the Division Order granting this application.
CERTIFICATION: I hereby certify that the information provided in this checklist is	complete and accurate.
Printed Name (Attorney or Party Representative):	Candace Callahan
Signed Name (Attorney or Party Representative):	(b)(
Date:	July 6, 2020
	1

Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

Exhibit No. L-14

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

APPLICATION OF CHEVRON U.S.A., INC. FOR COMPULSORY POOLING AND APPROVAL OF A NON-STANDARD WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 21244

# **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), Section 70-2-17, for an order (1) pooling all uncommitted interests in the Bone Spring formation (Lower Avalon: Red Tank; Bone Spring East and TBS: WC-025 G-06 S213326D; Bone Spring) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3 and W/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M., and (2) approving a non-standard location for one of the initial wells, the **DL 10 3 Morag Fed Com 505H** well. 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 dedicate the above-referenced horizontal spacing unit to the following five proposed initial wells:
  - **DL 10 3 Kraken Fed Com 207H** well to be drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.

- **DL 10 3 Kraken Fed Com 208H** well to be drilled from a surface hole location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.
- **DL 10 3 Kraken Fed Com 209H** well to be drilled from a surface location in the SE/4SW/4 (Unit N) of Section 10 to a bottom hole location in the NE/4NW/4 of Section 3.
- **DL 10 3 Kraken Fed Com 504H** well to be drilled from a surface location in the SW/4SE/4 (Unit O) of Section 10 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 3.
- **DL 10 3 Morag Fed Com 505H** well to be drilled from a surface location in the SW/4SE/4 (Unit O) of Section 10 to a bottom hole location in the NE/4NW/4 of Section
  - 3. The completed interval of this well will be at an unorthodox location 78 feet from the east boundary of the proposed spacing unit, thereby encroaching on the acreage to the east of the proposed spacing unit. The last take points of the completed interval to the north and south will be orthodox.
- 3. With the exception of the **DL 10 3 Morag Fed Com 505H** the completed intervals of all of the other proposed wells will comply with statewide setbacks.
- 4. No depth severances exist within the Bone Spring formation underlying the proposed horizontal spacing unit.
- 5. Applicant plans to drill the proposed wells as part of a simultaneous drilling and completion project; therefore, Applicant requests an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof require that one of the proposed wells be drilled and completed within one year after the date of the Division Order granting this application.

- 6. Applicant has made a good faith effort but has been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners within the subject horizontal spacing unit.
- 7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 8. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in this proposed horizontal spacing unit should be pooled, and Applicant should be designated as operator of these proposed horizontal wells and spacing unit.
  - 9. Notice of this application is being given in accordance with Division rules.

**WHEREFORE**, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 30, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;
  - B. Approving the initial wells and their proposed location;
- C. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the initial wells;

- E. 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;
- F. Granting an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof requiring that one of the proposed wells be drilled and completed within one year after the date of the Division Order granting this application; and
- G. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the initial wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Candace Callahan

500 Don Gaspar Avenue

Santa Fe, New Mexico 87505

(505) 983-8545 or (505) 983-8765 (direct)

(800) 886-6566 (fax)

ccallahan@bwenergylaw.com

ATTORNEYS FOR CHEVRON U.S.A., INC.

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

Dedicated Acres

22 SOUTH 33 EAST, N.M.P.M.

Joint or Infill

Consolidation Code

# 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

LEA

# WELL LOCATION AND ACREAGE DEDICATION PLAT

	¹ API Num	lber	Pool Co	ode	Pool Name						
<sup>4</sup> Proper	ty Code			<sup>5</sup> P	roperty Name				<sup>6</sup> Well Number		
				DL 10 3 K	RAKEN FED	COM			207H		
<sup>7</sup> OGR	ID No.			8 O	perator Name				9 Elevation		
				CHEVE	ON U.S.A. IN	C.			3558'		
				10 Sur	face Locat	ion				_	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County	
N	10	22 SOUTH	33 EAST, N.M.P.M.		370'	SOUTH	1790'	WEST		LEA	
	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	

25'

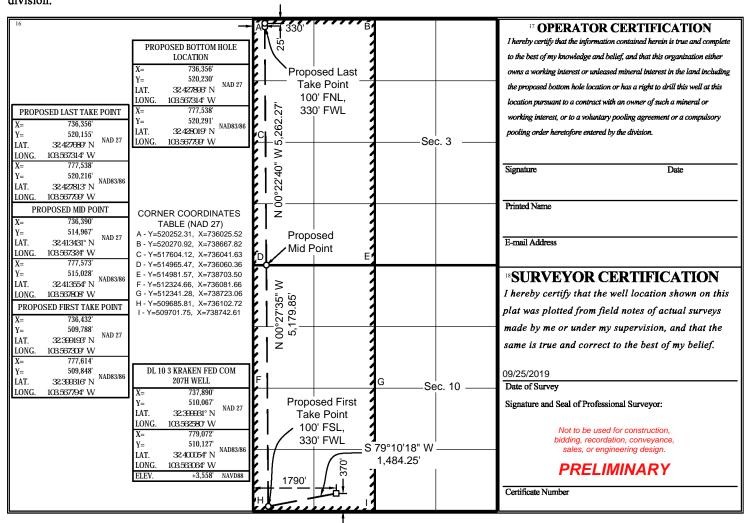
NORTH

330'

WEST

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.

Order No.



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

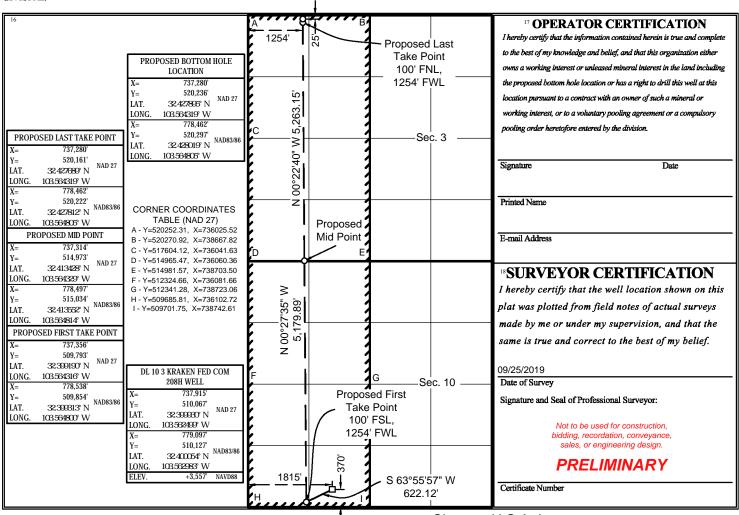
<sup>1</sup> API Numbe	er	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name				
<sup>4</sup> Property Code		5 <b>Pr</b>	coperty Name	<sup>6</sup> Well Number			
		DL 10 3 KRAKEN FED COM					
<sup>7</sup> OGRID No.		8 Operator Name					
		CHEVR	3557'				
	-	10 Sur	face Location				

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	22 SOUTH	33 EAST, N.M.P.M.		370'	SOUTH	1815'	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
D	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	1254'	WEST	LEA
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code		Order No.		_					

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.



Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

Exhibit No. L-15

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 <u>District III</u>

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

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

■ AMENDED REPORT

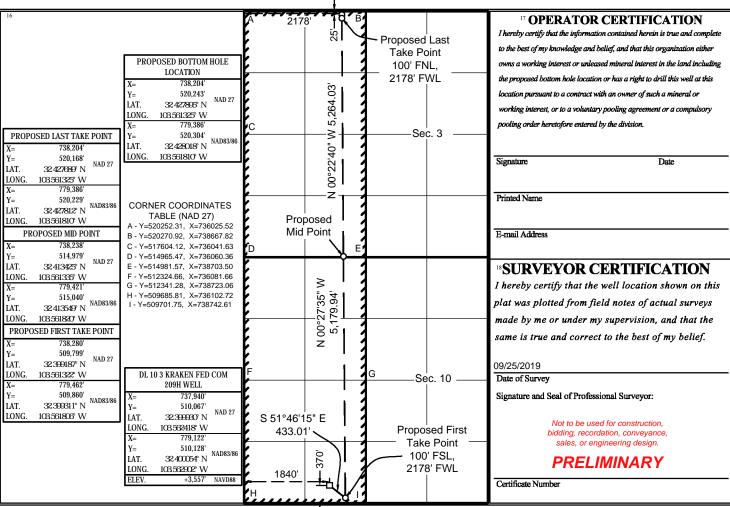
# WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Numbe	er .	<sup>2</sup> Pool Code		<sup>2</sup> Pool Code <sup>3</sup> Pool Name				<sup>3</sup> Pool Name			
<sup>4</sup> Property Code		5 Property Name				<sup>6</sup> Well Number					
		DL 10 3 KRAKEN FED COM						209Н			
<sup>7</sup> OGRID No.	8 Operator Name							<sup>9</sup> Elevation			
	CHEVRON U.S.A. INC.							3557'			
			10 Sur	face Location	on	·	·				
III as lat as Sastias T		Domas	T at Ida	Foot from the	North/Couth line	East from the	Ecot/U	Vant line		Count	

	UL or lot no.	Section	1 ownship	Kange	Lot lan	reet from the	North/South line	Feet from the	East/ west line	County
	N	10	22 SOUTH	33 EAST, N.M.P.M.		370'	SOUTH	1840'	WEST	LEA
<sup>11</sup> 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

ľ	UL or lot no.	or lot no. Section To		Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	C	C 3 22 SOUTH 33 EAST, N.M.P.M.			25'	NORTH	2178'	WEST	LEA	
	Dedicated A	cres 13 Join	nt or Infill	<sup>14</sup> Consolidation Code 15	Order No.					

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.



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District II

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

12 Dedicated Acres

22 SOUTH 33 EAST, N.M.P.M.

Joint or Infill

Consolidation Code

# 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

LEA

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool Co	ode	<sup>2</sup> Pool Name							
<sup>4</sup> Proper	ty Code		<sup>5</sup> Property Name							<sup>6</sup> Well Number		
				DL 10 3 K	DL 10 3 KRAKEN FED COM					504H		
<sup>7</sup> OGR	ID No.		<sup>8</sup> Operator Name							<sup>9</sup> Elevation		
				CHEVRON U.S.A. INC.					+3557'			
				10 Sur	face Locat	ion						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County		
N	10	22 SOUTH	33 EAST, N.M.P.M.		270'	SOUTH	1790'	WE	ST	LEA		
	<sup>11</sup> 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		

25'

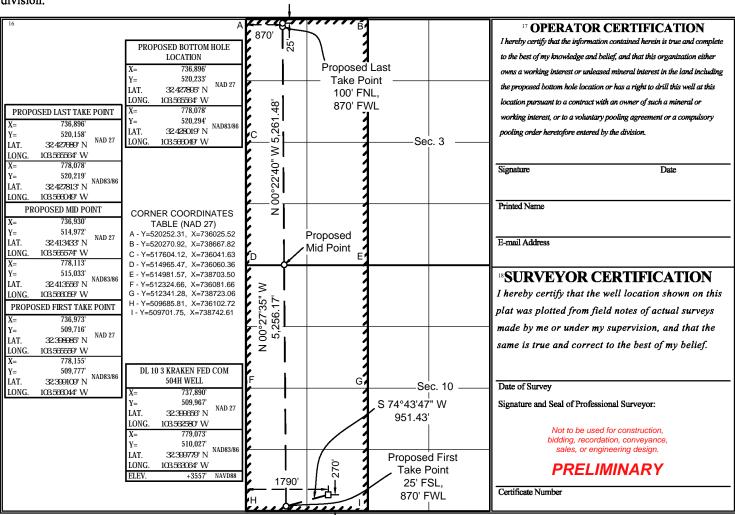
NORTH

870'

WEST

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.

Order No.



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

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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

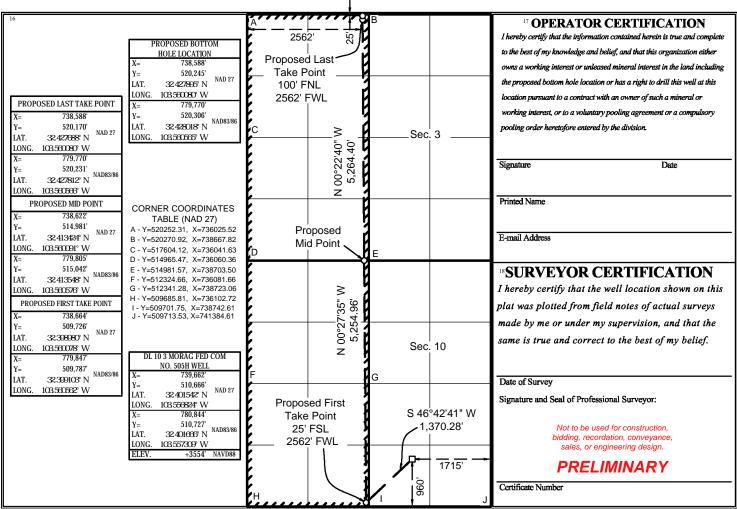
AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool C	ode	Pool Name						
			51687	7	RED TANK;BONE SPRING						
<sup>4</sup> Property Code				<sup>5</sup> Property Name							
				DL 10 3 MORAG FED COM						505H	
<sup>7</sup> OGR	ID No.			8 Operator Name						<sup>9</sup> Elevation	
43	23			CHEVRON U.S.A. INC.						3554'	
	<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Range Lot Idn Feet from the North/South line Feet from the Eas				East/V	West line	County	
О	10	22 SOUTH	33 EAST, N.M.P.M.		960'	SOUTH	1715'	EAST		LEA	
	<sup>11</sup> 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/V	Vest line	County	

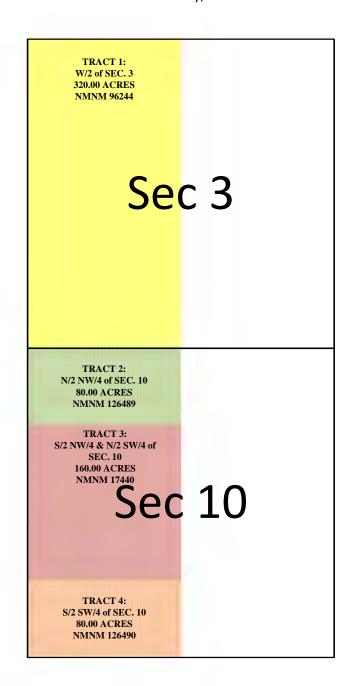
22 SOUTH 33 EAST, N.M.P.M. 25' NORTH WEST 2562' LEA 12 Dedicated Acres Joint or Infill Consolidation Code 640

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 10 3 Kraken Fed Com #207H, #208H, #209H & #504H
DL 10 3 Morag Fed Com #505H
T22S-R33E – Section 3, W/2
T22S-R33E – Section 10, W/2
Lea County, NM

Tract 1 Ownership:
Chevron U.S.A. Inc.
Tract 2 Ownership:
EOG Resources, Inc.
Tract 3 Ownership:
EOG Resources, Inc.
Chevron U.S.A. Inc.
UTI Energy Corporation
The Family Trust U/W/O
Richard K Barr
Bypass Trust, Cynthia
Wilson
Tract 4 Ownership:
EOG Resources, Inc.



Seeking to compulsory pool interests in Tracts 2, 3 & 4

DL 10 3 Kraken Fed Com #207H, #208H, #209H & #504H
DL 10 3 Morag Fed Com #505H
T22S-R33E – Section 3, W/2
T22S-R33E – Section 10, W/2
Lea County, NM

# **WORKING INTEREST OWNERSHIP**

# Tract 1: W/2 of Section 3, Township 22 South, Range 33 East (NMNM 96244)

Chevron U.S.A. Inc.	100.00%
Total	100.00%

# Tract 2: N/2 NW/4 of Section 10, Township 22 South, Range 33 East (NMNM 126489)

EOG Resources, Inc.	100.00%
Total	100.00%

# Tract 3: S/2 NW/4 & N/2 SW/4 of Section 10, Township 22 South, Range 33 East (NMNM 17440)

EOG Resources, Inc.	65.00%
Chevron U.S.A. Inc.	25.00%
UTI Energy Corporation	5.00%
The Family Trust U/W/O Richard K Barr	2.50%
Bypass Trust, Cynthia Wilson	2.50%
Total	100.00%

# Tract 4: S/2 SW/4 of Section 10, Township 22 South, Range 33 East (NMNM 126490)

EOG Resources, Inc.	100.00%
Total	100.00%

Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

DL 10 3 Kraken Fed Com #207H, #208H, #209H & #504H
DL 10 3 Morag Fed Com #505H
T22S-R33E – Section 3, W/2
T22S-R33E – Section 10, W/2
Lea County, NM

# **UNIT RECAPITULATION\***

Section 3: W/2
Section 10: W/2
Township 22 South, Range 33 East

Chevron U.S.A. Inc.	62.50%
UTI Energy Corporation**	1.25%
The Family Trust U/W/O Richard K Barr	0.625%
Bypass Trust, Cynthia Wilson**	0.625%
EOG Resources, Inc.	35.00%
Total:	100.00%

<sup>\*</sup>Working Interests Chevron seeks to compulsory pool are in bold print.

Chevron is also seeking to pool all overriding royalty interest owners, as follows:

Chisos Minerals, LLC
Paul R. Barwis**
Crownrock Minerals, L.P.
The Cornerstone Family Trust
C. Mark Wheeler and his wife, J'Lynn Wheeler
Jareed Partners, Ltd.**
Madison M. Hinkle
Rolla Hinkle
Mustang Oil & Gas, LLC
New Tex Oil Company**

# \*\* Unlocatable interest owner

Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

Chevro	Chevron North American Exploration			Appropriation Request		
County, State	Well Type	Field	Well Name			
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 207H			
Area	Objective	Date	Project Engineer Duration (days)			
Dagger Lake	Avalon	Feb-20	B. Abney	20.0		
			Business Unit	Joint Venture		
,			мсви	Yes		
Reason for Expenditure						
DRILLING AFE						
Cost Ca	tegory	Code	Sub-code	Amount (\$)		
Company Labor		6601	0100	\$ 98,146		
Contract Project Supervisio	n	7000	0200	\$ 26,791		
Fuel Diesel		7129				
Utilities / Potable Water		7129	0300			
Casing (tangible)		7190	0022	\$ 654,100		
Wellheads (tangible)		7190	0110	\$ 32,165		
Materials, Parts, & Supply		7190	0500	\$ 35,178		
Orilling Fluids		7190	1900	\$ 276,510		
Surface Equipment Rentals		7230	0100	\$ 294,099		
Well Service Equipment Re	ntals	7230	0200			
Rig Rentals		7230				
Transportation Services, La	nd & Marine	7340	0300	\$ 49,597		
Rig Work		7440	0001	\$ 610,485		
Mobilization / De-Mobilizat	ion	7440	0003	\$ -		
Solid Waste Disposal		7420	0 0300 \$ 130,			
Directional Survey & Servic	es	7440	0006	\$ 263,308		
Drill-Pipe Rental & Bits		7440	0007	\$ 122,928		
Coring		7440	0017	\$ -		
Testing		7440	0018	\$ -		
Logging Wireline		7440	0019	\$ -		
Logging While Drilling (LWC	))	7440	0020	\$ -		
Logging Mud		7440	0021	\$ 16,685		
Cementing		7440	0024	\$ 263,673		
Sitework / Locations		7450	0021	\$ 14,192		
			Total	\$ 3,165,807		
Participation & Authorizati	on		Share (%)	Amount (\$)		
Approved (Print Name)			Approved (Signature)			
			Date			

Chevron North American Exploration		Appropriation Request		
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 207H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	Lower Avalon	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	. 0100	\$ 92,690
Contract Labor		7000	0200	\$ 97,409
Fuel & Utilities		7129	. 0100	\$ 524,266
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 112,536
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Flui	ds .	7190	90 1900 \$ 1,0	
Equipment Rentals		7230	0100	\$ 842,712
Materials, Supplies, & Par	terials, Supplies, & Parts		0500	\$ -
Transportation		7340	0300 \$ 30	
Waste Water Disposal		7420	0600 \$	
Rig Daywork		7440	0 0001 \$ 4,9	
Drill String & Drill Bits		7440	0007	\$ 52,037
Coil Tubing		7440	0009	\$ 242,445
Stimulation / Gravel Pack		7440	0010	\$ 2,082,349
Stimulation / Gravel Pack		7440	0010	\$ 694,010
Perforating & Electric Line	Services	7440	0014	\$ 457,264
Logging – Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	ın	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 6,383,730
THE REPORT OF THE PARTY OF THE P	11 - 11 - 11 - 11 - 11 - 11 - 11 - 11		******	
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)	Approved (Print Name)		Approved (Signature)	
			Date	

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

WELL NAME:	Ogopogo, Narwhai, Kraken	x iviorag	
Description	\$USD	]	-
Battery Total:	\$9,328,240	1	
Contract & Chevron Project Supervision	\$355,451	]	
Contract Labor - Reg/Roustabout	\$992,387	1	
FCR - Instruments & Electrical	\$556,172	1	
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014	1	
FCR - Pressure Vessels	\$3,142,881	1	
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268	1	
Contract Labor - Reg/Roustabout	\$8,295,452	ĺ	
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,246		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature)		Date

Development   Delaware Basin   DL 10 3 Kraken Fed Com 208H	Chevron North American Exploration			Appropriation Request		
Date   Avalon   Feb-20   B. Abney   2	County, State	Well Type	Field	Well Name		
Area   Objective   Avaion   Feb-20   B. Abney   Seb-20   B. Abney   Project Engineer   Avaion   Avaion   Feb-20   B. Abney   Project Engineer   Avaion   Project Sub-code   Project Su	Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 208H		
Business Unit MCBU   Joint Venture   Ves	Area	Objective	Date	Project Engineer	Duration (days)	
Business Unit   MCBU   Ves	Dagger Lake	Avalon	Feb-20	B. Abney	20.0	
Cost Category   Code   Sub-code   Amount (\$)				Business Unit	Joint Venture	
Cost Category   Code   Sub-code   Amount (\$)				MCBU	Yes	
Cost Category   Code   Sub-code   Amount (\$)	Reason for Expenditure					
Company Labor	DRILLING AFE					
Contract Project Supervision   7000   0200   \$ 26,7	Cost Car	tegory	Code	Sub-code	Amount (\$)	
Transportation   Participation   Participati	Company Labor		6601			
Dutilities   Potable Water   7129   0300   \$ 8,9	Contract Project Supervision	n	7000	0200	\$ 26,791	
Casing (tangible)	Fuel Diesel		7129			
Wellheads (tangible)       7190       0110       \$ 32,1         Materials, Parts, & Supply       7190       0500       \$ 35,1         Drilling Fluids       7190       1900       \$ 276,5         Surface Equipment Rentals       7230       0100       \$ 294,0         Well Service Equipment Rentals       7230       0200       \$ 134,6         Rig Rentals       7230       0200       \$ 10,9         Transportation Services, Land & Marine       7340       0300       \$ 49,5         Rig Work       7440       0001       \$ 610,4         Mobilization / De-Mobilization       7440       0003       \$ -         Solid Waste Disposal       7420       0300       \$ 130,3         Diril-Pipe Rental & Bits       7440       0006       \$ 263,3         Drill-Pipe Rental & Bits       7440       0007       \$ 122,9         Coring       7440       0017       \$ -         Testing       7440       0017       \$ -         Coring       7440       0017       \$ -         Testing       7440       0018       \$ -         Logging Wireline       7440       0020       \$ -         Logging Mud       7440       0021       <	Utilities / Potable Water		7129	0300		
Materials, Parts, & Supply   7190   0500   \$ 35,1	Casing (tangible)		7190			
Drilling Fluids	Wellheads (tangible)		7190	0110	\$ 32,165	
Surface Equipment Rentals   7230   0100   \$ 294,0	Materials, Parts, & Supply		7190			
Well Service Equipment Rentals       7230       0200       \$ 134,6         Rig Rentals       7230       0200       \$ 10,9         Transportation Services, Land & Marine       7340       0300       \$ 49,5         Rig Work       7440       0001       \$ 610,4         Mobilization / De-Mobilization       7440       0003       \$ -         Solid Waste Disposal       7420       0300       \$ 130,3         Directional Survey & Services       7440       0006       \$ 263,3         Drill-Pipe Rental & Bits       7440       0007       \$ 122,9         Coring       7440       0017       \$ -         Testing       7440       0018       \$ -         Logging Wireline       7440       0018       \$ -         Logging Wile Drilling (LWD)       7440       0020       \$ -         Logging Mud       7440       0021       \$ 16,6         Lementing       7440       0021       \$ 16,6         Lementing       7440       0021       \$ 14,1         Total       \$ 3,165,8         Participation & Authorization       Share (%)       Amount (\$)	Drilling Fluids		7190	1900	\$ 276,510	
Rig Rentals   7230   0200   \$ 10,9     Transportation Services, Land & Marine   7340   0300   \$ 49,5     Rig Work   7440   0001   \$ 610,4     Mobilization / De-Mobilization   7440   0003   \$	Surface Equipment Rentals		7230	0100		
Transportation Services, Land & Marine   7340   0300   \$ 49,5	Well Service Equipment Rer	ntals	7230	30 0200 \$ 1		
Rig Work	Rig Rentals		7230	7230 0200 \$		
Mobilization / De-Mobilization   7440   0003 \$   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3   30,3	Transportation Services, Lar	insportation Services, Land & Marine		0300		
Solid Waste Disposal   7420   0300   \$ 130,3	Rig Work		7440			
Directional Survey & Services   7440   0006   \$ 263,3     Drill-Pipe Rental & Bits   7440   0007   \$ 122,9     Coring   7440   0017   \$	Mobilization / De-Mobilizat	ion	7440			
Orill-Pipe Rental & Bits     7440     0007     \$ 122,9       Coring     7440     0017     \$ -       Festing     7440     0018     \$ -       Logging Wireline     7440     0019     \$ -       Logging While Drilling (LWD)     7440     0020     \$ -       Logging Mud     7440     0021     \$ 16,6       Cementing     7440     0024     \$ 263,6       Sitework / Locations     7450     0021     \$ 14,1       Total     \$ 3,165,8       Participation & Authorization     Share (%)     Amount (\$)       Approved (Print Name)     Approved (Signature)	Solid Waste Disposal					
Testing	Directional Survey & Service	25	7440	0006		
Testing	Drill-Pipe Rental & Bits		7440	0007		
Cogging Wireline	Coring		7440	0017	\$ -	
Total   Constitution   Constitutio	Testing		7440	0018	\$ -	
Copyright   Copy	Logging Wireline		7440	0019		
Total   Cementing   Total   Share	Logging While Drilling (LWD	)	7440	0020		
Sitework / Locations 7450 0021 \$ 14,1  Total \$ 3,165,8  Participation & Authorization Share (%) Amount (\$)  Approved (Print Name) Approved (Signature)	Logging Mud		7440	0021	<u> </u>	
Participation & Authorization  Participation & Authorization  Approved (Print Name)  Approved (Signature)	Cementing		7440	0024	\$ 263,673	
Participation & Authorization Share (%) Amount (\$)  Approved (Print Name) Approved (Signature)	Sitework / Locations		7450	0021	\$ 14,192	
Approved (Print Name) Approved (Signature)				Total	\$ 3,165,807	
	Participation & Authorizati	on		Share (%)	Amount (\$)	
Date	Approved (Print Name)			Approved (Signature)		
Date				·		
				Date		

Chevr	Chevron North American Exploration		Appropriation Request	
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 208H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	Lower Avalon	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
			мсви	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 92,690
Contract Labor	·····	7000	0200	\$ 97,409
Fuel & Utilities		7129	0100	\$ 524,266
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 112,536
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Flui	ds .	7190	1900	\$ 1,007,987
Equipment Rentals		7230	0100	\$ 842,712
Materials, Supplies, & Par	ts	7190	90 0500 \$	
Transportation		7340	0 0300 \$ 30	
Waste Water Disposal	<u></u>	7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 52,037
Coil Tubing		7440	0009	\$ 242,445
Stimulation / Gravel Pack		7440	0010	\$ 2,082,349
Stimulation / Gravel Pack		7440	0010	\$ 694,010
Perforating & Electric Line	Services	7440	0014	\$ 457,264
Logging - Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 6,383,730
			and the state of t	Alexander and a series of the
Participation & Authoriza	tion		Share (%)	Amount (\$)
4			1/0	
Approved (Print Name)			Approved (Signature)	
<del></del>			Date	

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outos Tux	ψ1,070,100		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	Date

Chevro	Chevron North American Exploration Appropriation Reque		ion Request	
County, State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 209H	
Area	Objective	Date	Project Engineer	Duration (days)
Dagger Lake	Avalon	Feb-20	B. Abney	20.0
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				· · · · · · · · · · · · · · · · · · ·
DRILLING AFE				
Cost Ca	tegory	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 98,146
Contract Project Supervisio	n	7000	0200	
Fuel Dies <b>e</b> l		7129	0100	\$ 122,947
Utilities / Potable Water		7129	0300	
Casing (tangible)		7190	0022	
Wellheads (tangible)		7190	0110	
Materials, Parts, & Supply		7190	0500	\$ 35,178
Drilling Fluids		7190	1900	\$ 276,510
Surface Equipment Rentals		7230	0100	
Well Service Equipment Re	ntals	7230	0200	\$ 134,673
Rig Rentals		7230	0200	\$ 10,983
Transportation Services, La	nd & Marine	7340	0300	
Rig Work		7440	0001	\$ 610,485
Mobilization / De-Mobilizat	ion	7440	0003	\$ -
Solid Waste Disposal		7420	0300	/
Directional Survey & Service	es	7440	0006	
Drill-Pipe Rental & Bits		7440	0007	1 1
Coring		7440		
Testing		7440	0018	
Logging Wireline		7440	0019	\$ -
Logging While Drilling (LWC	))	7440	0020	<u> </u>
Logging Mud		7440	0021	
Cementing		7440	0024	\$ 263,673
Sitework / Locations		7450	L	\$ 14,192
			Total	\$ 3,165,807
Participation & Authorizati	on		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
			Date	

Chevron North American Exploration		Appropriation Request		
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com	209H
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	Lower Avalon	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
			мсви	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 92,690
Contract Labor		7000	0200	\$ 97,409
Fuel & Utilities		7129		
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190		
Sub-Surface Well Equipme	ent & Materials	7190	0100	\$ 112,536
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Flui	ds	7190	1900	\$ 1,007,987
Equipment Rentals		7230	0100	\$ 842,712
Materials, Supplies, & Parts		7190	0500	\$ -
Transportation	***************************************	7340	0300	\$ 30,442
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 52,037
Coil Tubing		7440	0009	\$ 242,445
Stimulation / Gravel Pack		7440	0010	\$ 2,082,349
Stimulation / Gravel Pack		7440	0010	\$ 694,010
Perforating & Electric Line	Services	7440	0014	\$ 457,264
Logging – Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 6,383,730
				State of the second second
Participation & Authoriza	tion		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
Approved (Fillit Name)			whhtoken (piRustnie)	
		· · · · · · · · · · · · · · · · · · ·	Date	

FIELD:	Dagger Lake	
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag	

Description	\$USD
Battery Total:	\$9,328,240
Contract & Chevron Project Supervision	\$355,451
Contract Labor - Reg/Roustabout	\$992,387
FCR - Instruments & Electrical	\$556,172
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014
FCR - Pressure Vessels	\$3,142,881
Rotating Equipment	\$1,328,752
Sales Tax	\$610,259
Compressor Station Total:	\$23,668,910
Contract & Chevron Project Supervision	\$811,268
Contract Labor - Reg/Roustabout	\$8,295,452
FCR - Instruments & Electrical	\$1,122,583
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272
Rotating Equipment	\$1,834,527
Sales Tax	\$1,548,433
Outside Battery Limits Total:	\$17,032,080
Fabrication & As-built drawings	\$8,738
Electric Distribution System	\$1,596,506
ITC/Communication	\$1,861,791
Land & Lease Costs	\$244,391
Company Project Supervision	\$147,454
Contract Project Supervision	\$114,686
Utilities - Other/Water	\$211,003
Site Work/Roads/Location	\$6,425,953
Pipe, Valves, & Fittings	\$323,579
Pipe - Line (Size 2" and over)	\$4,524,488
FCR - Instruments & Electrical	\$459,242
Sales Tax	\$1,114,248

ATA 000 000		
\$50,029,230		\$ 1,667,641
Share	Amount	
Approved (Signatur	e)	Date
	Share	 Share Amount

Chevron North American Exploration		Appropriat	on Request	
County, State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 504H	
Area	Objective	Date	Project Engineer Duration (days)	
Dagger Lake	TBS	Feb-20	B. Abney	26.00
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
DRILLING AFE				
Cost Cate	gory	Code	Sub-code	Amount (\$)
Company Labor	**************************************	6601	0100	
Contract Project Supervision		7000	0200	\$ 31,431
Fuel Diesel		7129		
Utilities / Potable Water		7129	0300	
Casing (tangible)		7190		7
Wellheads (tangible)		7190	0110	\$ 30,633
Materials, Parts, & Supply		7190	0500	\$ 61,270
Drilling Fluids	_	7190	1900	\$ 279,366
Surface Equipment Rentals		7230	0100	
Well Service Equipment Rent	als	7230	0200	<u>'</u>
Rig Rentals		7230	0200	
Transportation Services, Land	d & Marine	7340	0300	
Rig Work		7440		
Mobilization / De-Mobilization	n	7440	0003	\$ -
Solid Waste Disposal		7420	0300	
Directional Survey & Services		7440	0006	\$ 388,906
Drill-Pipe Rental & Bits		7440		
Coring		7440	0017	\$
Testing		7440		
Logging Wireline		7440		
Logging While Drilling (LWD)		7440	0020	\$ -
Logging Mud		7440	0021	\$ 19,574
Cementing		7440	0024	
Sitework / Locations		7450		\$ 14,192
			Total	\$ 4,281,180
Participation & Authorization	n		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	The special section is a second
			Date	

Chevron North American Exploration		Approp	riation Request	
County, State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Co	m 504H
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	TBS	Feb-20	B. Abney	12.0
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost Cat	tegory	Code	Sub-code	Amount (\$)
Company Labor		66	0100	\$ 63,623
Contract Labor		70	0200	\$ 67,373
Fuel & Utilities		71	29 0100	
Artificial Lift Equipment & N	Materials	71	0100	\$ 27,671
Tubing		71	0021	\$ 57,188
Sub-Surface Well Equipmer	nt & Materials	71	0100	\$ 66,912
Wellheads & Trees		71	00 0110	\$ 19,117
Drilling & Completion Fluids	5	71	1900	\$ 613,545
Equipment Rentals		72	0100	\$ 565,897
Materials, Supplies, & Parts		71	0500	\$ -
Transportation		73	0300	\$ 24,310
Waste Water Disposal		74	0600	\$ -
Rig Daywork		74	0001	\$ 4,941
Drill String & Drill Bits		74	10 0007	\$ 37,319
Coil Tubing		74	0009	\$ 187,254
Stimulation / Gravel Pack		74	0010	\$ 2,241,166
Stimulation / Gravel Pack		74	0010	\$ 395,229
Perforating & Electric Line S	Services	74	0014	\$ 171,979
Logging – Wireline		74	0019	\$ 13,666
Sitework / Roads / Location		74:	0021	\$ -
Capitalized G&A		94	.0 0700	\$ -
			Tota	\$ 4,863,468
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			have a company of all the property
Participation & Authorizati	on		Share (%)	Amount (\$)
Approved (Print Name)	to the section of		Approved (Signature)	- A SANTANA
		***************************************	Date	

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

Description	\$USD		
Battery Total:	\$9,328,240		
Contract & Chevron Project Supervision	\$355,451		
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172		
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881		
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,6
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signature	e)	

,667,641 Date

Chevron North American Exploration		Appropriation Request		
County, State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Cor	m 505H
Area	Objective	Date	Project Engineer	Duration (days)
Dagger Lake	TBS	Feb-20	B. Abney	26.00
			Business Unit	Joint Venture
			MCBU	Yes
Reason for Expenditure				
DRILLING AFE				
Cost Ca	tegory	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	
Contract Project Supervisio	n	7000	0200	\$ 31,431
Fuel Diesel		7129	0100	
Utilities / Potable Water		7129	0300	
Casing (tangible)		7190	0022	\$ 1,053,957
Wellheads (tangible)		7190	0110	\$ 30,633
Materials, Parts, & Supply		7190	0500	\$ 61,270
Drilling Fluids		7190	1900	\$ 279,366
Surface Equipment Rentals		7230	0100	\$ 345,030
Well Service Equipment Re	ntals	7230	0200	\$ 207,995
Rig Rentals		7230	0200	
Transportation Services, La	nd & Marine	7340	0300	\$ 58,512
Rig Work		7440	0001	\$ 747,938
Mobilization / De-Mobilizat	tion	7440	0003	\$ -
Solid Waste Disposal		7420	0300	\$ 155,974
Directional Survey & Servic	es	7440	0006	\$ 388,906
Drill-Pipe Rental & Bits		7440	0007	\$ 197,287
Coring		7440	0017	\$ -
Testing		7440	0018	\$ -
Logging Wireline		7440	0019	\$ -
Logging While Drilling (LWI	0)	7440	0020	\$ -
Logging Mud		7440	0021	\$ 19,574
Cementing		7440	0024	\$ 271,630
Sitework / Locations		7450	0021	\$ 14,192
			Total	\$ 4,281,180
Participation & Authorizat	ion		Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
			Date	

Chevro	n North American Ex	ploration	Appropr	Appropriation Request				
County, State	Well Type	Field	Well Name					
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Morag Fed Cor	m 505H				
Area	Objective	Date	Project Engineer	Well Duration (days)				
Dagger Lake	TBS	Feb-20	B. Abney	12.0				
			Business Unit	Joint Venture				
			MCBU	Yes				
Reason for Expenditure								
COMPLETIONS AFE								
Cost Cat	egory	Code	Sub-code	Amount (\$)				
Company Labor		660	1 0100	\$ 63,623				
Contract Labor		700	0 0200	\$ 67,373				
Fuel & Utilities		712	9 0100	\$ 306,279				
Artificial Lift Equipment & N	// Aterials	715	0 0100	\$ 27,671				
Tubing		719	0 0021	\$ 57,188				
Sub-Surface Well Equipmen	t & Materials	719	0 0100	\$ 66,912				
Wellheads & Trees		719	0 0110	\$ 19,117				
Drilling & Completion Fluids	5	719	0 1900	\$ 613,545				
Equipment Rentals		723	0 0100	\$ 565,897				
Materials, Supplies, & Parts		719	0 0500	\$ -				
Transportation		734	0 0300	\$ 24,310				
Waste Water Disposal		742	0 0600	\$ -				
Rig Daywork		744	0 0001	\$ 4,941				
Drill String & Drill Bits		744	0 0007	\$ 37,319				
Coil Tubing		744	0009	\$ 187,254				
Stimulation / Gravel Pack		744	0 0010	\$ 2,241,166				
Stimulation / Gravel Pack		744	0 0010	\$ 395,229				
Perforating & Electric Line S	ervices	744	0 0014	\$ 171,979				
Logging – Wireline		744	0019	\$ 13,666				
Sitework / Roads / Location		745	0 0021	\$ -				
Capitalized G&A		941	0700	\$ -				
			Total	\$ 4,863,468				
Participation & Authorizati	on		Share (%)	Amount (\$)				
Approved (Print Name)			Approved (Signature)					
			Date					

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

Description	\$USD		
Battery Total:	\$9,328,240	Ì	
Contract & Chevron Project Supervision	\$355,451	1	
Contract Labor - Reg/Roustabout	\$992,387		
FCR - Instruments & Electrical	\$556,172	]	
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014		
FCR - Pressure Vessels	\$3,142,881	]	
Rotating Equipment	\$1,328,752		
Sales Tax	\$610,259		
Compressor Station Total:	\$23,668,910		
Contract & Chevron Project Supervision	\$811,268		
Contract Labor - Reg/Roustabout	\$8,295,452		
FCR - Instruments & Electrical	\$1,122,583		
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272		
Rotating Equipment	\$1,834,527		
Sales Tax	\$1,548,433		
Outside Battery Limits Total:	\$17,032,080		
Fabrication & As-built drawings	\$8,738		
Electric Distribution System	\$1,596,506		
ITC/Communication	\$1,861,791		
Land & Lease Costs	\$244,391		
Company Project Supervision	\$147,454		
Contract Project Supervision	\$114,686		
Utilities - Other/Water	\$211,003		
Site Work/Roads/Location	\$6,425,953		
Pipe, Valves, & Fittings	\$323,579		
Pipe - Line (Size 2" and over)	\$4,524,488		
FCR - Instruments & Electrical	\$459,242		
Sales Tax	\$1,114,248		
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,64
Participation & Authorization	Share	Amount	
Approved (Print Name)	Approved (Signatur	L e)	Date

# **COMPULSORY POOLING APPLICATION CHECKLIST**

# ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

21245	APPLICANT'S RESPONSE
Data: July 9, 2020	
Date: July 9, 2020	2
Applicant  Posignated Operator & OCRID (affiliation if applicable)	Chevron U.S.A. Inc. 4323
Designated Operator & OGRID (affiliation if applicable)  Applicant's Counsel:	Beatty & Wozniak, P.C. (Candace Callahan & Jill Fulcher)
Case Title:	Application of Chevron U.S.A. Inc. for Compulsory Pooling, Lea County, New Mexico
oddo Tillo.	Application of one for the second second for second for the second for the second second for the second sec
Entries of Appearance/Intervenors:	Ernie Padilla obo EOG Resources, Inc.; Sharon T. Shaheen & John F. McIntyre obo Tap Rock Resources, LLC; J. E. Gallegos & Michael J. Condon obo Stewarts, Helms, JAFT and Worrells, James Bruce obo Antelope Enery Company, LLC (NOTE: EOG Resources, Inc. is the only party entering an appearance which owns an interest in the proposed spacing and proration unit)
Well Family	Kraken
Formation/Pool	Malfagnan farmation
Formation Name(s) or Vertical Extent:	Wolfcamp formation Oil
Primary Product (Oil or Gas):	
Pooling this vertical extent:  Pool Name and Pool Code:	Wolfcamp formation WCA: WC-025 G-10 S213328O
Well Location Setback Rules:	Standard Oil, 330' setback
Spacing Unit Size:	640 acres, more or less
Spacing Unit Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres, more or less
Building Blocks:	40 acres (quarter-quarter section)
Orientation:	North-South
Description: TRS/County	W/2 of Section 3 and W/2 of Section 10, T22S, R33E, Lea Co.
Description: 113/County	W/Z Of Section 3 and W/Z of Section 10, 1223, NSSE, Lea Co.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes: E/2W/2 of Sections 3 and 10, T22S, R33E, Lea Co.
Proximity Defining Well: if yes, description	DL 10 3 Kraken Fed Com 608H
Applicant's Ownership in Each Tract	Tract 1: 100%; Tract 3: 25%
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target,	
orientation, completion status (standard or non-standard)	DI 40.01/. I. 5.10007II
Well #1	DL 10 3 Kraken Fed Com 607H SHL 270 FSL / 1765 FWL, Section 10, T22S, R33E BHL: 25 FNL / 330 FWL, Section 3, T22S,R33E Well Orientation: North to South Completion location exspected to be standard
Well #2	DL 10 3 Kraken Fed Com 608H SHL: 270 FSL / 1815 FWL, Section 10, T22S, R33E BHL: 25 FNL / 1254 FWL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Well #3	DL 10 3 Kraken Fed Com 609H SHL: 270 FSL / 1840 FWL, Section 10, T22S, R33E BHL: 25 FNL / 2178 FWL, Section 3, T22S, R33E Well Orientation: North to South Completion location expected to be standard
Horizontal Well #1 First and Last Take Points	Exhibit L-19 (C-102)
Horizontal Well #2 First and Last Take Points Horizontal Well #3 First and Last Take Points	Exhibit L-19 (C-102)
Completion Target Well #1, #2 and #3 (Formation, TVD and MD)	Exhibit L-19 (C-102)  Wolfcamp A at approx. 12,160' TVD and 22,160' MD
AFE Capex and Operating Costs	TO TO THE APPLOX. 12, 100 1 YD AIR 22, 100 IVID
Drilling Supervision/Month \$	\$7,000; Exhibit L, Paragrah 23
Production Supervision/Month \$	\$7,000; Exhibit L, Paragraph 23
Justification for Supervision Costs	Exhibit L-4 and Exhibit L, Paragraph 23
Requested Risk Charge	200%; Exhibit L Paragraph 24
Notice of Hearing	EVO76, EXHIBITE I GIUGIGPII ZT
Proposed Notice of Hearing	Submitted with Application; See Online Case file
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit L-2 (Attorney's Affidavit)
Proof of Published Notice of Hearing (20 days before hearing)	Exhibit L-3 (Certificate of Publication)
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit L-20
	Exhibit L-20
Tract List (including lease numbers and owners)	
Pooled Parties (including ownership type)	Exhibit L-20

Joinder	<u> </u>
Sample Copy of Proposal Letter	Exhibit L-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit L-20
Chronology of Contact with Non-Joined Working Interests	Exhibit L-5
Overhead Rates In Proposal Letter	Exhibit L-4
Cost Estimate to Drill and Complete	See AFE at Exhibit L-21
Cost Estimate to Equip Well	See AFE at Exhibit L-21
Cost Estimate for Production Facilities	See AFE at Exhibit L-21
Geology	
Summary (including special considerations)	Exhibit L, Paragraph 22
Spacing Unit Schematic	Exhibit G-1 and G-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit G-1 and G-2
Well Orientation (with rationale)	Exhibit G, Paragraph 23
Target Formation - Wolfcamp A (Well # 1, 2 & 3)	Exhibits G-5 and G-6
HSU Cross Section -Wolfcamp A (Well # 1, 2 & 3)	Exhibits G-5 and G-6
Depth Severance Discussion	Not applicable
Forms, Figures and Tables	
C-102	Exhibit L-19 (C-102)
Tracts	Exhibit L-20
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit L-20
General Location Map (including basin)	Exhibit L-1
Well Bore Location Map	Exhibit L-19 (C-102s)
Structure Contour Map - Subsea Depth: Wolfcamp A Well # 1, 2 & 3	Exhibit G-11
Seismic Section Map - North to South	Exhibit G-7
Seismic Section Map - West to East	Exhibit G-8
Cross Section Location Map (including wells): Wolfcamp A Well # 1, 2 & 3	Exhibits G-5 and G-6
Cross Section (including Landing Zone):	Exhibits G-5 and G-6
Additional Information	
Special Provisions/Stipulations	Applicant requests an extension of the requirement to drill and complete the initial well within 120-days to a requirement to drill and complete the initial well within two years from the date of the Division Order granting this application.
CERTIFICATION: I hereby certify that the information provided in this checklist is	s complete and accurate.
Printed Name (Attorney or Party Representative):	Candace Callahan
Signed Name (Attorney or Party Representative):	Ole —
Date:	July 6, 2020
-	

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-18

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

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

CASE NO. <u>21245</u>

# 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), Section 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation (WCA: WC-025 G-10 S213328O) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 3 and W/2 of Section 10, Township 22 South, Range 33 East, Lea County, New Mexico, N.M.P.M. 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 dedicate the above-referenced horizontal spacing unit to the following three proposed initial wells, all of which will be horizontally drilled from a common surface location in the SE/4SW/4 (Unit N) of Section 10. The bottom hole locations of the **DL 10** 3 Kraken Fed Com 607H well and the **DL 10 3 Kraken Fed Com 608H** will be in the NW/4NW/4 (Unit D) of Section 3, and the bottom hole location of the **DL 10 3 Kraken Fed Com** 609H well will be in the NE/4NW/4 (Unit C) of Section 3.
  - 3. The completed intervals of these wells will comply with statewide setbacks.

- 4. No depth severances exist within the Wolfcamp formation underlying the proposed horizontal spacing unit.
- 5. Applicant plans to drill the proposed wells as part of a simultaneous drilling and completion project; therefore, Applicant requests an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof require that one of the proposed wells be drilled and completed within two years after the date of the Division Order granting this application.
- 6. Applicant has made a good faith effort but has been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners within the subject horizontal spacing unit.
- 7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 8. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in this proposed horizontal spacing unit should be pooled, and Applicant should be designated as operator of these proposed horizontal wells and spacing unit.
  - 9. Notice of this application is being given in accordance with Division rules.

**WHEREFORE**, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 30, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon:
- 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, equipping and completing the initial 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;
- E. Granting an extension of the 120-day period for drilling and completing the initial well, and in lieu thereof requiring that one of the proposed wells be drilled and completed within two years after the date of the Division Order granting this application; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the initial wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Candace Callahan

500 Don Gaspar Avenue

Santa Fe, New Mexico 87505

(505) 983-8545 or (505) 983-8765 (direct)

(800) 886-6566 (fax)

ccallahan@bwenergylaw.com

ATTORNEYS FOR CHEVRON U.S.A., INC.

#### 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

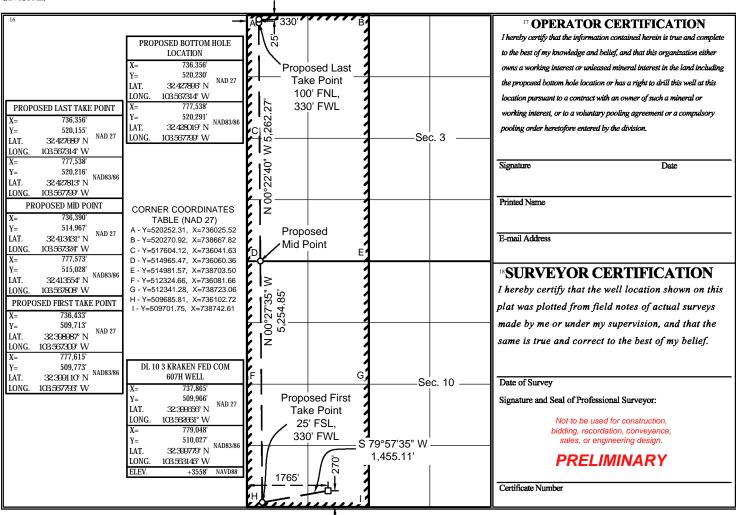
# WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Numbe	ı	<sup>2</sup> Pool Code <sup>3</sup> Pool N		Name			
<sup>4</sup> Property Code		5 <b>Pr</b>	roperty Name 6 Well Nur				
		DL 10 3 KRAKEN FED COM					
<sup>7</sup> OGRID No.		8 O <sub>I</sub>	perator Name	9 Elevation			
		CHEVRON U.S.A. INC.					
		<sup>10</sup> Sur	face Location				

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	22 SOUTH	33 EAST, N.M.P.M.		270'	SOUTH	1765'	WEST	LEA
			11 Bottom H	ole 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
D	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	330'	WEST	LEA
12 Dedicated A	cres 13 Jo	nt or Infill	14 Consolidation Code 15	Order No.					

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.



Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-19

#### District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

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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

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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

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name				
<sup>4</sup> Property Code		<sup>5</sup> Pr	operty Name	<sup>6</sup> Well Number			
		DL 10 3 KF	RAKEN FED COM	608H			
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>F</sub>	perator Name	<sup>9</sup> Elevation			
		CHEVRON U.S.A. INC.					

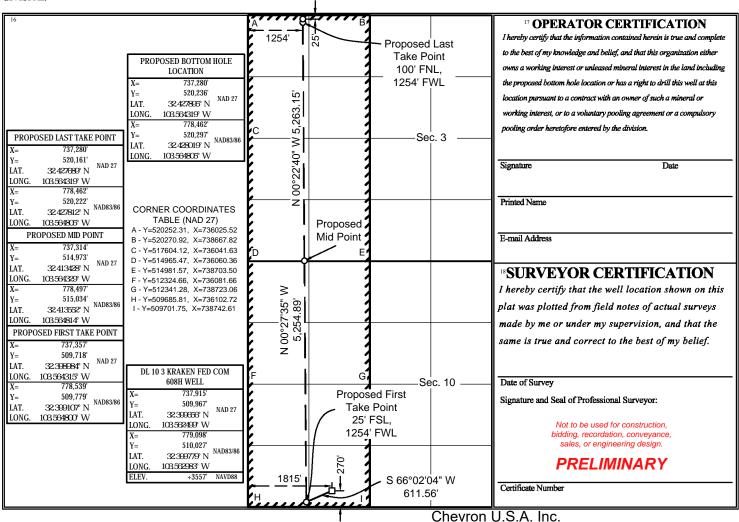
# <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	10	22 SOUTH	33 EAST, N.M.P.M.		270'	SOUTH	1815'	WEST	LEA	

# 11 Bottom Hole Location If Different From Surface

Ī	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	D	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	1254'	WEST	LEA
Ī	12 Dedicated A	cres 13 Jo	nt or Infill	<sup>14</sup> Consolidation Code <sup>15</sup>	Order No.					

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.



NMOCD Case Nos. 21240, 21241, 21244, & 21245

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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

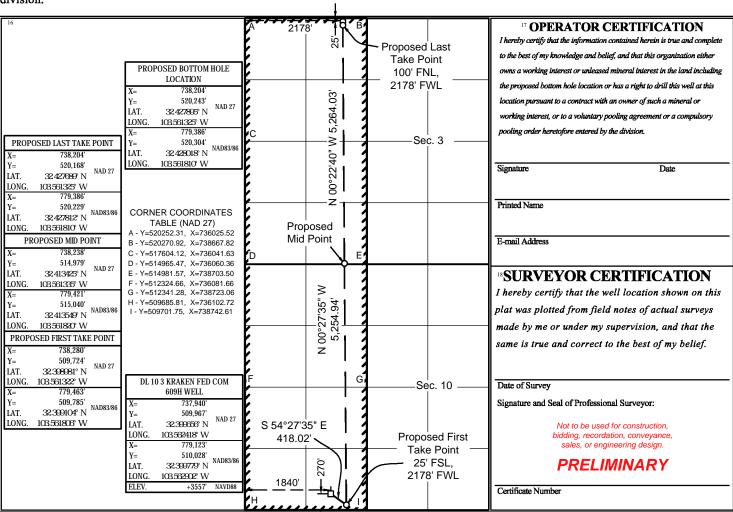
# WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 API Number			ode			3 Pool Nat	me		
4-				-	<u> </u>					
* Proper	ty Code			3 <b>P</b> 1	roperty Name				0 1	Well Number
				DL 10 3 K	RAKEN FED	COM				609H
<sup>7</sup> OGR	ID No.			8 Operator Name					<sup>9</sup> Elevation	
				CHEVR	ON U.S.A. IN	C.				3557'
				10 Sur	face Locati	ion				
UL or lot no.	Section	Township	vnship Range Lot Idn Feet from the North/South line Feet from the East/W					West line	County	
N	10	22 SOUTH	33 EAST, N.M.P.M.		270'	SOUTH	1840'	WE	ST	LEA

<sup>11</sup> 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	
С	3	22 SOUTH	33 EAST, N.M.P.M.		25'	NORTH	2178'	WEST	LEA	

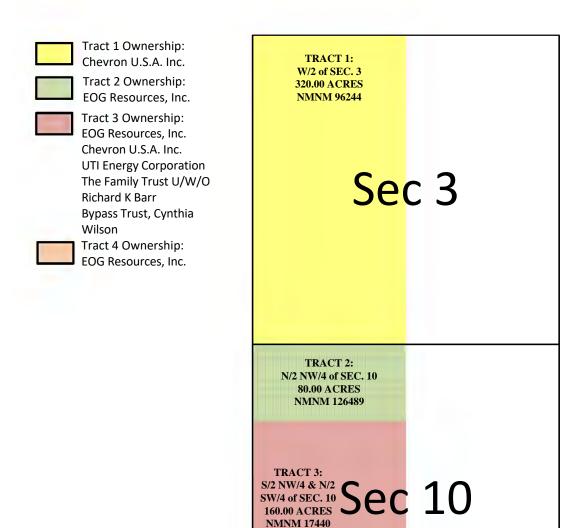
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.

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.



Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245

DL 10 3 Kraken Fed Com #607H, #608H & #609H T22S-R33E – Section 3, W/2 T22S-R33E – Section 10, W/2 Lea County, NM



Seeking to compulsory pool interests in Tracts 2, 3 & 4

TRACT 4: S/2 SW/4 of SEC. 10 80.00 ACRES NMNM 126490

> Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-20

DL 10 3 Kraken Fed Com #607H, #608H & #609H T22S-R33E — Section 3, W/2 T22S-R33E — Section 10, W/2 Lea County, NM

# **WORKING INTEREST OWNERSHIP**

# Tract 1: W/2 of Section 3, Township 22 South, Range 33 East (NMNM 96244)

Chevron U.S.A. Inc.	100.00%
Total	100.00%

# Tract 2: N/2 NW/4 of Section 10, Township 22 South, Range 33 East (NMNM 126489)

EOG Resources, Inc.	100.00%
Total	100.00%

# Tract 3: S/2 NW/4 & N/2 SW/4 of Section 10, Township 22 South, Range 33 East (NMNM 17440)

EOG Resources, Inc.	65.00%
Chevron U.S.A. Inc.	25.00%
UTI Energy Corporation	5.00%
The Family Trust U/W/O Richard K Barr	2.50%
Bypass Trust, Cynthia Wilson	2.50%
Total	100.00%

# Tract 4: S/2 SW/4 of Section 10, Township 22 South, Range 33 East (NMNM 126490)

EOG Resources, Inc.	100.00%
Total	100.00%

Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245

DL 10 3 Kraken Fed Com #607H, #608H & #609H T22S-R33E — Section 3, W/2 T22S-R33E — Section 10, W/2 Lea County, NM

# **UNIT RECAPITULATION\***

Section 3: W/2 Section 10: W/2

Township 22 South, Range 33 East

Chevron U.S.A. Inc.	62.50%
UTI Energy Corporation**	1.25%
The Family Trust U/W/O Richard K Barr	0.625%
Bypass Trust, Cynthia Wilson**	0.625%
EOG Resources, Inc.	35.00%
Total:	100.00%

<sup>\*</sup>Working Interests Chevron seeks to compulsory pool are in bold print.

Chevron is also seeking to pool all overriding royalty interest owners, as follows:

Chisos Minerals, LLC				
Paul R. Barwis**				
Crownrock Minerals, L.P.				
The Cornerstone Family Trust				
C. Mark Wheeler and his wife, J'Lynn Wheeler				
Jareed Partners, Ltd.**				
Madison M. Hinkle				
Rolla Hinkle				
Mustang Oil & Gas, LLC				
New Tex Oil Company**				

<sup>\*\*&</sup>lt;u>Unlocatable interest owner</u>

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-20

rell Type evelopment bjective CA	Field Delaware Basin  Date Feb-20  Code  6601 7000 7129 7129 7190 7190 7190 7190	0100 0300 0022 0110	Joint Yes \$ \$ \$ \$ \$	26.00 t Venture Amount (\$) 152,202 31,431
bjective CA	Code  Code  6601  7000  7129  7190  7190  7190	Project Engineer B. Abney Business Unit MCBU  Sub-code  0100 0200 0100 0300 0022 0110	Joint Yes \$ \$ \$ \$ \$	Amount (\$)  152,202  31,431  244,238  10,507
CA	Code 6601 7000 7129 7190 7190 7190	B. Abney Business Unit MCBU  Sub-code  0100 0200 0100 0300 0002 0110	Joint Yes \$ \$ \$ \$ \$	26.00 t Venture  Amount (\$) 152,202 31,431 244,238 10,507
	Code 6601 7000 7129 7129 7190 7190	Sub-code	Yes	Amount (\$)  152,202  31,431  244,238  10,507
TV	6601 7000 7129 7129 7190 7190 7190	Sub-code  0100 0200 0100 0300 0022 0110	Yes	Amount (\$)  152,202  31,431  244,238  10,507
TY	6601 7000 7129 7129 7190 7190 7190	Sub-code 0100 0200 0100 0300 0022 0110	\$ \$ \$ \$ \$	152,202 31,431 244,238 10,507
TY	6601 7000 7129 7129 7190 7190 7190	0100 0200 0100 0300 0022 0110	\$ \$ \$ \$	152,202 31,431 244,238 10,507
TY	6601 7000 7129 7129 7190 7190 7190	0100 0200 0100 0300 0022 0110	\$ \$ \$ \$	152,202 31,431 244,238 10,507
ry	6601 7000 7129 7129 7190 7190 7190	0100 0200 0100 0300 0022 0110	\$ \$ \$ \$	152,202 31,431 244,238 10,507
	7000 7129 7129 7190 7190 7190	0200 0100 0300 0022 0110	\$ \$ \$ \$	31,431 244,238 10,507
	7129 7129 7190 7190 7190	0100 0300 0022 0110	\$ \$ \$ \$	244,238 10,507
	7129 7190 7190 7190	0300 0022 0110	\$ \$ \$	10,507
	7190 7190 7190	0022 0110	\$	
	7190 7190	0110	\$	1,053,957
	7190			
		0500		30,633
	7190		\$	61,270
		1900	\$	279,366
Surface Equipment Rentals		0100	\$	345,030
	7230	0200	\$	207,995
	7230	0200	\$	10,538
Marine	7340	0300	\$	58,512
	7440	0001	\$	747,938
Mobilization / De-Mobilization		0003	\$	-
	7420	0300	\$	155,974
Directional Survey & Services		0006	\$	388,906
		0007	\$	197,287
	7440	0017	\$	-
	7440	0018	\$	-
	7440	0019	\$	-
	7440	0020	\$	-
	7440	0021	\$	19,574
	7440	0024	\$	271,630
	7450	0021	\$	14,192
		Total	\$	4,281,180
		Share (%)		Amount (\$)
		Approved (Signature)		
Well Service Equipment Rentals Rig Rentals Transportation Services, Land & Marine Rig Work		7230 Marine 7340 7440 7440 7440 7440 7440 7440 7440	7230 0200  Marine 7340 0300  7440 0001  7440 0003  7420 0300  7440 0006  7440 0007  7440 0007  7440 0017  7440 0018  7440 0019  7440 0020  7440 0020  7440 0021  7440 0021  7440 0024  7450 0021  Total	7230 0200 \$ Marine 7340 0300 \$ 7440 0001 \$ 7440 0003 \$ 7420 0300 \$ 7440 0006 \$ 7440 0007 \$ 7440 0017 \$ 7440 0018 \$ 7440 0019 \$ 7440 0020 \$ 7440 0021 \$ 7440 0021 \$ 7440 0021 \$ 750 0021 \$ 760 Share (%)

Chevron North American Exploration			Appropriation Request			
State	Well Type	Field	Well Name			
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com	607H		
Area	Objective	Date	Project Engineer	Well Duration (days)		
Dagger Lake WCA		Feb-20	B. Abney	15.1		
Playbook Name			Business Unit	Joint Venture		
-			мсви	Yes		
Reason for Expenditure						
COMPLETIONS AFE						
Cost	Category	Code	Sub-code	Amount (\$)		
Company Labor		6601	0100	\$ 94,823		
Contract Labor		7000	0200	\$ 99,613		
Fuel & Utilities		7129	0100	\$ 567,193		
Artificial Lift Equipment &	Materials	7150				
Tubing		7190	0021			
Sub-Surface Well Equipme	nt & Materials	7190				
Wellheads & Trees		7190	0110	\$ 19,117		
Drilling & Completion Fluid	ds	7190	1900	\$ 1,016,380		
Equipment Rentals		7230				
Materials, Supplies, & Part	S	7190	0500	\$ -		
Transportation		7340	<del> </del>			
Waste Water Disposal		7420	0600	\$ -		
Rig Daywork	,	7440	0001	\$ 4,941		
Drill String & Drill Bits		7440	0007	\$ 49,934		
Coil Tubing		7440	0009			
Stimulation / Gravel Pack		7440	0010	\$ 2,333,459		
Stimulation / Gravel Pack		7440	0010			
Perforating & Electric Line	Services	7440	0014			
Logging – Wireline	······	7440				
Sitework / Roads / Locatio	n	7450	0021			
Capitalized G&A		9410	0700	\$ -		
			Total	\$ 7,586,232		
	i de reconstruction de la construction de la constr	The state of the s				
Participation & Authorizat	tion		Share (%)	Amount (\$)		
Approved (Print Name)	All parties of the	Approved (Signature)				
			Date			

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

WELL NAME:	Ogopogo, Narwhal, Kraken &	Morag	J	
Description	\$USD			
Battery Total:	\$9,328,240			
Contract & Chevron Project Supervision	\$355,451			
Contract Labor - Reg/Roustabout	\$992,387			
FCR - Instruments & Electrical	\$556,172			
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014			
FCR - Pressure Vessels	\$3,142,881			
Rotating Equipment	\$1,328,752			
Sales Tax	\$610,259			
Compressor Station Total:	\$23,668,910			
Contract & Chevron Project Supervision	\$811,268			
Contract Labor - Reg/Roustabout	\$8,295,452			
FCR - Instruments & Electrical	\$1,122,583			
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272			
Rotating Equipment	\$1,834,527			
Sales Tax	\$1,548,433			
Outside Battery Limits Total:	\$17,032,080			
Fabrication & As-built drawings	\$8,738			
Electric Distribution System	\$1,596,506			
ITC/Communication	\$1,861,791			
Land & Lease Costs	\$244,391			
Company Project Supervision	\$147,454			
Contract Project Supervision	\$114,686			
Utilities - Other/Water	\$211,003			
Site Work/Roads/Location	\$6,425,953			
Pipe, Valves, & Fittings	\$323,579			
Pipe - Line (Size 2" and over)	\$4,524,488			
FCR - Instruments & Electrical	\$459,242			
Sales Tax	\$1,114,248			
TOTAL COST	\$50,029,230		\$	1,667,641
Participation & Authorization	Share	Amount		
Approved (Print Name)	Approved (Signature)			Date

Chevron North American Exploration			Appropriation Request			
County, State	Well Type	Field	Well Name			
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Co	m 608H		
Area	Objective	Date	Project Engineer	Duration (days)		
Dagger Lake	WCA	Feb-20	B. Abney	26.0		
			Business Unit	Joint Venture		
			MCBU	Yes		
Reason for Expenditure						
DRILLING AFE						
Cost Ca	tegory	Code	Sub-code	Amount (\$)		
Company Labor		6601	0100	\$ 152,202		
Contract Project Supervision	n	7000	0200	\$ 31,431		
Fuel Diesel		7129	0100	\$ 244,238		
Utilities / Potable Water		7129	0300			
Casing (tangible)		7190	0022			
Wellheads (tangible)		7190	0110	\$ 30,633		
Materials, Parts, & Supply		7190	0500	\$ 61,270		
Drilling Fluids		7190	1900	\$ 279,366		
Surface Equipment Rentals		7230	0100	\$ 345,030		
Well Service Equipment Rer	ntals	7230	0200	\$ 207,995		
Rig Rentals		7230	0200	\$ 10,538		
Transportation Services, Lar	nd & Marine	7340	0300	\$ 58,512		
Rig Work		7440	0001	\$ 747,938		
Mobilization / De-Mobilizat	ion	7440	0003	\$ -		
Solid Waste Disposal		7420	0300	\$ 155,974		
Directional Survey & Service	25	7440	0006	\$ 388,906		
Drill-Pipe Rental & Bits		7440	0007	\$ 197,287		
Coring		7440	0017	\$ -		
Testing		7440	0018	\$ -		
Logging Wireline		7440		•		
Logging While Drilling (LWD	)	7440	0020	\$ -		
Logging Mud		7440	0021	\$ 19,574		
Cementing		7440	0024			
Sitework / Locations		7450	0021	\$ 14,192		
			Total	\$ 4,281,180		
Participation & Authorization	on		Share (%)	Amount (\$)		
Approved (Print Name)			Approved (Signature)			
			Date			
				Date		

Chevron North American Exploration			Appropriation Request	
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 608H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	WCA	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
•			мсви	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 94,823
Contract Labor		7000	0200	\$ 99,613
Fuel & Utilities		7129	0100	\$ 567,193
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing	***************************************	7190	0021	\$ 57,188
Sub-Surface Well Equipment & Materials		7190	0100	\$ 106,019
Wellheads & Trees	***************************************	7190	0110	\$ 19,117
Drilling & Completion Fluids		7190	1900	\$ 1,016,380
Equipment Rentals		7230	0100	\$ 976,809
Materials, Supplies, & Parts		7190	0500	\$ -
Transportation		7340	0300	\$ 29,566
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 49,934
Coil Tubing		7440	0009	\$ 234,560
Stimulation / Gravel Pack		7440	0010	\$ 2,333,459
Stimulation / Gravel Pack		7440	0010	\$ 1,494,604
Perforating & Electric Line Services		7440	0014	\$ 435,688
Logging – Wireline		7440	0019	\$ 13,666
Sitework / Roads / Locatio	n	7450	0021	\$ -
Capitalized G&A		9410	0700	\$ -
			Total	\$ 7,586,232
	. 54, 54, 54, 57, 77, 77, 77, 77		14.1	
Participation & Authorization			Share (%)	Amount (\$)
Approved (Print Name)			Approved (Signature)	
	· · · · · · · · · · · · · · · · · · ·	<del>*************************************</del>		
			Date	
			Date	

FIELD:	Dagger Lake
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag

Participation & Authorization	Share	Amount
TOTAL COST		per well cost:
Sales Tax	\$1,114,248	
FCR - Instruments & Electrical	\$459,242	
Pipe - Line (Size 2" and over)	\$4,524,488	
Pipe, Valves, & Fittings	\$323,579	
Site Work/Roads/Location	\$6,425,953	
Utilities - Other/Water	\$211,003	
Contract Project Supervision	\$114,686	
Company Project Supervision	\$147,454	
Land & Lease Costs	\$244,391	
ITC/Communication	\$1,861,791	
Electric Distribution System	\$1,596,506	
Fabrication & As-built drawings	\$8,738	
Outside Battery Limits Total:	\$17,032,080	
Outo tun	υ, ι, υτυ, του	
Sales Tax	\$1,548,433	
Rotating Equipment	\$1,834,527	
Pipe, Valves, Manifolds, Meters & Fittings	\$4,801,272	
FCR - Instruments & Electrical	\$8,295,452 \$1,122,583	
Contract & Chevron Project Supervision Contract Labor - Reg/Roustabout	\$811,268	
Compressor Station Total:	\$23,668,910	
	***************************************	
Sales Tax	\$610,259	
Rotating Equipment	\$1,328,752	
FCR - Pressure Vessels	\$3,142,881	
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014	
FCR - Instruments & Electrical	\$556,172	
Contract Labor - Reg/Roustabout	\$992,387	
Contract & Chevron Project Supervision	\$355,451	
Battery Total:	\$9,328,240	1
Description	\$USD	]

Approved (Signature)

Approved (Print Name)

Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. L-21

\$ 1,667,641

Date

Chevron North American Exploration			Appropriation Request		
County, State	Well Type	Field	Well Name		
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Co	m 609H	
Area	Objective	Date	Project Engineer	Duration (days)	
Dagger Lake	WCA	Feb-20	B. Abney	26.00	
			Business Unit	Joint Venture	
			MCBU	Yes	
Reason for Expenditure					
DRILLING AFE					
Cost Ca	tegory	Code	Sub-code	Amount (\$)	
Company Labor		6601	0100	\$ 152,202	
Contract Project Supervisio	n	7000	0200	\$ 31,431	
Fuel Diesel		7129	0100		
Utilities / Potable Water		7129	0300	_ '	
Casing (tangible)		7190	0022		
Wellheads (tangible)		7190		<u> </u>	
Materials, Parts, & Supply		7190	0500	I	
Drilling Fluids		7190	1900	\$ 279,366	
Surface Equipment Rentals		7230	0100	\$ 345,030	
Well Service Equipment Re	ntals	7230	0200		
Rig Rentals		7230	0200	\$ 10,538	
Transportation Services, Land & Marine		7340	0300	\$ 58,512	
Rig Work		7440	0001	\$ 747,938	
Mobilization / De-Mobilizat	tion	7440	0003	\$ -	
Solid Waste Disposal		7420	0300	\$ 155,974	
Directional Survey & Servic	es	7440	0006	\$ 388,906	
Drill-Pipe Rental & Bits	***************************************	7440	0007	\$ 197,287	
Coring		7440	0017	\$ -	
Testing		7440	0018	\$ -	
Logging Wireline		7440	0019	\$ -	
Logging While Drilling (LWD	)	7440	0020		
Logging Mud		7440	0021		
Cementing		7440	0024		
Sitework / Locations		7450	0021		
			Total	\$ 4,281,180	
Participation & Authorizati	ion		Share (%)	Amount (\$)	
Approved (Print Name)			Approved (Signature)		
мрргочец (rint Name)			Approved (signature)		
			Date		

Chevron North American Exploration		Appropriation Request		
State	Well Type	Field	Well Name	
Lea County, New Mexico	Development	Delaware Basin	DL 10 3 Kraken Fed Com 609H	
Area	Objective	Date	Project Engineer	Well Duration (days)
Dagger Lake	WCA	Feb-20	B. Abney	15.1
Playbook Name			Business Unit	Joint Venture
•			MCBU	Yes
Reason for Expenditure				
COMPLETIONS AFE				
Cost	Category	Code	Sub-code	Amount (\$)
Company Labor		6601	0100	\$ 94,823
Contract Labor		7000	0200	\$ 99,613
Fuel & Utilities		7129	0100	\$ 567,193
Artificial Lift Equipment &	Materials	7150	0100	\$ 52,671
Tubing		7190	0021	\$ 57,188
Sub-Surface Well Equipment & Materials		7190	0100	\$ 106,019
Wellheads & Trees		7190	0110	\$ 19,117
Drilling & Completion Fluids		7190	1900	\$ 1,016,380
Equipment Rentals		7230	0100	\$ 976,809
Materials, Supplies, & Parts		7190	0500	\$ -
Transportation		7340	0300	\$ 29,566
Waste Water Disposal		7420	0600	\$ -
Rig Daywork		7440	0001	\$ 4,941
Drill String & Drill Bits		7440	0007	\$ 49,934
Coil Tubing		7440	0009	\$ 234,560
Stimulation / Gravel Pack		7440	0010	\$ 2,333,459
Stimulation / Gravel Pack		7440	0010	\$ 1,494,604
Perforating & Electric Line	Services	7440	0014	\$ 435,688
Logging Wireline		7440	0019	\$ 13,666
Sitework / Roads / Location	ın	7450	0021	\$ -
Capitalized G&A	<u> </u>	9410	0700	\$ -
			Total	\$ 7,586,232
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Participation & Authorization		Share (%)	Amount (\$)	
Approved (Print Name)			Approved (Signature)	
			Date	

#### Facilities and Central Tank Battery -- Detail of Cost Estimate

FIELD:	Dagger Lake	
WELL NAME:	Ogopogo, Narwhal, Kraken & Morag	

WELL NAME:	Ogopogo, Narwnai, Kraken o	St Miorag		
Description	\$USD			
Battery Total:	\$9,328,240			
Contract & Chevron Project Supervision	\$355,451	-1		
Contract Labor - Reg/Roustabout	\$992,387			
FCR - Instruments & Electrical	\$556,172			
Pipe, Valves, Manifolds, Meters & Fittings	\$1,809,014			
FCR - Pressure Vessels	\$3,142,881			
Rotating Equipment	\$1,328,752			
Sales Tax	\$610,259			
Compressor Station Total:	\$23,668,910			
Contract & Chevron Project Supervision	\$811,268			
Contract Labor - Reg/Roustabout	\$8,295,452			
FCR - Instruments & Electrical	\$1,122,583			
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Rotating Equipment	\$1,834,527			
Sales Tax	\$1,548,433			
Outside Battery Limits Total:	\$17,032,080			
Fabrication & As-built drawings	\$8,738			
Electric Distribution System	\$1,596,506			
ITC/Communication	\$1,861,791			
Land & Lease Costs	\$244,391			
Company Project Supervision	\$147,454			
Contract Project Supervision	\$114,686			
Utilities - Other/Water	\$211,003			
Site Work/Roads/Location	\$6,425,953			
Pipe, Valves, & Fittings	\$323,579			
Pipe - Line (Size 2" and over)	\$4,524,488			
FCR - Instruments & Electrical	\$459,242			
Sales Tax	\$1,114,248			
TOTAL COST	\$50,029,230	per well cost:	\$ 1,667,641	
Participation & Authorization	Share	Amount		
Approved (Print Name)	Approved (Signature)		Date	

# Tab G

#### **EXHIBIT G**

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

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

CASE NOS. 21240, 21241, 21244, & 21245

#### **AFFIDAVIT OF SARAH WRIGHT**

STATE OF TEXAS	)
	) ss.
COUNTY OF HARRIS	)

SARAH WRIGHT, being duly sworn, deposes and states:

- 1. I am over the age of 18, I am a Development Geologist for CHEVRON U.S.A. INC. ("Chevron") and have personal knowledge of the matters stated herein.
- 2. I have not previously testified before the New Mexico Oil Conservation Division ("Division") as an expert petroleum geologist. I seek to have my credentials accepted by the Division as an expert petroleum geologist. My curriculum vitae is attached here to as Exhibit G-12.
- 3. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above-referenced compulsory pooling applications.
- 4. I am familiar with the applications filed by Chevron in the above-referenced cases. My work for Chevron includes the Permian Basin in New Mexico and I have been involved in the study and evaluation of the Bone Spring formation in the area of Lea County encompassing Chevron's planned wells for development of the Bone Spring formation (hereinafter "Bone Spring Proposed Wells"), as follows:

1

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Case No. 21240: (E/2 of Sections 3 and 10)
DL 10 3 Morag Fed Com 210H;
DL 10 3 Morag Fed Com 211H;
DL 10 3 Morag Fed Com 212H; and
DL 10 3 Morag Fed Com 506H.

Case No. 21244: (W/2 of Sections 3 and 10)
DL 10 3 Kraken Fed Com 207H;
DL 10 3 Kraken Fed Com 208H;
DL 10 3 Kraken Fed Com 209H;
DL 10 3 Kraken Fed Com 504H; and
DL 10 3 Morag Fed Com 505H.
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5. My work for Chevron has also included the study and evaluation of the Wolfcamp formation in the area of Lea County encompassing Chevron's planned wells within the proposed spacing units for development of the Wolfcamp formation (hereinafter "Wolfcamp Proposed Wells"), as follows:

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Case No. 21241: (E/2 of Sections 3 and 10)
DL 10 3 Morag Fed Com 610H;
DL 10 3 Morag Fed Com 611H; and
DL 10 3 Morag Fed Com 612H.
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Case No. 21245: (W/2 of Sections 3 and 10)
DL 10 3 Kraken Fed Com 607H;
DL 10 3 Kraken Fed Com 608H; and
DL 10 3 Kraken Fed Com 609H.

- 6. As a result of my geological study of the area that encompasses the horizontal spacing units that are the subject of Chevron's applications in all of the above-referenced cases, I am familiar with the geological matters involved in these cases.
- 7. As a part of my study I prepared geological exhibits pertaining to the proposed horizontal spacing units.
- 8. Exhibit G-1 shows Chevron's proposed wells in the shallow stratigraphic section. The compulsory pooling area (Sections 3 and 10) is shaded on the map on the left of Exhibit G-

1, which shows existing laterals (in black) and the footprint of the six Avalon (part of the Bone Spring Formation) laterals that Chevron has proposed within Sections 3 and 10 (in teal). These footprints are illustrative only and do not represent actual well paths. Existing development in the sections surrounding Sections 3 and 10 limit drilling options in the respective sections. Chevron is proposing two-mile laterals because two-mile laterals enable the drilling across section setbacks thereby preventing waste. The star on the map indicates the location of the type well, the Getty 15 Fed 1 well, API No. 30025271530000, the log for which is shown on the far right. The logs displayed are gamma ray (GR), resistivity (RESD), photoelectric (PE), density (RHOB), and neutron porosity (NPHI). The photoelectric log is shaded turquoise where the value is greater than 3.7 barns/electron. The diagram to the left of the type log shows a crosssectional wellbore view, with the orientation such that the wells are perpendicular with the page and viewed head on (also called 'gun-barrel' view). The teal circles represent Chevron's proposed wells in the Avalon interval. Smaller, grey circles are additional wells that Chevron may drill in these lands at a later date. The vertical position of the Avalon wells aligns with an interval that contains more silica (medium gamma ray, lower resistivity, photoelectric less than 3.5) and less carbonate on the type log, making it an ideal target interval.

9. Exhibit G-2 is the same as Exhibit G-1, except it shows Chevron's proposed wells for the deep stratigraphic section below what is shown in Exhibit G-1. The set-up of the page is the same as that of Exhibit G-1, but Chevron's proposed Third Bone Spring and Wolfcamp A laterals are shown in pink and purple, respectively. Chevron has proposed co-development of these reservoirs, with two Third Bone Spring wells in the unit proposed for the W/2 of Sections 3 and 10, and one Third Bone Spring well in the unit proposed for the E/2 of Sections 3 and 10, which are evenly spaced between the six Wolfcamp A wells (three Wolfcamp A wells proposed

in the unit comprised of the E/2 of Sections 3 and 10, and three Wolfcamp A wells proposed in the unit comprised of the W/2 of Sections 3 and 10). Again, the vertical placement of the wellbores are consistent with log signatures that indicate higher silica lithologies ideal for drilling and completing horizontal wells. Based on analysis of production results in other areas as well as studies internal to Chevron, co-development of Third Bone Spring and Wolfcamp A reservoirs early in development as Chevron has proposed is critical to avoiding pressure depletion and parent-child interaction that would come from developing the reservoirs at different times. Pressure depletion can cause sub-optimal fracture networks that under-stimulate the reservoir, leading to waste that can only be prevented through co-development.

10. Exhibit G-3 shows a cross-section from north to south for the Avalon interval. As with Exhibits G-1 and G-2, the logs displayed are gamma ray (GR), resistivity (RESD), photoelectric (PE), density (RHOB), and neutron porosity (NPHI) where they are available. Four wells were used to generate this cross-section and were chosen based on their proximity to Sections 3 and 10 and based on the availability of the desired logs spanning the Avalon interval. Because these wells are close to Sections 3 and 10, and two of the wells are on-strike with the planned well bores, the cross-section represents a good analog for the geology in Sections 3 and 10 where well bores have been proposed. The cross-section is flattened on the Lower Avalon, and lowstand and highstand intervals are noted to the left. Lowstand intervals, either lowstand systems tracts or lowstand sequence sets, are dominated by environment of deposition that are siliceous in natures, making these preferable for horizontal well targets. Highstand intervals, on the other hand, were deposited when the sea-level was higher, resulting in more reef-type depositional environments that are dominated by carbonates, which are difficult to drill and do not make good reservoirs. Chevron has proposed wells in an interval of the Lower Avalon that is

in the Lowstand and is consistent with respect to thickness and lithology across Sections 3 and 10. Because of the consistent thickness of the interval, along with prominent gamma ray markers to use while geosteering and previous experience drilling this interval, Chevron anticipates no problems keeping the wellbores within the lowstand interval. A location map for the cross-section is shown in the bottom right and the proposed units are shaded and outlined in black. The general Chevron Dagger Lake development area is shown in blue.

- 11. Exhibit G-4 also shows a cross-section for the Lower Avalon, this time in a west to east direction. Again, wells were chosen for the cross-section based on proximity to Sections 3 and 10 and availability of well logs across the desired interval. This east-west cross-section is perpendicular to the planned wellbores but the overall geologic architecture is similar as in the north-south direction and the cross-section is a representative analog. The same well logs are displayed and lowstand and highstand intervals are again noted, with the Chevron target interval in the lowstand where lithologies are more siliceous and rock properties are better for unconventional drilling and development. Chevron also has prior experience drilling this interval in the adjacent sections and has identified reliable geosteering markers that will enable Chevron to stay in the targeted lowstand interval for the entire length of the planned laterals.
- 12. Exhibit G-5 is also a cross-section, focusing on the deeper stratigraphic interval in the north to south direction. Three wells were used to construct this cross-section based on proximity to Sections 3 and 10 and the availability of the desired log assemblage through the deeper Third Bone Spring and Wolfcamp A intervals. Because of the proximity of these wells to Sections 3 and 10 and the lack of major faulting at this location, the cross-section is a representative analog for the geology of the proposed well bores. The cross-section is flattened on the Wolfcamp A and shows the same set of logs as the previous cross-sections. Chevron's

target intervals are noted. In the Wolfcamp A, care was taken to avoid the calcite-rich intervals in the lower Wolfcamp A, which is indicated by low gamma ray values and photoelectric values greater than 3.7 barn/electron (shaded turquoise). Chevron's Wolfcamp A targets are consistent with other operators in the area. In the Third Bone Spring, the target was selected based on a proven landing in the lower Third Bone Spring with increased vertical separation from the Wolfcamp A target also being considered. The upper Third Bone Spring has also been avoided because wells in this interval in other parts of the basin generally underperform and the interval is sometimes interpreted as being water saturated with little hydrocarbons. Target intervals in both the Third Bone Spring and Wolfcamp are relatively consistent in terms of thickness and lithology in Sections 3 and 10.

- 13. Exhibit G-6 is a west to east cross-section of the Third Bone Spring and Wolfcamp A intervals. Similar to Exhibit G-5, Chevron's target intervals are denoted and silicadominated rock is targeted. Wells used to construct the cross-section were based on log availability and proximity to Sections 3 and 10. In the absence of faulting or other geologic structure this cross-section is a representative analog for the location of the proposed wells and this cross-section further demonstrates that thickness and lithology of the target intervals are generally consistent in a west-east direction.
- 14. Exhibit G-7 is a seismic section in the north-south direction showing most of the stratigraphic section, including the Bone Spring and Wolfcamp Formations. Seismic amplitudes are shown with peaks colored blue and troughs colored red. Dotted lines denote interpreted horizons and colored squares indicate well tops. Arrows to the right of the section indicate surfaces that were used to generate the maps shown in Exhibits G-9 through G-11. Target intervals are labeled and denoted with white boxes. Vertical black lines indicate the extent of the

general Chevron Dagger Lake development, with the extent of Sections 3 and 10 outlined in blue and shaded on the map in the lower right. The location of the seismic line is also shown here. Reflectors are generally flat lying and there is no faulting observed in the area. Thickness of the target reservoirs is consistent across the area of interest, which will support efficient and effective horizontal well development of Chevron's target intervals in Sections 3 and 10.

- 15. Exhibit G-8 is also a seismic section, this time in the west to east direction. Similar to Exhibit G-7, no major faulting can be observed and again intervals of interest are consistent and flat with no major structure present.
- 16. Exhibit G-9 shows a structure map for the top of the Lower Avalon interval and a thickness map from the top of the Lower Avalon to the top of the First Bone Spring sand. Chevron's proposed spacing units for the E/2 of Sections 3 and 10 and W/2 of Sections 3 and 10 are identified with dashed outlines. The entirety of Chevron's Dagger Lake development area is outlined in solid black and includes current Lower Avalon development to the west of Chevron's proposed spacing units in the subject cases. Control points are shown in white with data values posted. Thickness of the Lower Avalon interval is close to 500 ft at all locations within Sections 3 and 10.
- 17. The maps in Exhibit G-9 are consistent with trends observed in the seismic sections, showing relatively little change in structure or thickness across the proposed spacing units, making the Lower Avalon interval ideal for effective unconventional development.
- 18. Exhibit G-10 shows a structure map and a thickness map for the Third Bone Spring Formation. Again, Chevron's proposed spacing units for the E/2 of Sections 3 and 10 and W/2 of Sections 3 and 10 are identified with dashed outlines. The entirety of Chevron's Dagger Lake development area is outlined in solid black and includes current development to the west of

Chevron's proposed spacing units in the subject cases. Control points are shown in white with data values posted. The thickness map was generated by taking the difference between seismic surfaces. Within Sections 3 and 10, the thickness of the Third Bone Spring Formation is slightly greater than 300 ft.

- 19. Exhibit G-10 is also consistent with previously observed trends. The wide spacing of the contour lines indicates little change in structure or thickness across the proposed spacing units. Similar to the Lower Avalon interval, the consistency of the Third Bone Spring Formation across Sections 3 and 10 makes it ideal for horizontal development using two-mile laterals.
- 20. Exhibit G-11 shows a structure map and a thickness map for the Wolfcamp A Formation. Chevron's proposed spacing units for the E/2 of Sections 3 and 10 and W/2 of Sections 3 and 10 are identified with dashed outlines. The entirety of Chevron's Dagger Lake development area is outlined in solid black and includes current development to the west of Chevron's proposed spacing units in the subject cases. Control points are shown in white with data values posted. The thickness map was generated by taking the difference between seismic surfaces.
- 21. Exhibit G-11 again shows that the Wolfcamp A Formation has little structure and minimal thickness change across the proposed spacing unit. In all locations within the spacing units, the thickness of the Wolfcamp A Formation is close to or greater than 300 feet, which is more than adequate for unconventional development, where the wellbore is expected to stay within an approximately 40 ft drilling window. When co-developed with the Third Bone Spring Formation, the total thickness is greater than 600 ft, giving adequate space for hydraulic fracture growth without risk of fracturing the surrounding stratigraphy.
  - 22. Based upon my study as illustrated in the exhibits referenced above, my

knowledge of the geology of this area, and my education and training, it is my expert opinion that:

- a. The horizontal spacing units for both the Bone Spring and Wolfcamp formations are justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with Chevron's proposed horizontal development.
- c. Each quarter-quarter section within each of the proposed units will contribute more or less equally to production from each unit.
- Data from image logs typically used to determine the orientation of maximum horizontal stress (SHmax), and therefore the preferred wellbore orientation, is rather limited in the Dagger Lake area. However, recent publications (Lund Snee and Zoback, 2018; 2020) estimate an orientation for SHmax of 45 degrees or slightly greater for the area, meaning north-south oriented wellbores may be slightly preferable. This is consistent with development in the area being mostly drilled in the north-south orientation, although some east-west wells have been executed. The presence of existing development in surrounding sections (see maps in Exhibits G-1 and G-2) also requires that longer laterals in Sections 3 and 10 be drilled in a north-south orientation.
- 24. The producing interval for each of the wells within each proposed unit will be orthodox and comply with the Division's set back requirements, with the exception of the **DL 10**3 Morag Fed Com 505H well. The completed interval of this well will be at an unorthodox location 78 feet from the east boundary of the proposed spacing unit, thereby encroaching on the acreage to the east of the proposed spacing unit. The last take points of the completed interval to the north and south will be orthodox.

- 505H well proposed in Case No. 21244 is necessary in order to maximize the horizontal and vertical distance between this Third Bone Spring well and the DL 10 3 Kraken 609H well proposed in Case No. 21245 (see Exhibit G-2). Because these reservoirs are being codeveloped, interference must be considered and the maximum possible horizontal and vertical distance between this Third Bone Spring well and the proposed Wolfcamp A well should be used to minimize interference and prevent waste.
- 26. The attachments to this affidavit were prepared by me, under my direction or compiled from company business records.
- 27. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.
- 28. The granting of these applications is in the interests of conservation, the prevention of waste and protection of correlative rights.

Sarah Wright

SUBSCRIBED AND SWORN to before me this 6th day of July, 2020, by SARAH WRIGHT on behalf of Chevron U.S.A. Inc..

meetine narray

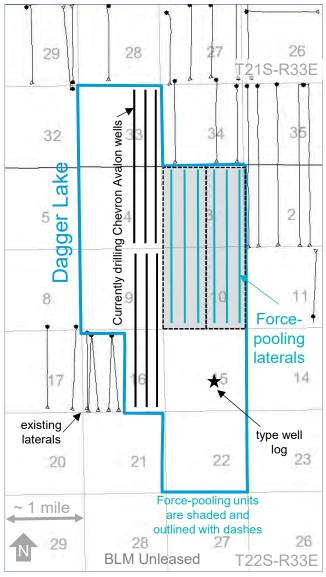
Notary Public

My Commission Expires: 12/19/2021

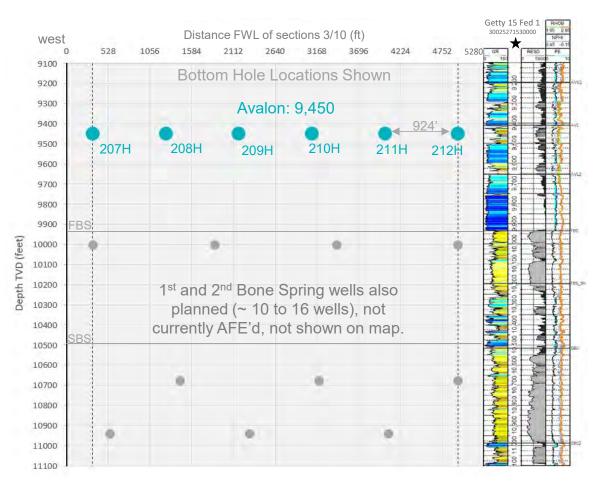
Michelle Andrea Martinez
Commission # 12364407
Notary Public
STATE OF TEXAS
My Comm Exp. Dec 19, 2021

### Exhibit G-1: Chevron's Plan – Shallow Section

Chevron's plan prevents waste by maximizing development in setbacks and developing all acreage.



Surface hole locations will be in section 10 for LPC conservation efforts.

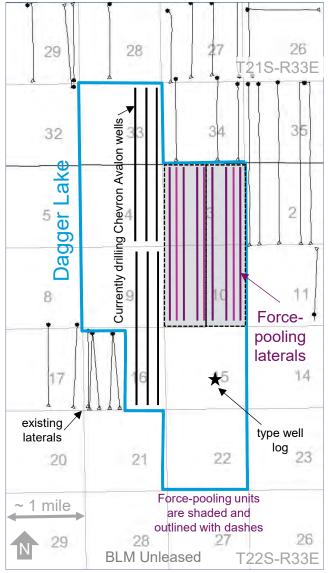


Chevron has experience drilling the Avalon in this area with 6 wells immediately to the west. Additional targets are also planned, with 4 in the First Bone Spring and 6 wells in the Second Bone Spring with a large stagger that will avoid lateral interference and prevent waste. Well configurations and map layout is approximate.



## **Exhibit G-2: Chevron's Plan – Deep Section**

Chevron's plan prevents waste by maximizing development in setbacks and developing all acreage.



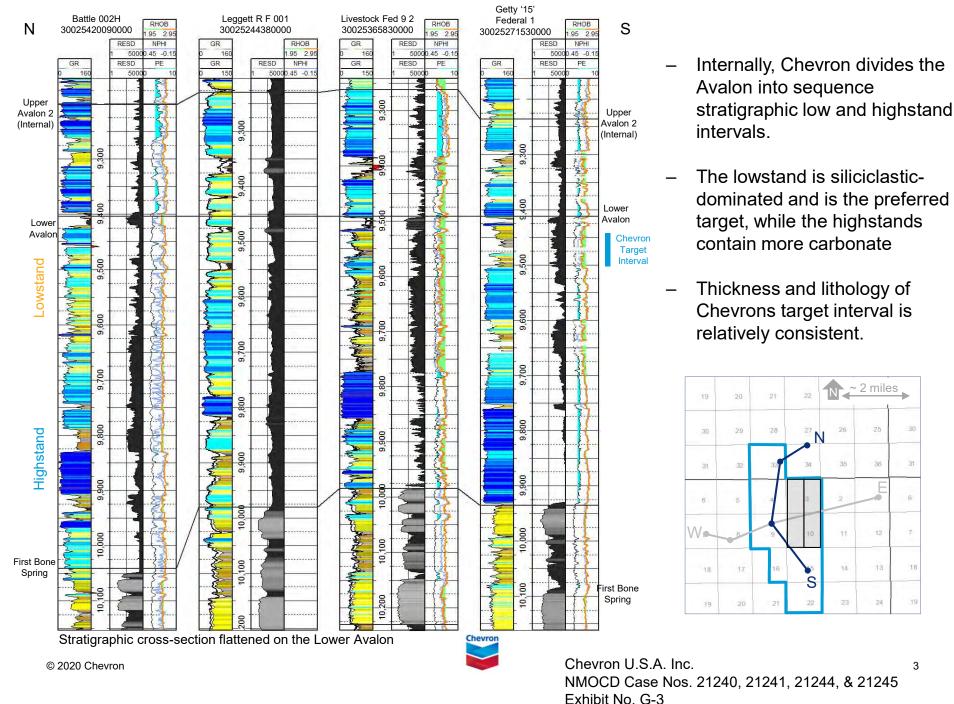
Surface hole locations will be in section 10 for LPC conservation efforts.



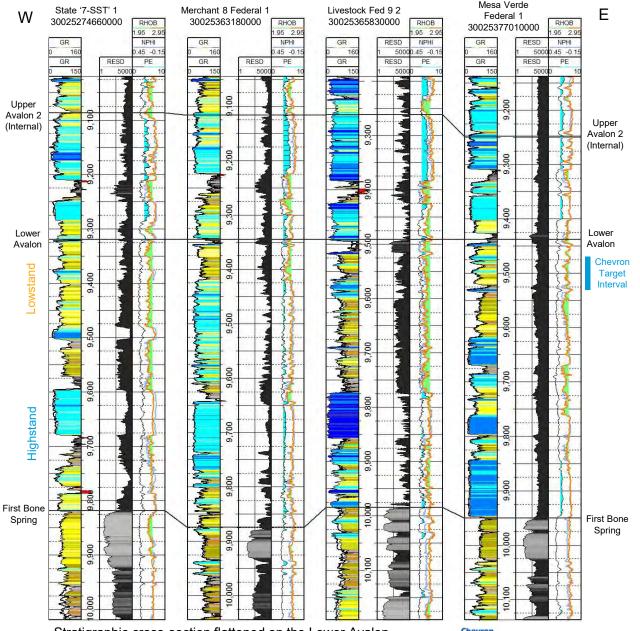
Chevron recognizes the interconnectedness of the TBS and WCA and plan to test the co-development of these benches to make informed development decisions, maximize production, and prevent waste. Well configurations and map layout is approximate.



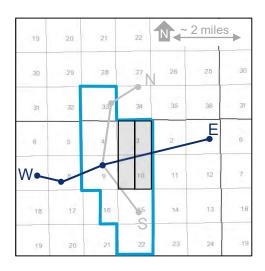
### **Exhibit G-3: Avalon North to South Cross-Section**



### **Exhibit G-4: Avalon West to East Cross-Section**



- Thickness and lithology in the Avalon is also relatively consistent in an east to west direction.
- Chevon also has previous experience drilling this interval in the adjacent sections.

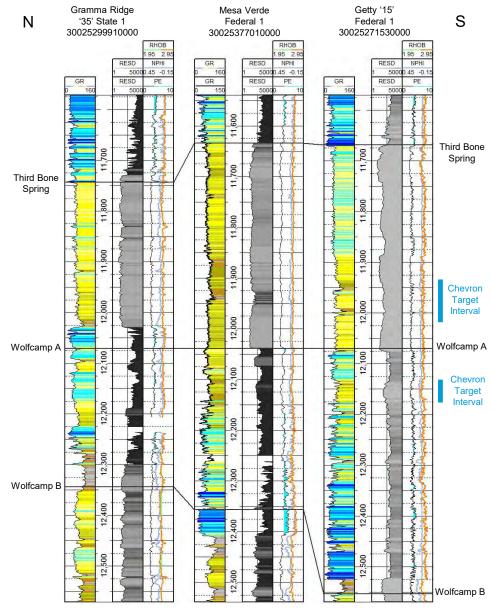


Stratigraphic cross-section flattened on the Lower Avalon



Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 <sup>4</sup> Exhibit No. G-4

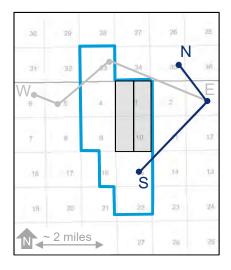
## **Exhibit G-5: Third Bone Spring & Wolfcamp A North to South Cross-Section**



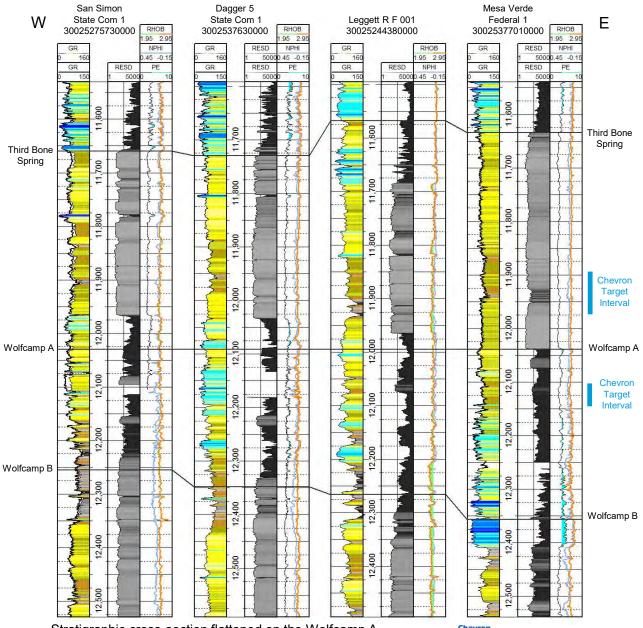
Stratigraphic cross-section flattened on the Wolfcamp A

Chevror

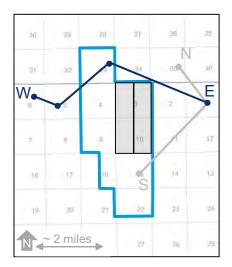
- Chevron's Wolfcamp A target is consistent with other operators, staying in the upper Wolfcamp and out of the carbonate rich lower interval.
- Chevron plans to co-develop the Third Bone Spring and Wolfcamp A to prevent depletion and avoid waste.
- While the Wolfcamp A and Third Bone Spring thin slightly to the north, the thickness of the target intervals are consistent across the area of interest.



## Exhibit G-6: Third Bone Spring & Wolfcamp A West to East Cross-Section



 Similar to the north-south cross-section, the thickness and lithology of the target intervals are relatively consistent in an west-east direction.

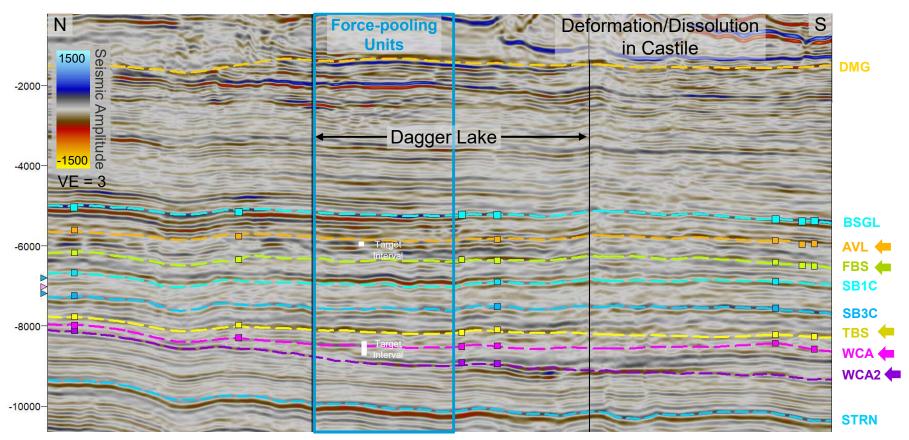


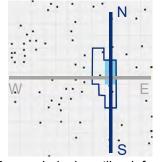
Stratigraphic cross-section flattened on the Wolfcamp A



Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 <sup>6</sup> Exhibit No. G-6

### Exhibit G-7: Seismic Section – North to South





Dagger Lake is outlined, forcepooling units are shaded in blue

#### **Key horizons for subsurface maps (indicated with arrows):**

Lower Avalon (AVL): well tops trended to the Bone Spring Lime (BSGL) seismic surface First Bone Spring (FBS): seismic and well tops

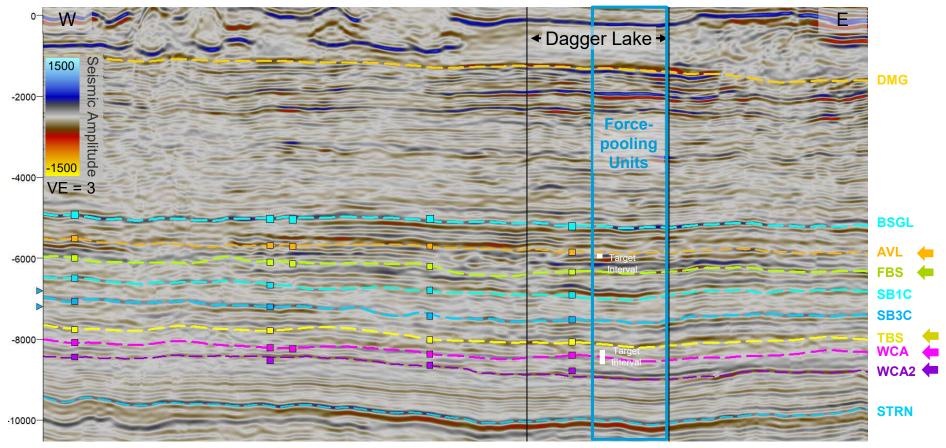
Third Bone Spring (TBS): seismic and well tops

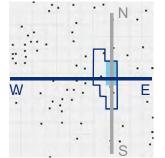
Wolfcamp A (WCA): well tops trended to TBS seismic surface, a seismic surface also exists Wolfcamp A2 (WCA2): seismic surface

Colored squares indicate well tops, additional surfaces are shown for context. White boxes indicated approximate target intervals.



### **Exhibit G-8: Seismic Section – West to East**





Dagger Lake is outlined, forcepooling units are shaded in blue

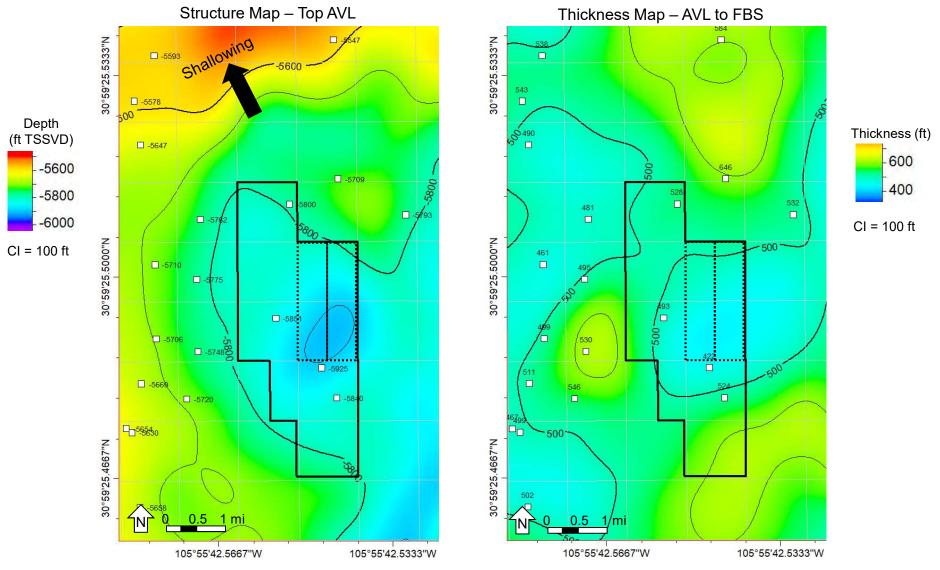
#### Key horizon descriptions are shown on previous exhibit.

In a west to east seismic section, similar to the north to south section in the previous exhibit, reflectors in the intervals of interest are relatively flat and lacking any major structure that would influence production.

Colored squares indicate well tops, additional surfaces are shown for context. White boxes indicated approximate target intervals.



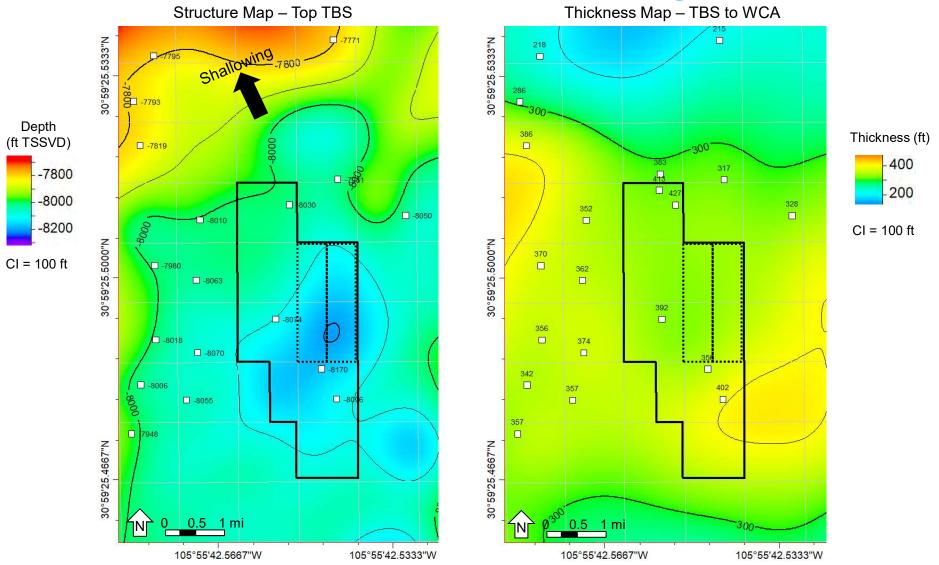
# **Exhibit G-9: Lower Avalon Maps**



Chevron Dagger Lake development is outlined in black with force-pooling acreage outlined with dashed lines, control points are shown in white with data values posted. Thickness map was generated as the difference between seismic surfaces.

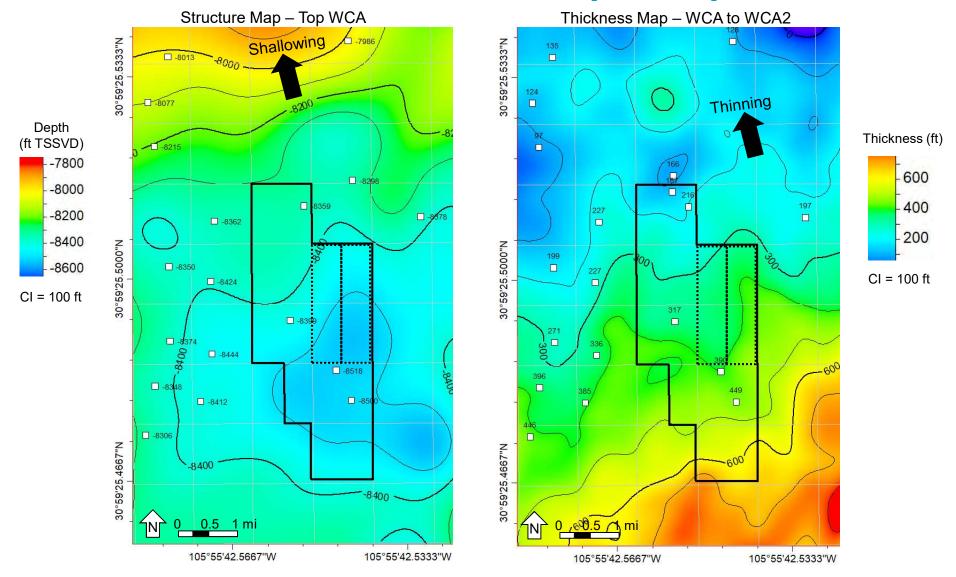


## **Exhibit G-10: Third Bone Spring Maps**



Dagger Lake development is outlined in black with force-pooling acreage outlined with dashed lines, control points are shown in white with data values posted. Structure map uses seismic and well data, thickness map is the difference between seismic surfaces with well values posted.

## **Exhibit G-11: Wolfcamp A Maps**



Chevron Dagger Lake development is outlined in black with force-pooling acreage outlined with dashed lines, control points are shown in white with data values posted. Structure map uses seismic and well data, thickness map is the difference between seismic surfaces with well values posted.

### Sarah N. Wright

505-554-7795 SarahNWright6@gmail.com Chevron U.S.A. Inc. NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. G-12

#### **EDUCATION:**

University of Georgia: Fall 2015-December 2017

- M.S. in Geology, GPA 4.00
- Thesis: The falling-stage progradation of an open-coast tidal flat: UAV-assisted sequence stratigraphy of the Jurassic Windy Hill Sandstone, Wyoming U.S.A.
- Research focused on integrating traditional field methods with UAV imagery and 3D point-clouds.
   Relevant coursework includes Geoscience Data Analysis, Sequence Stratigraphy, Exploration
   Geophysics, Petroleum Geology, Economic Geology, Marine Micropaleontology

University of New Mexico: Fall 2011-Spring 2015

- Dual degree: B.S. in Earth and Planetary Sciences, B.A. in Biology, Summa cum laude
- Undergraduate Thesis: *Size Matters: Alluvial Fans and their Drainage Basins,* advised by Dr. Gary Weissmann and Dr. Louis Scuderi as part of an assistantship in the Fluvial Systems Research Group.

#### **EMPLOYMENT:**

Earth Scientist: January 2018-Current

- Chevron North America Exploration and Production Company, Midcontinent Business Unit, Permian Basin Asset Development Team, Houston, TX
- I work cross-functionally with a team of engineers and geologists to characterize and define optimal development strategies for Chevron in the Permian Basin. Major responsibilities include data analysis, seismic interpretation, well log interpretation, geologic mapping, and basic earth modeling. I am also the Landing Strategy coordinator for my team, which involves leading the process and setting standards for documentation. I also give guidance on and facilitate peer reviews for these development strategies. Recently I was also selected for the business unit's citizen developer digital initiative, where I have learned to create low-code applications to solve business problems.

Research Assistant: Fall 2015-May 2017

- University of Georgia Stratigraphy Lab, Department of Geology, Athens, GA

Earth Science Intern: Summer 2017

 Chevron North America Exploration and Production Company, Midcontinent Business Unit, Permian Basin Asset Development Team, Houston, TX

Peer Learning Facilitator and Supplemental Instruction Leader: Fall 2012-Fall 2013, Spring 2015

- University of New Mexico, Albuquerque, NM
- TA-type teaching during and outside of regular class time for intro level geology and math classes.

Educational Assistant and Substitute Teacher: Fall 2011-Spring 2013

- La Resolana Leadership Academy, Albuquerque, NM
- Coordinated and taught after school tutoring programs in reading and math for middle school students.

Leisure Skills Programmer: Summers 2011, 2012

- City of Albuquerque Therapeutic Recreation, Albuquerque, NM
- Planned and executed inclusive activities in science and cooking for children ages 5-12 both with and without disabilities.

#### FIELD EXPERIENCE AND TECHNICAL COURSES:

- Participated in multiple field courses while employed at Chevron including work in the Guadalupe
  Mountains and along the California cost. Professional courses completed while at Chevron include Basic
  Reservoir Engineering (PetroSkills), Applied Subsurface Geologic Mapping (Subsurface Consultants &
  Associates), Unconventional Resource Assessment and Valuation (Rose & Associates), Introduction to
  Petrophysics (Chevron ETC), and others.
- ExxonMobil Geoscience Field Course in the Bighorn Basin, WY: July 2017, by invitation only

- University of Georgia Stratigraphy Lab Field Research: Summer 2016, 5 weeks
   Work included sample collection, stratigraphic measurement, and UAV aerial photography.
- University of Georgia Imperial Barrel Award Team: Fall 2015-Spring 2016
   Team was awarded 3<sup>rd</sup> place in the 2016 AAPG Eastern Section Competition.
- Sequence Stratigraphy for Graduate Students: GSA course completed in Baltimore, MD: October 2015
- University of New Mexico Mt. St. Helens Seismic Experiment Assistant: Summer 2014
   Seismic field work such as placing/collecting geophones in association with the IMUSH experiment.
- University of New Mexico Field Camp: Summer 2014

#### **PUBLICATIONS AND ABSTRACTS:**

- Holland, S.M., and **Wright, S.N.** (2020) The unconformity that isn't: a sequence-stratigraphic reinterpretation of the J-5 unconformity and the Redwater-Windy Hill-Morrison transition in Wyoming, U.S.A., *The Journal of Geology*.
- Wright, S.N., and Holland, S.M. (2017) Alternating progradational and degradational regimes in an open-coast tidal flat: the Jurassic Redwater-Windy Hill-Morrison transition, Wyoming, U.S.A., Booth 429: Session 182, The dynamics of Stratigraphy and Sedimentation (Posters), 2017 GSA Annual Meeting, Seattle, WA, October 22-25.
- Wright, S.N., and Holland, S.M. (2016) Drone-based measurement of stratigraphic columns and cross-sections, Abstract 277952: Session 341, Sediments, Clastics (Posters), 2016 GSA Annual Meeting, Denver, CO, September 25-28.
- Wright, S.N., Scuderi, L.A, Weissmann, G.S., Hartley, A.J. (2014) GIS Analysis of Size Relationships between Drainage Basins and Alluvial Fans, Abstract 14374: Earth Surfaces General Processes Poster Session, 2014 Fall Meeting, AGU, San Francisco, CA, December 15-19.
- Weissmann, G.S., Hartley, A.J., Scuderi, L.A., Nichols, G.J., Owen, A., **Wright, S.**, Felicia, A.L., Holland, F., and Anaya, F.M.L. (2015) Fluvial geomorphic elements in modern sedimentary basins and their potential preservation in the rock record: A review, *Geomorphology*, 250, 187-219.

#### **RESEARCH GRANTS, HONORS, AND AWARDS:**

- AAPG Grants in Aid, American Association of Petroleum Geologists: Spring 2016
- GSA Student Research Grants: Spring 2016
- J. David Love Field Geology Fellowship, Wyoming Geological Association: Spring 2016
- Tobacco Root Geological Society Scholarship: Spring 2016
- Miriam Watts-Wheeler Research Grant, University of Georgia: Spring 2016
- V.C. Kelly Outstanding Field Geologist, University of New Mexico: Spring 2015
- Harry and Mabel Leonard Research Fellowship, University of New Mexico: Fall 2014-Spring 2015
- Frank O. and Sadie M. Lane Scholarship Recipient, University of New Mexico: Summer 2014-Spring 2015
- USGS/NAGT Cooperative Field Training Program Accepted Nominee: Fall 2014
- Sherman A. Wengerd Award, University of New Mexico: Spring 2014
- New Mexico Geologic Society Fall Field Conference Scholarship: Fall 2013
- University of New Mexico Presidential Scholarship: Fall 2011-Spring 2015

#### **COMPUTER AND SOFTWARE KNOWLEDGE:**

Experience using petroleum industry standard software such as ArcMap GIS, Petrel, Petra, and Google Earth. Familiar with photogrammetry and 3D visualization software such as Agisoft Photoscan and QuickTerrain Reader, as well with coding environments such as R and Microsoft Power Platform (Power Apps, Power Automate, and PowerBI). Extensive experience using Microsoft Office and Adobe Illustrator.

References are available on request. Additional information and work samples can be found on my LinkedIn page at https://www.linkedin.com/in/sarah-n-wright.

# Tab E

#### **EXHIBIT E**

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

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

CASE NOS. 21240, 21241, 21244, & 21245

#### AFFIDAVIT OF GERARDO JIMENEZ

STATE OF TEXAS	)
	) ss.
COUNTY OF HARRIS	)

GERARDO JIMENEZ, being duly sworn, deposes and states:

- 1. I am over the age of 18, I am a Petroleum Engineer for CHEVRON U.S.A. INC. ("Chevron") and have personal knowledge of the matters stated herein. I have not previously testified before the New Mexico Oil Conservation Division ("Division") as an expert petroleum engineer. I seek to have my credentials accepted by the Division as an expert petroleum engineer. My curriculum vitae is attached here to as Exhibit E-7.
- 2. I submit the following information pursuant to NMAC 19.15.4.12.A.(1) in support of the above-referenced compulsory pooling applications.
- 3. I am familiar with the applications filed by Chevron in the above-referenced cases. My work for Chevron includes the Permian Basin in New Mexico and I have been involved in the study and evaluation of the Bone Spring formation in the area of Lea County encompassing Chevron's planned wells for development of the Bone Spring formation (hereinafter "Bone Spring Proposed Wells"), as follows:

Case No. 21240: (E/2 of Sections 3 and 10) DL 10 3 Morag Fed Com 210H;

1

DL 10 3 Morag Fed Com 211H; DL 10 3 Morag Fed Com 212H; and DL 10 3 Morag Fed Com 506H.

Case No. 21244: (W/2 of Sections 3 and 10)
DL 10 3 Kraken Fed Com 207H;
DL 10 3 Kraken Fed Com 208H;
DL 10 3 Kraken Fed Com 209H;
DL 10 3 Kraken Fed Com 504H; and
DL 10 3 Morag Fed Com 505H.

4. My work for Chevron has also included the study and evaluation of the Wolfcamp formation in the area of Lea County encompassing Chevron's planned wells within the proposed spacing units for development of the Wolfcamp formation (hereinafter "Wolfcamp Proposed Wells"), as follows:

Case No. 21241: (E/2 of Sections 3 and 10)
DL 10 3 Morag Fed Com 610H;
DL 10 3 Morag Fed Com 611H; and
DL 10 3 Morag Fed Com 612H.

Case No. 21245: (W/2 of Sections 3 and 10)
DL 10 3 Kraken Fed Com 607H;
DL 10 3 Kraken Fed Com 608H; and
DL 10 3 Kraken Fed Com 609H.

- 5. In addition to evaluating the subsurface characteristics of the reservoir to perform an engineering analysis of the drilling and completions plans for the Bone Spring and Wolfcamp Proposed Wells in Sections 3 and 10, I have been involved in the planning and development of the well pad and facility design associated with Chevron's development plan in Sections 3 and 10.
- 6. As part of my study, I prepared engineering exhibits pertaining to the proposed horizontal spacing units as issue in the above-referenced cases.
- 7. Exhibit E-1 analyzes the completion activity of the Bone Spring formation, Avalon formation, and Wolfcamp formation. My analysis of this area included a well review for the

horizontal wells completed in the Bone Spring, Avalon, and Wolfcamp formations over a three year period within five and ten miles of Chevron's Dagger Lake development, which includes Sections 3 and 10, Township 22 South, Range 33 East. The ten mile radius completions analysis covers 181 wells. The well count is inside the bars on the respective graphs, and the relative percentage is the y-axis with the colors representing the formations.

- 8. As Exhibit E-1 demonstrates, relative to the other formations, Second Bone Spring Sand completions peaked in 2017 at 66%, then reduced to 38% in 2018 and have remained steady to date. On the other hand, Lower Avalon completions increased the most from 2018 to 2019 at 11% to 24% respectively. Completion pace of the Third Bone Spring Sand has been steady from 2017-2019. Wolfcamp A completions started in earnest in 2018 and continued through 2019. Well performance and emerging targets influence year-on-year operator completion activity. For Chevron's Dagger Lake development, the Lower Avalon is a target currently being drilled in the lands immediately to the west of the proposed units in Sections 3 and 10, and will be a development target in the proposed units in Sections 3 and 10. The Wolfcamp A and Third Bone Spring are development targets under the proposed applications as well. The Second Bone Spring will be a future development target after there is increased confidence on its performance from comparison to these ten mile radius wells and from Chevron's Lower Avalon, Wolfcamp A, and Third Bone Spring wells.
- 9. Exhibit E-2 is a graph representing the completions activity in the target formations subject to these applications (Third Bone Spring, Lower Avalon, and Wolfcamp A), as well as the First Bone Spring and Wolfcamp E formations. This graph is based on my review of 30 wells completed in lands approximately eight miles from Sections 3 and 10. As Exhibit E-2 demonstrates, the majority of development plans completed near Sections 3 and 10 have focused

on six Lower Avalon wells per section, which is consistent with what is planned by Chevron for the proposed units in Sections 3 and 10 (three Lower Avalon wells in the E/2 of Sections 3 and 10, and three Lower Avalon wells in the W/2 of Sections 3 and 10). The comparative spacing for the Third Bone Spring formation includes one well, four wells, and eight wells per section, respectively. Meanwhile, the comparative spacing for the Wolfcamp A interval includes one well, four wells, and eight wells per section. The Second Bone Spring has significant well spacing variation with 11 single wells, eight wells at four wells per section, and seven wells at six wells per section or tighter. Well spacing has a significant impact on well productivity and surface footprint. Chevron is proposing six Wolfcamp A and three Third Bone Spring wells per section as we have observed this well spacing leads to better performance for the thickness and lithology at Dagger Lake.

10. Exhibit E-3 summarizes my production analysis of horizontal wells targeting the Third Bone Spring formation, Wolfcamp A formation and Lower Avalon formation within a ten mile radius of the proposed units in Sections 3 and 10. The 10 mile well completion bar chart has been discussed before and is reshown here because the three month cumulative production analysis is for the subset of 2019 wells. The 2019 wells were selected because their completion intensity average of 2200 lb sand per foot and 1800 gal fluid per foot are closer to completion intensities. Chevron plans to execute in the proposed units. The ten mile radius results in a well count sufficient enough to calculate averages and standard deviations for production analysis comparison. Most of the wells fall within regional geologic mapping designating them analogs to Chevron's Dagger Lake development area (which includes the units proposed for Sections 3 and 10). The y-axis of the plot is the average three month cumulative oil production normalized to completed lateral length. The error bars are the standard deviation from the mean. The Lower

Avalon has higher normalized average production of 9 bbl/ft  $\pm$  2.3 bbl/ft. The Third Bone Spring Sand and the Wolfcamp A have slightly lower average normalized production at 8 bbl/ft  $\pm$  2.9 bbl/ft. The Second Bone Spring has a higher normalized average production of 9.8 bbl/ft but significant uncertainty of  $\pm$  6.6 bbl/ft. The upside is driven by the 11 single wells while the down side might be affected by the 7 wells at 6 wells per section or more. Chevron is already developing the Lower Avalon in the units to the west of Sections 3 and 10 (Dagger Lake development area), and the Wolfcamp A and the Third Bone Spring are the next attractive targets with the lowest uncertainty. The Second Bone Spring will be a future target after there is increased confidence on its performance given the multiple well spacings and Chevron's internal future evaluation.

11. Exhibit E-4 includes my analysis of Concho Resources Inc.'s Little Bear wells. The complete list of wells analyzed and the corresponding API numbers are included in the table below:

API Number	Well Name
30025450980100	LITTLE BEAR FEDERAL COM 001H
30025451490000	LITTLE BEAR FEDERAL COM 002H
30025450990000	LITTLE BEAR FEDERAL COM 003H
30025451000000	LITTLE BEAR FEDERAL COM 004H
30025451010000	LITTLE BEAR FEDERAL COM 005H
30025451020000	LITTLE BEAR FEDERAL COM 006H
30025451030000	LITTLE BEAR FEDERAL COM 007H
30025451040000	LITTLE BEAR FEDERAL COM 008H
30025451050000	LITTLE BEAR FEDERAL COM 009H

The Little Bear wells are approximately six miles north of Chevron's proposed units in Sections 3

and 10. The geologic differences between Sections 3 and 10 and the lands in which the Little Bear wells have been drilled include shallowing and thinning of the Wolfcamp A. There are no major lithological differences nor faults between the Dagger Lake development area (including the proposed units at issue in these cases) and Little Bear lands. The Little Bear wells were completed in 2019 with 2100 lb per foot and 1800 gal per foot sand and fluid intensity, which is comparable to Chevron's planned completions intensity for the Bone Spring and Wolfcamp Proposed Wells. As shown on the plot on the lower left, the well spacing for the Little Bear well development is approximately four wells per section in the Third Bone Spring and the four wells per section in the Wolfcamp A. The differences in well spacing between Little Bear and the Bone Spring and Wolfcamp Proposed Wells in Sections 3 and 10 can likely be attributed the thinner Wolfcamp A formation in the Little Bear development area. Nonetheless, the Little Bear development provides justification for co-developing the Third Bone Spring and Wolfcamp A intervals. Concho's Little Bear wells demonstrate co-development of the two formations results in 2.5 times more total normalized cumulative oil recovery as of month eight. The small insert bar graph shows that average cumulative oil recovery from Third Bone Spring standalone wells is higher than the Third Bone Spring wells that were co-developed with the Wolfcamp A wells, likely due to vertical interference. This behavior is a strong indicator wells are in communication. Co-development is preferred for benches in communication as delayed development results in waste from depletion in the parent bench. The standalone strategy will result in less wells and suboptimal recovery from the Wolfcamp A and Third Bone Spring. By developing these formations simultaneously, Chevron estimates the ultimate recovery of hydrocarbons will be substantially increased.

12. Exhibit E-5 provides a map of the facilities design supporting the proposed wells in Sections 3 and 10. There will be four below-grade wellhead ("BGWH") pads with at least 7

wells drilled from each pad (supporting development in Sections 3, 10, 15 and 22), and with the ability to add wells in the future. A satellite facility will be installed in a central location relative to the four well pads. Installing a centralized satellite will result in better project economics by eliminating the need for long flowlines from each well to the central tank battery ("CTB") in Section 4, 22S 33E. The satellite will also direct gas straight to the compressor station ("CS"), which will minimize or eliminate gas bottlenecking at the CTB. The future Chevron-owned and operated compressor station ("COOP CS") will compress gas from these well pads to enable high pressure gas sales and gas lift.

13. Unlike many other operators in the basin, Chevron utilizes and will utilize a Chevron-owned and operated compressor station for both gas lift and high-pressure sales. COOP compression, in comparison with third party compression, is historically more reliable, which in turn leads to reduced flaring. Additionally, utilizing a COOP compression strategy is more economic over the life of the field. It requires a higher CAPEX investment early on, but OPEX is reduced by eliminating the need to pay third parties to compress for sales and gas lift. Chevron will also utilize below-grade wellheads (BGWH) and a satellite pad for gas gathering. BGWH pads substantially reduce the surface footprint and disturbance over the life of the field since they enable rigs to return to the same well pad to drill future benches. They also reduce drilling costs due to optimizing pad placement for future benches, and they better enable the drilling team to plan well paths for future benches. Satellites are beneficial over the life of the field as well because they greatly reduce longer flowline runs, and hence surface disturbance of flowlines from the wells to the CTB. Satellites are also economic for this reason over the life of the field, since longer flowline runs for multiple wells to the CTB is more costly than installing a satellite facility. Finally, a satellite will eliminate a gas debottleneck from occurring at the CTB since gas from the satellite

will be routed directly to the compressor station. Exhibit E-6 summarizes the benefits of Chevron's surface development plan, including utilization of below-grade wellheads, a satellite for gathering, and a Chevron-owned and operated compressor station. In my opinion, Chevron's centralized facility configuration and company-owned compressor station will prevent waste throughout the life of the wells by reducing total operating costs associated with the development plan. Moreover, Chevron's centralized facility will enable Chevron to operate prudently and in a manner that is protective of the environment and wildlife resources.

- 14. Based upon my study as illustrated in the exhibits referenced above, my knowledge of completions in this area and facilities designs, and my education and training, it is my expert opinion that:
  - a. The horizontal spacing units proposed for Sections 3 and 10 for the Bone Spring and Wolfcamp formations are justified from an engineering standpoint.
  - b. That the horizontal wells and associated spacing proposed by Chevron in the proposed units will result in efficient and effective development of the resource.
  - c. That co-development of the Third Bone Spring and Wolfcamp A formations is necessary to reduce vertical interference as a result of likely communication between the two benches, and will result in greater ultimate recovery from the respective formations.
  - d. Chevron's planned centralized facility will result in lower operating expenses over the life of the wells, greater reliability, and will eliminate flaring during the normal course of operations. This will result in better economic performances for the life of the Bone Spring and Wolfcamp Proposed Wells, and will further reduce impacts to the environment and wildlife resources.

- 15. The attachments to this affidavit were prepared by me, under my direction or compiled from company business records.
- 16. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.
- 17. The granting of this application is in the interests of conservation, the prevention of waste and protection of correlative rights.

GERARDO JIMPNEZ

SUBSCRIBED AND SWORN to before me this & day of July, 2020, by GERARDO JIMENEZ on behalf of Chevron U.S.A. Inc.,

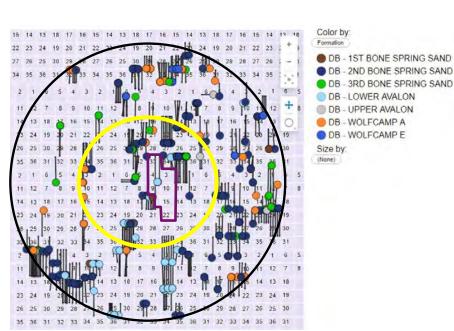
Mullen a Vharting

Notary Public

My Commission Expires: 12/21/2021

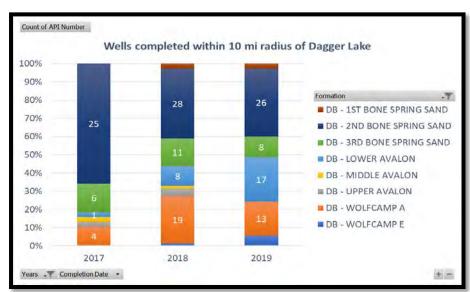
Michelle Andres Martinez
Commission # 12364407
Notary Public
STATE OF TEXAS
My Comm Exp. Dec 19, 2021

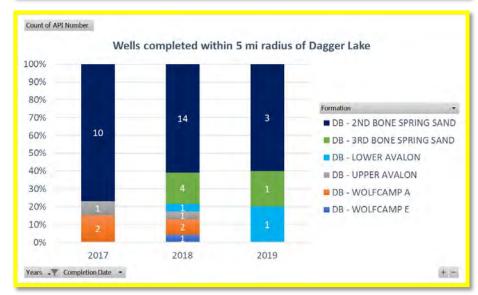
# **Completion activity near Dagger Lake**



10 mile radius

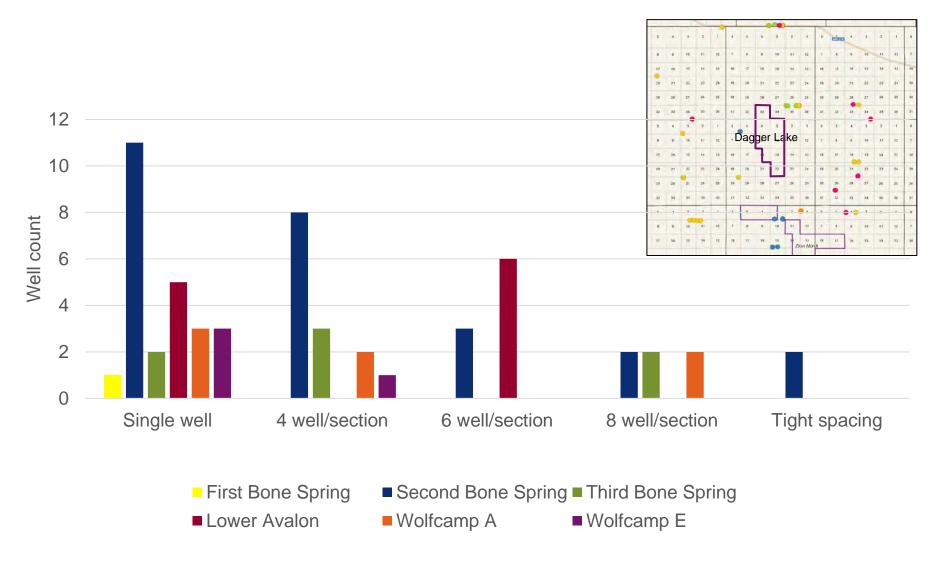
5 mile radius





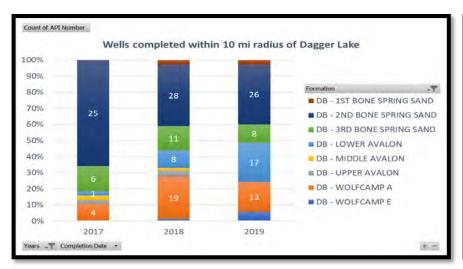


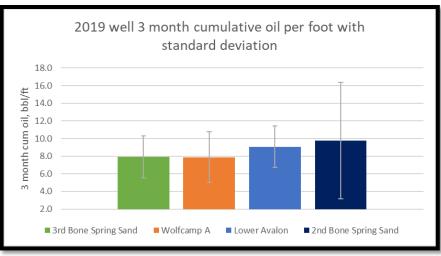
# Completions activity (Nov 2018 – present) 8 mi radius Lower Avalon is 6 wells per section with some single wells





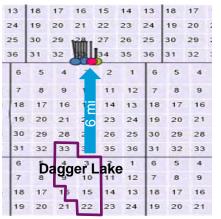
# Production analysis of 10 mi radius and 2019 well completions





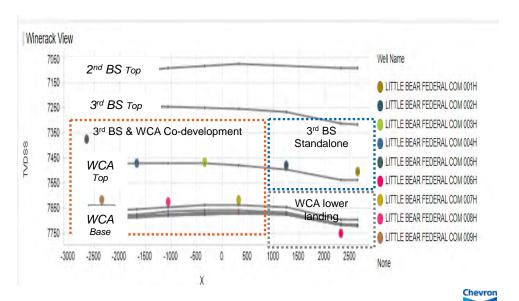
- 3 month performance of 2019 completions within 10 mi of Dagger Lake show:
  - -On average higher normalized Lower Avalon production
  - -Less production risk with higher upside and low down side

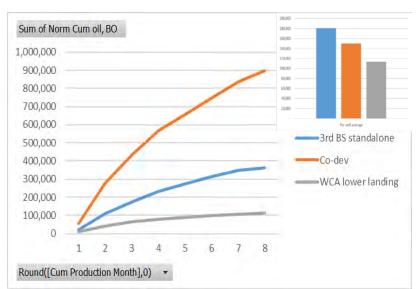
## Offset operator development results demonstrates codevelopment of 3<sup>rd</sup> BS and WCA is optimal



# Concho Little Bear development

- 9 3<sup>rd</sup> BS & WCA wells
- 2019 completions: 2100 lb/ft proppant and 1800 gal/ft fluid intensities
- 175' vertical separation between benches

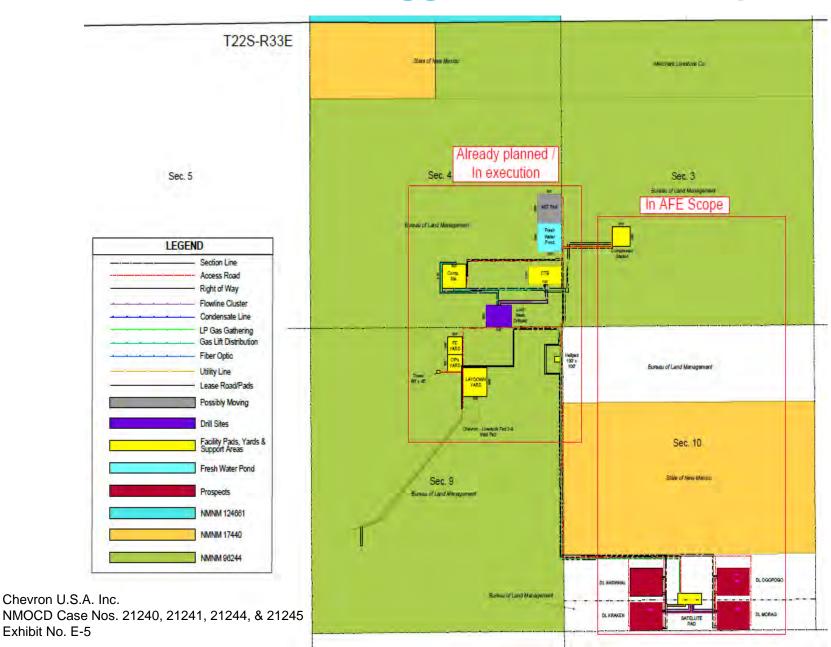




- Co-development maximizes recovery
- Insert graph shows standalone wells perform higher than co-developed due to possible vertical interference
- Vertical interference is a strong indicator wells are in communication
- Co-development is preferred for benches in communication as delayed development results in waste from depletion in the parent bench
- Less wells will be drilled with standalone strategy leading to suboptimal recovery Chevron U.S.A. Inc.

NMOCD Case Nos. 21240, 21241, 21244, & 21245 Exhibit No. E-4

# **Chevron Dagger Lake Base Map**



# **Scope Descriptions / Pros**

BGWH	Satellite	COOP CS
Reduced surface disturbance (4 total pads vs. 12+)	Reduced surface disturbance (less flowlines and gas lift lines run to CTB)	Improved reliability over 3P takeaway
Optimal pad locations for future benches (wellheads in consolidated pad vs. spread out, standard pads)	Lower costs over life of field due to less long flowline runs	Minimize flaring due to improved reliability
Reduced D&C costs due to optimal pad location for near term/future benches	Eliminates gas bottleneck at CTB due to sending gas to CS	Significantly reduced OPEX over life of field
Reduced flowline costs for future benches due to wellheads being on pad closer to satellite	Eliminates flowline and test separator congestion at CTB	Provide own gas lift vs. paying additional OPEX for 3P



NMOCD Case Nos. 21241, 21241, 21244,

& 21245

#### Gerardo (Jerry) Jimenez Exhibit No. E-7

281-782-2029 Email: jimenez@chevron.com

#### Education

- Masters of Petroleum Engineering—University of Houston Main Campus, August 2008
- Bachelor of Science, Petroleum Engineering with Math Minor—Texas A&M University, May 2005

#### **Professional Skills and Certifications**

- Schlumberger Petrel, Eclipse, Intersect, Peep, and DTree. IHS Harmony. Kappa Suite. Petroleum Experts IPM Suite.
- Fluent in Spanish (conversational and reading)
- Texas Board of Professional Engineers: EIT-Texas #36036

#### **Professional Experience**

Chevron U.S.A. INC. 8/2005-Present Houston, TX

- Petroleum Engineering Advisor—Mid Continent: Permian Basin, 2018-present
  - Business and technical mentor for team of 12+ engineers in asset development factory team executing \$4b budget
  - Performed hydraulic fracture and reservoir simulation studies for multiple Permian areas and benches using Schlumberger Petrel-Kinetix-Intersect platforms to recommend optimized development strategies based on well completion, landing, spacing, and economics.
  - o Project manager of 6+ team responsible for Permian Basin hydraulic fracture modeling and reservoir simulation
  - Quantified horizontal well EUR through type curve analysis
  - Led competitor analysis to benchmark well performance
  - o Facilitated collaboration between factory, non-factory, and external technology groups to meet business needs
  - o Engineering lead of Midland Basin (700,000 acre) factory development managing 6 rigs
- Senior Reservoir Engineer—Deep Water Gulf of Mexico: Non-Operated Joint Ventures, 2013-2017
  - Led development drilling operations of five wells, asset development planning, and first oil startup of Tubular Bells (\$3b) and Stampede (\$8b) Major Capital Projects.
  - Qualified Reserves Estimator (QRE) responsible for proved reserves, resources and business plan. Developed deliverables with reservoir simulation, analytical, volumetric, and analog analysis.
  - Interface and influence co-owners to execute deliverables like start up and ramp up plan and productivity index decline mitigations by preparing business cases, developing alternatives, and leading focus groups.
- Lead Reservoir Engineer—Mid Continent: Applied Reservoir Management Team, 2010-2012
  - Designed and installed 5 pressure observation wells in Wolfcamp formation (Permian shale) to identify sweet spots for targeted horizontal well drilling.
  - Forecasted cumulative water disposal for Ohio Creek salt water disposal wells using reservoir simulation to evaluate need for additional wells to prevent gas curtailment from lack of disposal capacity.
    - Derived novel analytical technique to calculate average reservoir pressure for disposal fill-up estimates
  - Led 20-member cross-functional team to evaluate Decline Curve Analysis (DCA) and Rate Transient Analysis (RTA) software (Fekete Harmony). Business unit adopted Harmony from team recommendation.
- Lead Reservoir Engineer—Mid Continent Skinner Ridge Field (Piceance tight gas basin), 2008-2010
  - Booked reserves and resources by developing proprietary method.
  - RTA subject matter expert who developed reservoir characterization workflow to increase confidence in DCA
  - Prepared pad-drilling decision support packages for executive committee review.
- Operations Engineer—Mid Continent Central Wyoming and South Texas, 2005-2008
  - o Managed \$5 MM budget during 2 years in major/minor well work to stop production decline and meet OPEX targets.
  - o Toured south Texas fields to understand operations and recommend workovers to the senior engineers.

Occidental Corporation Summer 2004 Permian Reservoir Engineering Intern Houston, TX Marathon Oil Corporation Summer 2002 Field Intern Duncan, Ok

Publications, References, and Volunteer Activities Available Upon Request