



July 20, 2017

Examiner Michael McMillan

1220 S Francis Dr. #3

Santa Fe, NM 87505

RE: SHL move Compulsory Pooling

Case #16262

Sections 12 & 1: T19S-R33E

Lea County, New Mexico

Dear Mr. Examiner:

On July 12, 2018 at NMOCD Case #16262 Davis Armour testified that he would speak with the engineers about moving the Surface Hole Location on the Buffalo 12-1 Fed Com 2BS #1H. Chisholm has begun the process of moving the SHL West 30 feet to move it off the proration unit line. This will not add materially to the cost of the AFE. Chisholm will sundry our C102 to effectuate the SHL move.

Should you have any questions, please do not hesitate to contact myself at 817-953-3042.

Very truly yours,

Chisholm Energy Operating, LLC

Brad Burke

Senior Engineer