

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

**APPLICATION OF CHISHOLM ENERGY OPERATING,
LLC TO RE-OPEN CASE NO. 14826 TO POOL ADDITIONAL
MINERAL OWNERS UNDER THE TERMS OF COMPULSORY
POOLING ORDER NOS. R-13628 AND R-13628-A,
LEA COUNTY, NEW MEXICO.**

CASE NO. 14826 (re-opened)

APPLICATION

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137), through its undersigned attorneys, hereby applies to the Oil Conservation Division to pool the interests of additional mineral owners under the terms of Division Order Nos. R-13628 and R-13628-A. In support of this application, Chisholm states:

1. Division Order No. R-14826, entered on September 19, 2012, and Division Order No. R-14826-A, entered on October 2, 2012, created a 160-acre spacing and proration unit in the Bone Spring formation (Third Bone Spring Sand, South Lea-Bone Spring Pool (37580)) underlying of the W/2 W/2 of Section 23, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico ("the Unit"). The Unit is dedicated to the Laguna 23 Federal Com Well No. 2H (API No. 30-025-40697), a horizontal well that has been drilled from a surface location 50 feet from the south line and 630 feet from the west line (Unit M) to a bottom hole location 341 feet from the north line and 612 feet from the West line (Unit D) of Section 23.

2. On June 7, 2017, Chisholm became operator of the Laguna 23 Federal Com Well No. 2H, as reflected on the Form C-145 on file at the Division.

3. Since taking over operations of this well, Chisholm has discovered additional mineral owners in the Unit who were not provided notice of the June 7, 2012 compulsory pooling hearing in Case No. 14826, and as a result, whose interests were not pooled by the terms of Order Nos. R-13628 and R-13628-A.

4. In order to provide proper notice to these additional mineral owners and to bring their interests under the terms of Order Nos. R-13628 and R-13628-A, Chisholm requests that Case No. 14826 be re-opened and called for hearing at the next available examiner docket.

WHEREFORE, Chisholm Energy Operating, LLC requests Case No. 14826 be re-opened and that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2019, and, after notice and hearing as required by law, the Division pool the remaining uncommitted mineral owners in the Unit pursuant to the terms of existing Division Order Nos. R-13628 and R-13628-A.

Respectfully submitted,

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**ATTORNEYS FOR CHISHOLM ENERGY
OPERATING, LLC**

CASE NO. 14826 (re-opened):

Application of Chisholm Energy Operating, LLC to Re-Open Case No. 14826 To Pool Additional Mineral Owners Under The Terms Of Compulsory Pooling Order Nos. R-13628 and R-13628-A, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order Nos. R-13628 and R-13628-A to include additional mineral owners in the Bone Spring formation underlying the W/2 W/2 of Section 23, Township 20 South, Range 34 East, NMPM, in Lea County, New Mexico. Said unit is dedicated to the **Laguna 23 Federal Com Well No. 2H** (API No. 30-025-40697) and is located 25 miles west of Eunice, New Mexico.