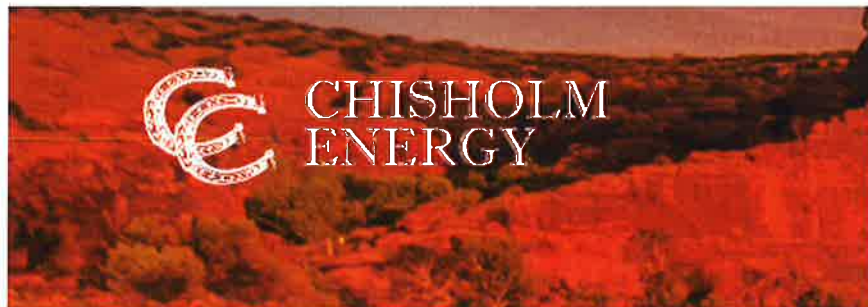


**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING AUGUST 22, 2019**

CASE NOS. 20520 & 20521

*OUTLAND 14-23 STATE COM 1BS 8H
OUTLAND 14-23 STATE COM 1BS 9H*

LEA COUNTY, NEW MEXICO



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


**APPLICATION OF CHISHOLM ENERGY
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 20520 & 20521

AFFIDAVIT

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

Kaitlyn A. Luck, attorney in fact and authorized representative of Chisholm Energy Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.



Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 21st day of August 2019 by Kaitlyn A.

Luck.



Expires: August 24, 2021


Notary Public



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico
Board of Legal Specification
mfeldewert@hollandhart.com

June 28, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
Outland 14-23 State Com 1BS 8H Well

Ladies & Gentlemen:

This letter is to advise you that Chisholm Energy Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on July 25, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at 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 subsequently challenging this matter.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement four business 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 Beau Sullivan at (817) 953-0812 or bsullivan@chisholmenergy.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Feldewert" followed by a stylized flourish.

Michael H. Feldewert
ATTORNEY FOR CHISHOLM ENERGY OPERATING, LLC



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico
Board of Legal Specification
mfeldewert@hollandhart.com

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Sincerely,

Michael H. Feldewert
**ATTORNEY FOR CHISHOLM ENERGY OPERATING,
LLC**

POSTAL DELIVERY REPORTS

Outland 14-23 State Com 1BS 8H Outland 14-23 State Com 1BS 9H Wells

Case No. 20520 20521

Recipient

PBEX LLC 223 W Wall Street Ste 900 Midland TX 79701

Tumbler Energy Partners LLC 1701 River Run Ste 306 Fort Worth TX? 76107

Tracking Number

9214890194038385563925 Class: First Class Services: CM ERR

9214890194038385563932 Class: First Class Services: CM ERR

Status

In-Transit

Delivered Signature Received

**Return address:**

HOLLAND & HART LLP
P.O. BOX 2208
SANTA FE, NM 87504-2208

Recipient address:

PBEX LLC
223 W WALL STREET STE 900
MIDLAND TX 79701

USPS CERTIFIED MAIL

9214 8901 9403 8385 5639 25

USPS Tracking Label Number: 9214 8901 9403 8385 5639 25

USPS Tracking History	Postal Facility	ZIP	Date	Time
PRE-SHIPMENT INFO SENT USPS AWAITS ITEM		SANTA FE,NM 87501		06/28/2019 14:08
SHIPMENT RECEIVED ACCEPTANCE PENDING		SANTA FE,NM 87501		06/28/2019 16:00
ORIGIN ACCEPTANCE		SANTA FE,NM 87501		06/28/2019 19:26
PROCESSED THROUGH USPS FACILITY		ALBUQUERQUE,NM 87101		06/28/2019 20:41
DEPART USPS FACILITY		ALBUQUERQUE,NM 87101		06/28/2019 23:55
PROCESSED THROUGH USPS FACILITY		MIDLAND,TX 79711		06/30/2019 20:15
PROCESSED THROUGH USPS FACILITY		MIDLAND,TX 79711		07/01/2019 00:05
DEPART USPS FACILITY		MIDLAND,TX 79711		07/01/2019 11:01

ORIGIN ACCEPTANCE:

$\$5.60 \times 2 = \11.20



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Outland 8H & 9H Wells
Case Nos. 20520 & 20521
Chisholm CM# 93684.0001

Shipment Date: 06/28/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

[Handwritten signature]

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0015 3948 41





Firm Mailing Book For Accountable Mail

Name and Address of Sender	USPS Tracking/Article Number	Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Priority Mail	Addressee (Name, Street, City, State, & ZIP Code™)
Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501	1. 9214 8901 9403 8385 5639 25		PBEX LLC 223 W Wall Street Ste 500 Midland TX 79701
			Tumbler Energy Partners LLC 1701 River Run Ste 306 Fort Worth TX 76107
Total Number of Pieces Listed by Sender 2	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)	

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
June 29, 2019
and ending with the issue dated
June 29, 2019.



Publisher

Sworn and subscribed to before me this
29th day of June 2019.



Business Manager

My commission expires
January 29, 2023

(Seal)



OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico
My Commission Expires 1-29-23

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
JUNE 29, 2019

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 July 25, 2019, 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, 1-800-859-1779 by July 18, 2019. 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.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: PBEX, LLC; Tumbler Energy Partners, LLC.

Case No. 20520: Application of Chisholm Energy Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 240-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Section 14 and the W/2 NE/4 of Section 23, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed Outland 14-23 State Com 1BS 8H Well, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 14 to bottom hole location in the SW/4 NE/4 (Unit G) of Section 23. The completed interval for the well will comply with the setback requirements set forth in the statewide rules. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating, LLC as operator, and a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 18 miles west of Eunice, New Mexico. #34382

67100754

00230207

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208

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).

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and ending with the issue dated
June 29, 2019.



Publisher

Sworn and subscribed to before me this
29th day of June 2019.



Business Manager

My commission expires

January 29, 2023

(Seal)



OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico

My Commission Expires 1-29-23

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 NOTICE JUNE 29, 2019

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STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: PBEX, LLC; Tumbler Energy Partners, LLC.

Case No. 20521: Application of Chisholm Energy Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a 240-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Section 14 and the E/2 NE/4 of Section 23, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed Outland 14-23 State Com 1BS 9H Well, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 14 to bottom hole location in the SE/4 NE/4 (Unit H) of Section 23. The completed interval for the well will comply with the setback requirements set forth in the statewide rules. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Chisholm Energy Operating, LLC as operator, and a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 18 miles west of Eunice, New Mexico. #34383

67100754

00230222

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208