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

APPLICATION OF CHISHOLM ENERGY OPERATING, LLC TO AMEND ORDER NO. R-21682, LEA COUNTY, NEW MEXICO.

CASE NO. _____ (Formerly Case 21799)

APPLICATION

Chisholm Energy Operating, LLC ("Applicant") (OGRID No. 372137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, to amend Order No. R-21682 to allow an additional year to commence drilling the proposed initial wells. In support of this request Applicant states:

1. Division Order No. R-21682, entered on May 17, 2021, in Case No. 21799, pooled all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 19 South, Range 33 East, and the W/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico, and dedicated the unit to the proposed Jade 34-3 Fed Com 2BS 5H and the Jade 34-3 Fed Com 1BS 9H wells.

2. Paragraph 19 of Order No. R-21682 requires Applicant to commence drilling the wells "within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well."

3. Good cause exists to extend the drilling deadline and Applicant requests that Order No. R-21682 be amended to allow an additional year to commence drilling the initial well under the Order.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order extending the time for Applicant to commence drilling the proposed initial wells under the Order R-21682 to May 17, 2023.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

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