

ANTELOPE RIDGE 11-24-34
FEDERAL WELL NO. 3H
CASE NO. 15236 (RE-OPENED)

BEFORE THE OIL CONSERVATION DIVISION

June 11, 2015



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

**APPLICATION OF CHEVRON MIDCONTINENT, L.P.
TO AMEND ORDER R-13949 TO APPROVE A 120-ACRE
NON-STANDARD SPACING UNIT AND NON-STANDARD
PROJECT AREA, LEA COUNTY, NEW MEXICO.**

CASE NO. 15236 (re-opened)

AFFIDAVIT OF AARON ROONEY

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

Aaron Rooney, being first duly sworn on oath, states as follows:

1. My name is Aaron Rooney and I am employed by Chevron Midcontinent, L.P. ("Chevron") in Houston, Texas, as a completions engineer.
2. I received my Bachelors of Science from Montana Tech in May, 2013.
3. I was hired by Chevron Midcontinent in 2013. I have been employed as a completions engineer for approximately eight months. Prior to that, I was a field completions engineer with Chevron for eight months, and before that I was a field drilling engineer with Chevron eight months.
4. For the past two years, I have worked exclusively in the Permian Basin.
5. I have been a member of the Society of Petroleum Engineers since 2007.
6. Division Order R-13949 created a 160-acre non-standard spacing and proration unit in the Bone Spring formation (North Red Hills-Bone Spring Pool (96434)) consisting of the W/2 W/2 of Section 11, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. This unit was dedicated to Chevron's proposed **Antelope Ridge 11-24-34 No. 3H Well** (API No. 30-025-42318).
7. In accordance with Order R-13949, Chevron began drilling the **Antelope Ridge 11-24-34 3H Well** on February 10, 2015.
8. While drilling the lateral section of the well, Chevron hit limestone below the target sand at 14,370' at 93.8 degree inclination.

9. The lateral section was planned to have an inclination of 93 degree, however as Chevron drilled further into the lateral section it became difficult to maintain the desired inclination and drilling fell below the target line.

10. In an attempt to return to the target line, Chevron drilled into the limestone formation, at which point the drilling team projected that it would require a 96-degree build rate to re-enter the sand formation over a 600 foot length through the lateral.


11. Chevron determined it was very unlikely that it would be able to achieve the newly desired inclination and made a decision to stop drilling short of the planned TD.

12. Chevron has been able to perforate the wellbore in each of the 40-acre tracts comprised of the SW/4 NW/4 and the W/2 SW/4 of Section 11, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

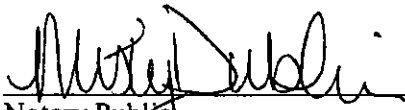
13. I have confirmed that Chevron's land department identified the uncommitted interest owners subject to Order R-13949, the mineral owners in the NW/4 NW/4 of Section 11, and operators or lessees in the 40-acre tracts surrounding the non-standard spacing and proration unit created by Order R-13949. Notice has been provided to these parties as reflected on Exhibit A to this affidavit.

14. Notice by publication has also been provided to interest owners who are unlocatable, as reflected on the Affidavit of Publication attached as Exhibit B to this Affidavit.

FURTHER AFFIANT SAYETH NOT.


Aaron Rooney

SUBSCRIBED AND SWORN before me on this 9th day of June, 2015.


Notary Public

My Commission Expires:

4-24-18



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

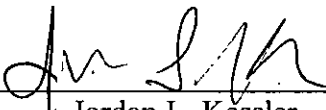
**APPLICATION OF CHEVRON MIDCONTINENT, L.P. TO AMEND ORDER R-13949
TO APPROVE A 120-ACRE NON-STANDARD SPACING UNIT AND NON-
STANDARD PROJECT AREA, LEA COUNTY, NEW MEXICO.**

CASE NO. 15236 (RE-OPENED)

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Jordan L. Kessler, attorney in fact and authorized representative of Chevron Midcontinent, L.P., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under the notice letters attached hereto.

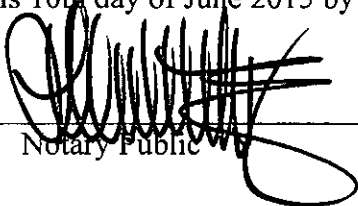


Jordan L. Kessler

SUBSCRIBED AND SWORN to before this 10th day of June 2015 by Jordan L. Kessler.



**OFFICIAL SEAL
LISAMARIE ORTIZ
NOTARY PUBLIC-STATE OF NEW MEXICO**
My commission expires _____



Notary Public



HOLLAND & HART ^{LLP}



Michael H. Feldewert
Recognized Specialist in the Area of
Natural Resources – oil and gas law -
New Mexico Board of Legal
Specialization
mfeldewert@hollandhart.com

May 22, 2015

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Chevron Midcontinent, L.P. to Amend Order R- 13949 to
approve a 120 –Acre Non-Standard Spacing Unit and Non-Standard Project
Area, Lea County New Mexico.
Antelope Ridge 11-24-34 Federal Well No. 3H**

Ladies & Gentlemen:

This letter is to advise you that Chevron Midcontinent, L.P., has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on June 11, 2015. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required 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 at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; 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 are to be resolved prior to the hearing.

If you have any questions about this matter please contact Jason Levine, at (713) 372-5313 or jlevine@chevron.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR
CHEVRON MIDCONTINENT, L.P.

Holland & Hart ^{LLP}

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐



March 25, 2015

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: OFFSETTING LESSEES AND OPERATORS

**Re: Application of Chevron Midcontinent, L.P. to Amend Order R- 13949 to approve a 120 –Acre Non-Standard Spacing Unit and Non-Standard Project Area, Lea County New Mexico.
Antelope Ridge 11-24-34 Federal Well No. 3H**

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. *Your interests are not being pooled under this application*, but as a lessee or operator in an offsetting tract, you are entitled to notice of this application.

This application has been set for hearing before a Division Examiner at 8:15 AM on June 11, 2015. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must include: the names of the parties and their attorneys; 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 are to be resolved prior to the hearing.

Questions concerning this application should be directed to Jason Levine, at (713) 372-5313 or jlevine@chevron.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR
CHEVRON MIDCONTINENT, L.P.

7006 2760 0001 6377 8824

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OFFICIAL RECEIPT

Postage \$ 1.19
 Certified Fee 330
 Return Receipt Fee (Endorsement Required) 270
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ 1.19



COG Operating, LLC
 One Concho Center
 600 W. Illinois Avenue
 Midland, Texas 79701
 (Attn: Mike Wallace).

for instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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.

1. Article Addressed to:

COG Operating, LLC
 One Concho Center
 600 W. Illinois Avenue
 Midland, Texas 79701
 (Attn: Mike Wallace)

2. Article Number

(Transfer from service label)

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PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

7006 2760 0001 6377 8831

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Postage \$
 Certified Fee 330
 Return Receipt Fee (Endorsement Required) 270
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$



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 One Concho Center
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 (Attn: Mike Wallace).

for instructions

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7006 2760 0001 6377 8831

PS Form 3811, July 2013

Domestic Return Receipt

SECTION ON DELIVERY

A. Signature

X C

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Cynthia Hernandez

C. Date of Delivery

5-27

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☒ S.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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OFFICE *Cheneyton / Harkley*

Postage	\$.69
Certified Fee	
Return Receipt Fee (Endorsement Required)	330 270
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.69



Chesapeake Exploration, L.L.C.
PO Box 18496
Oklahoma City, OK 73154-0496
(Attn: Jerris Johnson).

for Instructions

Affidavit of Publication

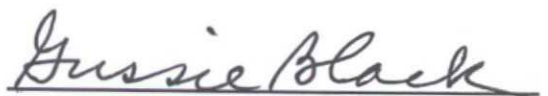
STATE OF NEW MEXICO
COUNTY OF LEA

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

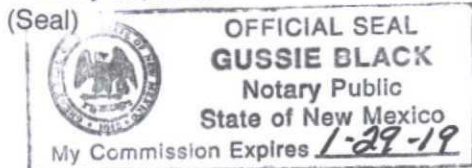
Beginning with the issue dated
May 27, 2015
and ending with the issue dated
May 27, 2015.


Publisher

Sworn and subscribed to before me this
27th day of May 2015.


Business Manager

My commission expires
January 29, 2019



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

LEGAL	LEGAL
LEGAL NOTICE May 27, 2015	
STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO	
<p>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 June 11, 2015, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by June 8, 2015. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.</p>	
<p>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.</p>	
<p>(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)</p>	
<p>To: Bob L. Johnson, his heirs and devisees; Asher Enterprises, Ltd. and its successor entities; and Vista Resources Partners, L.P., and its successor entities;</p>	
<p>Case No. 15236 (re-opened): Application of Chevron Midcontinent, L.P. to amend Order R-13949 to approve a 120-acre non-standard spacing unit and non-standard project area, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-13949 to approved a 120-acre non-standard spacing and proration unit and non-standard project area comprised of the SW/4 NW/4 and the W/2 SW/4 of Section 11, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The entire W/2 W/2 of Section 11 is currently designated to the Antelope Ridge 11-24-34 #3H Well (30-025-42318); which was horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a bottom hole location 1274 feet from the north line and 991 feet from the West line (Unit D) of Section 11. Due to drilling problems, Chevron was unable to complete the well in the NW/4 NW/4 (Unit D) of Section 11. Said area is located approximately 3 miles North of Ochoa, New Mexico. #30059</p>	

67100754

00156938

ADAM RANKIN
HOLLAND & HART LLC
POST OFFICE BOX 2208
SANTA FE,, NM 87504-2208

