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

APPLICATION OF CHISHOLM ENERGY OPERATING, LLC TO AMEND ORDER R-21917 TO CORRECT THE POOLED UPPER BONE SPRING INTERVAL, LEA COUNTY, NEW MEXICO.

CASE NO. ______ (Formerly Case 22175)

APPLICATION

Chisholm Energy Operating, LLC ("Applicant") (OGRID No. 372137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to correct the depth designation of the upper Bone Spring interval of the Bone Spring formation pooled by the Division under Order R-21917. In support of its application, Applicant states:

- 1. Applicant is the designate operator under Division Order R-21917 issued on October 29, 2021, under Case 22175.
- 2. Order R-21917 pooled uncommitted mineral owners in an upper Bone Spring formation underlying a standard 324.18-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 2 and 11, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico.
- 3. This standard spacing unit is to be initially designated to the proposed **Ram 2-11 Fed 1BS Com #10H well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 2 to a bottom hole location in the SW/4 SE/4 (Lot O) of Section 11.
- 4. The materials filed in Case 22175 and the resulting pooling Order R-21917 mistakenly describe the pooled upper Bone Spring interval as "the top of the formation to a depth of 9,651 feet, as defined in the Schlumberger Lone Ranger "11" Federal No. 1 well (API No. 30-025-33560)."

- 5. The correct designation of the pooled interval is "the <u>stratigraphic equivalent</u> of the top of the <u>Bone Spring</u> formation to a depth of <u>9,561</u> feet, as defined in the Schlumberger Lone Ranger "11" Federal No. 1 well (API No. 30-025-33560)." (underlined language changed or added).
- 6. Applicant will provide notice of this hearing to the remaining pooled parties and the vertical offset parties affected by the requested amendment to the pooling order.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 3, 2022, for the purpose of amending Order R-21917 to correctly reflect the pooled interval.

Respectfully submitted,

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