

**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. 22616  
(Formerly Case 21799)**

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC TO AMEND ORDER NO.  
R-21681, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22617  
(Formerly Case 21800)**

**CHISHOLM'S CONSOLIDATED PRE-HEARING STATEMENT**

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137), the applicant in these matters, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Chisholm Energy Operating, LLC

**ATTORNEY**

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421  
(505) 983-6043 Facsimile

**APPLICANT'S STATEMENT OF THE CASE**

Chisholm seeks orders extending for an additional year the obligation to commence drilling under Division Orders R-21682 and R-21681 issued on May 17, 2021. These orders pooled all

uncommitted interest owners in the Bone Spring formation underlying standard 320-acre horizontal spacing units in the W/2 of Section 34, Township 19 South, Range 33 East, and the W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico as follows:

- Order R-21682 pooled the W/2 W/2 of Sections 34 and 3 and dedicated the 320-acre spacing unit to the proposed **Jade 34-3 Fed Com 2BS 5H** and the **Jade 34-3 Fed Com 1BS 9H** wells.
- Order No. R-21681 pooled the E/2 W/2 of Sections 34 and 3 and dedicated the 320-acre spacing unit c to the proposed **Jade 34-3 Fed Com 2BS 6H** and the **Jade 34-3 Fed Com 1BS 10H** wells.<sup>1</sup>

Each order 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.” Applicant has encountered delays in obtaining the necessary approvals from the Bureau of Land Management to enlarge the drilling pad for the proposed wells. Applicant has recently received the necessary approvals and anticipates being able to commence drilling within a year. Applicant therefore requests that the Division amend the existing pooling orders to extend the time to commence drilling the proposed wells to May 17, 2023.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Luke Shelton, Landman	Affidavit	None

**PROCEDURAL MATTERS**

<sup>1</sup> The acreage description pooled under Order R-21681 was corrected under Order R-21681-A.

Chisholm plans to present these cases by affidavit if they remain uncontested at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP



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Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com

**ATTORNEYS FOR CHISHOLM ENERGY  
OPERATING, LLC**

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS

Action 95005

**QUESTIONS**

Operator: CHISHOLM ENERGY OPERATING, LLC 801 Cherry Street Fort Worth, TX 76102	OGRID: 372137
	Action Number: 95005
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.