

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

5. Lease Serial No.
NMNM56265

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
CHISHOLM ENERGY OPERATING, LLC
Contact: JENNIFER ELROD
Email: jelrod@chisholmenergy.com

3a. Address
801 CHERRY ST., SUITE 1200 - UNIT 20
FORT WORTH, TX 76102

3b. Phone No. (include area code)
Ph: 817-953-3728

8. Well Name and No.
LEA SOUTH 25 FED COM 3BS 7H

9. API Well No.
30-025-43029

10. Field and Pool or Exploratory Area
LEA, BONE SPRING SOUTH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 25 T20S R34E Mer NMP SWSE 330FSL 1980FEL
32.321592 N Lat, 103.304173 W Lon

11. County or Parish, State
LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Successor of Operator |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

****Operator Change Sundry****
Please disregard previous Sundry EC 392247 submitted 10/17/2017

As of May 15, 2017 Nearburg Operating Company transferred operatorship for Fed LeaseS NMNM56265 NMNM020979, & NMCL066126 to Chisholm Energy Operating, LLC. Chisholm Energy Operating, LLC accepts these leases as well as all applicable terms, conditions, stipulations, and restrictions concerning the operations conducted on the leased land or portion thereof described in Federal Leases listed above. Bond Coverage has been accepted under NMB001468.

Lea South 25 Fed Com 2BS 10H-API 30-025-43409
Lea South 25 Fed Com 3BS 7H-API 30-025-43029

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #392301 verified by the BLM Well Information System
For CHISHOLM ENERGY OPERATING, LLC, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 11/06/2017 ()**

Name (Printed/Typed) JENNIFER ELROD Title SENIOR REGULATORY TECH

Signature (Electronic Submission) Date 10/18/2017

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #392301 that would not fit on the form

32. Additional remarks, continued

Lea South 25 Fed Com 1BS 11H-API 30-025-43036 /
Lea South 25 Fed Com WCA 12H-API 30-025-43110 /

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene St
Carlsbad, NM 88220
Ph: (575) 234-5972

Conditions of Approval for Change of Operator

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method within 60 days, if changes have been made from previously approved disposal method.
3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
7. Subject to like approval by NMOCD.
8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.