

RECEIVED: 06/18/2018	REVIEWER: MAM	TYPE: PLC	APP NO: PMAM181765/415
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Chisholm Energy Operating, LLC **OGRID Number:** 372137
Well Name: Lea South 25 Federal Well No. 5H **API:** 30-025-41367
Pool: _____ **Pool Code:** 37580
98247

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY
<input type="checkbox"/> Notice Complete
<input type="checkbox"/> Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Bettie Watson; Regulatory analyst

 Print or Type Name

06-25-2018

 Date

see Application

 Signature

 Phone Number

 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Chisholm Energy Operating, LLC
OPERATOR ADDRESS: 800 Cherry Street - Suite 1200-Unit 20 - Fort Worth, TX 76102
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Lea: Bone Spring, South/37580	40.7 Gravity/1365 BTU	40.7 Gravity/ 3219 BTU	1360 BOPD	1360 BOPD/
WC-025 G-08 S203435D: Wolfcamp/98247	40.7Gravity/1365 BTU			
Commingled numbers				
Commingled numbers				
			\$2.1854/MCF	3219 MCFPD

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E. Done

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Bettie Watson TITLE: Regulatory Consultant DATE: 06/25/18

TYPE OR PRINT NAME Bettie Watson TELEPHONE NO.: 972-979-0132

E-MAIL ADDRESS: bwatson@chisholmenergy.com

SUMMARY DETAIL

Correction 07/16/2018

APPLICATION to AMEND TRANSACTION CODE #34535322 POOL/LEASE SURFACE COMMINGLE & STORAGE for
 Lea South 25 Fed Com BS SH, 6H, 7H, 10H, 11H; Lea South 25 Fed Com WCA 12H; and Lea South 25 Federal 8

Chisholm Energy Operating, LLC (CEO) is requesting approval for a Central Tank Battery, Lease Commingle & Storage of the following wells in different pools on BLM Leases:

Communitization Agreement# NMNM 134225 for SH, 6H, & 10H was approved 1/1/2014 for Bone Spring. (320 Acres)

Well Names	Location - Eddy Co.	API #	Pool
BLM Lease: BLM NMLC 066126 (160 Acres) & BLM NMNM 056265 (160 Acres)			
Lea South 25 Fed Com SH	SWSW, 25, T20S, R34E	30-025-41367	Lea; Bone Spring, South/37580
Lea South 25 Fed Com 6H	SESW, 25, T20S, R34E	30-015-41898	Lea; Bone Spring, South/37580
Lea South 25 Fed Com 2BS 10H	SESW, 25, T20S, R34E	30-015-43409	Lea; Bone Spring, South/37580

Communitization Agreement for 7H & 11H-submitted 11/27/17; not yet approved for Bone Spring. (160 Acres)

Well Names	Location - Eddy Co.	API #	Pool
BLM Leases: BLM NMLC 066126 (80 Acres) & BLM NMNM 056265 (80 Acres)			
Lea South 25 Fed Com 3BS 7H	SESE, 25, T20S, R34E	30-025-43029	Lea; Bone Spring, South/37580
Lea South 25 Fed Com 1BS 11H	SESE, 25, T20S, R34E	30-025-43036	Lea; Bone Spring, South/37580

Communitization Agreement for 12H-submitted 01/22/18; not yet approved Permo Upper Penn. (160 Acres)

Well Names	Location - Eddy Co.	API #	Pool
BLM Leases: BLM NMLC 066126 (80 Acres) & BLM NMNM 020979 (80 Acres)			
Lea South 25 Fed Com WCA 12H	SESE, 25, T20S, R34E	30-025-43110	WC-025-G-10-82133315; Permo-UP 98247 Correction-should be WC-025 G-08 S203435D; Wolfcamp/98247.

The #8 well is a lease well and not Communitized.

Well Names	Location - Eddy Co.	API#	Pool
BLM Lease: BLM NMLC 066126			
Lea South 25 Fed Com 8	SESE, 25, T20S, R34E	30-025-43057	Lea; Bone Spring, South/37580

Economic Justification Worksheet¹

Individual Wells	Current BOPD	Oil Gravity	Value/ BBL	Current MCFPD	DRY BTU @14.73 *	Value/ MCF
Lea South 25 Fed Com SH	68	40.7	61.5660	101	1,365	2.1854
Lea South Fed Com 6H	83	40.7	61.5660	401	1,365	2.1854
Lea South 25 Fed Com 3BS 7H	186	40.7	61.5660	568	1,335	2.1854
Lea South 25 Fed Com 8	262	40.7	61.5660	648	1216	2.1854
Lea South 25 Fed Com 2BS IOH	449	40.7	61.5660	605	1,365	2.1854
Lea South 25 Fed Com 1BS 11H	195	40.7	61.5660	568	1,217	2.1854
Lea South 25 Fed Com WCA 12H	117	40.7	61.5660	422	1,365	2.1854

Economic combined production	BOPD	Oil Gravity	Value/ BBL	MCFPD	DRY BTU	Value/ MCF
	1,360	40.7	61.566	3,219	1315	2.1854

Current volumes based on 10 days average of data registered on Neofirma.

Dry BTU= 1,364.7 corresponds to the Gas Analysis for the Lea South Federal Com, dated 12/5/2017.

Oil Value = February 2018 Plains Marketing Statement.

Gas value= January 2018, Targa Versado Statement, residue gas price.

¹This form is used to indicate that no production and commodity value will be lost by the commingling.

SUMMARY DETAIL

Correction 07/16/2018

APPLICATION to AMEND TRANSACTION CODE #34535322 POOL/LEASE SURFACE COMMINGLE & STORAGE for
Lea South 25 Fed Com BS SH, 6H, 7H, 10H, 11H; Lea South 25 Fed Com WCA 12H; and Lea South 25 Federal 8

Oil & Gas metering and allocation:

The central tank battery is located on the pad of the Lea South 25 Fed Com SH in Sec 25, T20S-R34E, Lea Co., New Mexico. The Lea South 25 Fed Com BS SH, 6H, 7H, 10H, & 11H; Lea South 25 Fed Com WCA 12H; and Lea South 25 Federal 8 will flow through their own individual 3 phase separator with turbine meters to measure the oil, flow meters to measure the water and EFM gas allocation meters to measure the gas. VRU will be allocated back to the well level using the monthly oil production from each well.

The Lea South 25 Fed Com SH commingle battery has 4-500 bbl oil tanks and 2-500 bbl water tanks. After all the wells flow through their own 3 phase separator, the oil will be metered separately through its own turbine meter then flow through a common heater treater on the way to the oil tanks. Ultimately sold through a lact meter to Plains Pipeline, LLC. Targa's gas sales meter #1181241 is located on the NW corner of the pad. Downstream of the 3-phase separator each well has its own Electronic Flow Meter to measure the gas for allocation of sales back to the individual well. CEO also has a check meter just upstream of the Targa gas sales meter to check for the accurate measurement. The water is metered using a turbine meter for each well and then flow to the water tanks.

Oil production will be allocated daily based on the turbine allocation meter located downstream of the 3-phase separator. The turbine oil meter will be proven as per API, NMOCD, and BLM specifications. The gas will be allocated back to the well using volumes downloaded from the individual wells allocation meter. The gas will be allocated using MM BTU volumes from each well. The gas off the VRU allocation meter will flow to the Targa gas sales meter (low psi). The gas meters will be calibrated on a regular basis per API, NMOCD, and BLM specifications. The BLM and OCD will be notified of any future changes to the facility.

Process and Flow Description:

The flow of produced fluids is shown in detail on the enclosed facility diagram, along with a description of each vessel and a plat which show the lease boundaries, Communitization boundaries, and location of wells and wellbore paths. The proposed commingling is appropriate based on the BLM's guidance in IM 2013-152. The proposed commingling will maximize the ultimate recovery of oil and gas from the federal leases and will reduce environmental impacts. The proposed commingling will reduce operating expense, as well as, not adversely affect federal royalty income, production accountability, or the distribution of royalty.

Attached:

- 1 - Lease Plat shows boundary, Federal Lease Number, Communitization, wellheads and wellbore path.
- 2 - Battery Diagram.
- 3 - NMOCD Form C-102 Well Plats.
- 4 - Notice letter to interest owners.
- 5 - USPS - certified return receipt requested.
- 6 - Transmittal letter to the NMOCD.
- 7 - NMOCD Administrative Application Checklist
- 8 - NMOCD Form C-107B.

Chisholm Energy Operating, LLC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

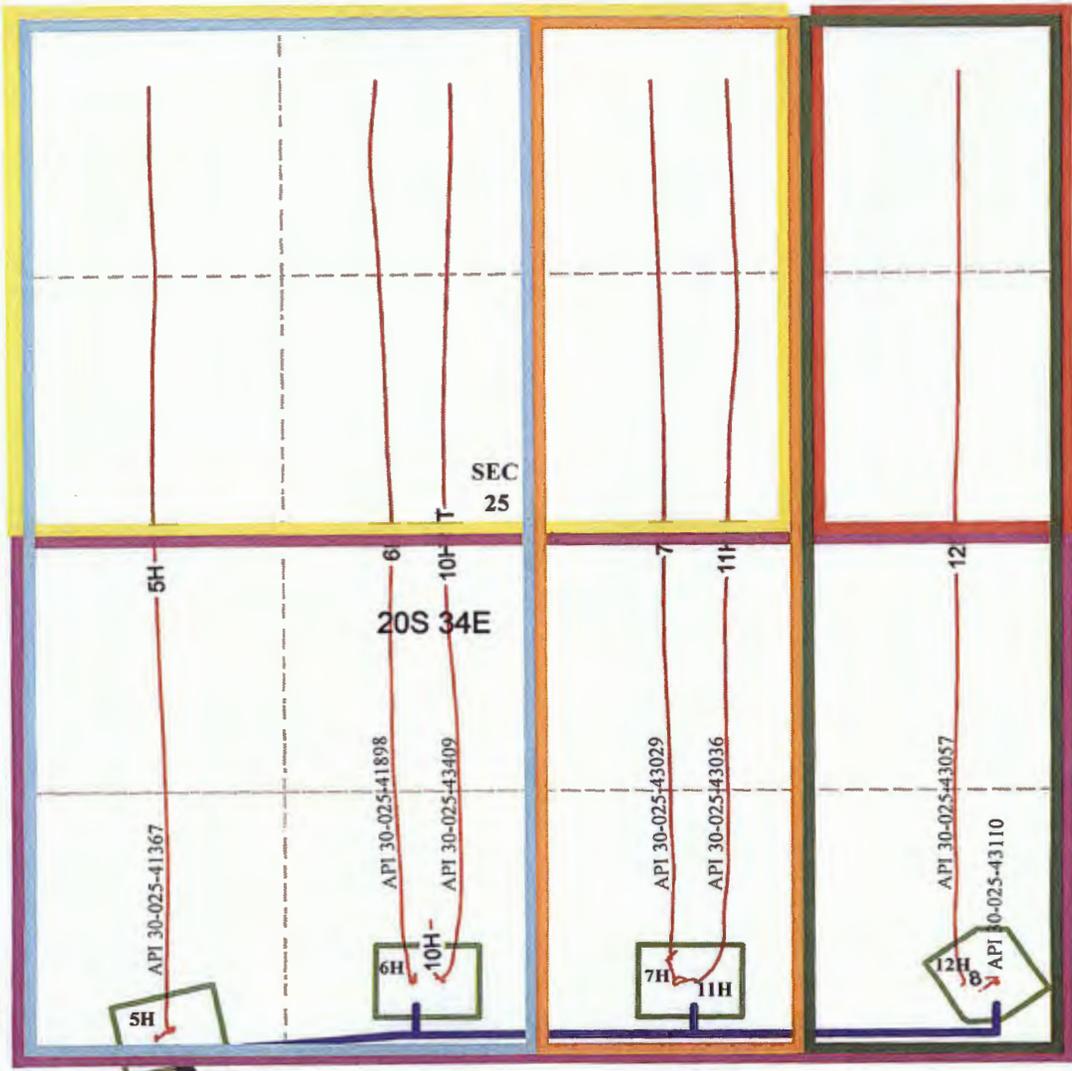
SIGNATURE 

DATE: 07-16-2018

LEA SOUTH 25 FED COM - LEASES & COMMUNITIZATION AGREEMENTS for COMMINGLE PERMIT

N: 791228.8
E: 565281.8
NAD 83

N: 796511.3
E: 565298.7
NAD83



N: 791269.6
E: 559984.3
NAD 83

N: 796555.1
E: 580020.4
NAD 83

#8 LEASE WELL-NOT INCLUDED
IN COMMUNITIZATION

TANK BATTERY

- | | |
|---|--|
| LEASE NMNM 056265=240 Acres | COMMUNITIZATION AGREEMENT NMNM #134225 |
| LEASE NMNM 020979=80 Acres | COMMUNITIZATION AGREEMENT SUBMITTED 11/27/17-Approval Pending |
| LEASE NMLC 066126=320 Acres | COMMUNITIZATION AGREEMENT SUBMITTED 01/22/18-Approval Pending |

4/17/18

HOBBS OCD

MAR 06 2014

RECEIVED

Form C-102

Revised August 1, 2011

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit one copy to appropriate
District Office

DISTRICT I

1623 N. French Dr., Hobbs, NM 88240
Phone (505) 383-8161 Fax: (505) 383-0960

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 748-1869 Fax: (505) 748-0788

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8170 Fax: (505) 334-8170

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-41367	Pool Code 37580	Pool Name Lea Bone Spring South
Property Code 40102	Property Name LEA SOUTH 25 FEDERAL COM	Well Number 5H
OGRID No. 15742	Operator Name NEARBURG PRODUCING CO.	Elevation 3728'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	20 S	34 E		60	SOUTH	660	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	25	20 S	34 E		330/350	NORTH	660/616	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>N: 562265.0 E: 791227.4 NAD 83</p> <p>330'</p> <p>560'</p> <p>3721.8'</p> <p>3727.0'</p> <p>660'</p> <p>3731.4'</p>	<p>BOTTOM HOLE LOCATION Lat - N 32°33'01.65" Long - W 103°31'12.75" NMSPC - N 564940.8 E 791889.7 (NAD-83)</p>	<p>N: 562287.9 E: 793869.4 NAD 83</p>	<p>N: 565313.9 E: 796505.3 NAD 83</p>	<p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 2-18-14 Signature Date Tim Green Printed Name <i>[Email]</i> Email Address</p>
	<p>N: 568985.5 E: 791296.2 NAD 83</p>	<p>SURFACE LOCATION Lat - N 32°32'13.26" Long - W 103°31'12.75" NMSPC - N 560050.9 E 791925.6 (NAD-83)</p>	<p>N: 560007.5 E: 793917.3 NAD 83</p>	<p>N: 568030.6 E: 796556.7 NAD 83</p>

MAR 06 2014

DISTRICT I
 1625 N. French Dr., Hobbs, NM 88240
 Phone (575) 393-6181 Fax: (575) 393-0720

DISTRICT II
 811 S. First St., Artesia, NM 88210
 Phone (505) 748-1285 Fax: (505) 748-9720

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone (505) 476-3400 Fax: (505) 476-3402

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised August 1, 2011

RECEIVED

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, New Mexico 87505

MAR 06 2015

RECEIVED AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-41898	Pool Code 37580	Pool Name Lea Bone Spring South
Property Code 40102	Property Name LEA SOUTH 25 FEDERAL COM	Well Number 6H
OGRID No. 15742	Operator Name NEARBURG PRODUCING CO.	Elevation 3758'

Surface Location

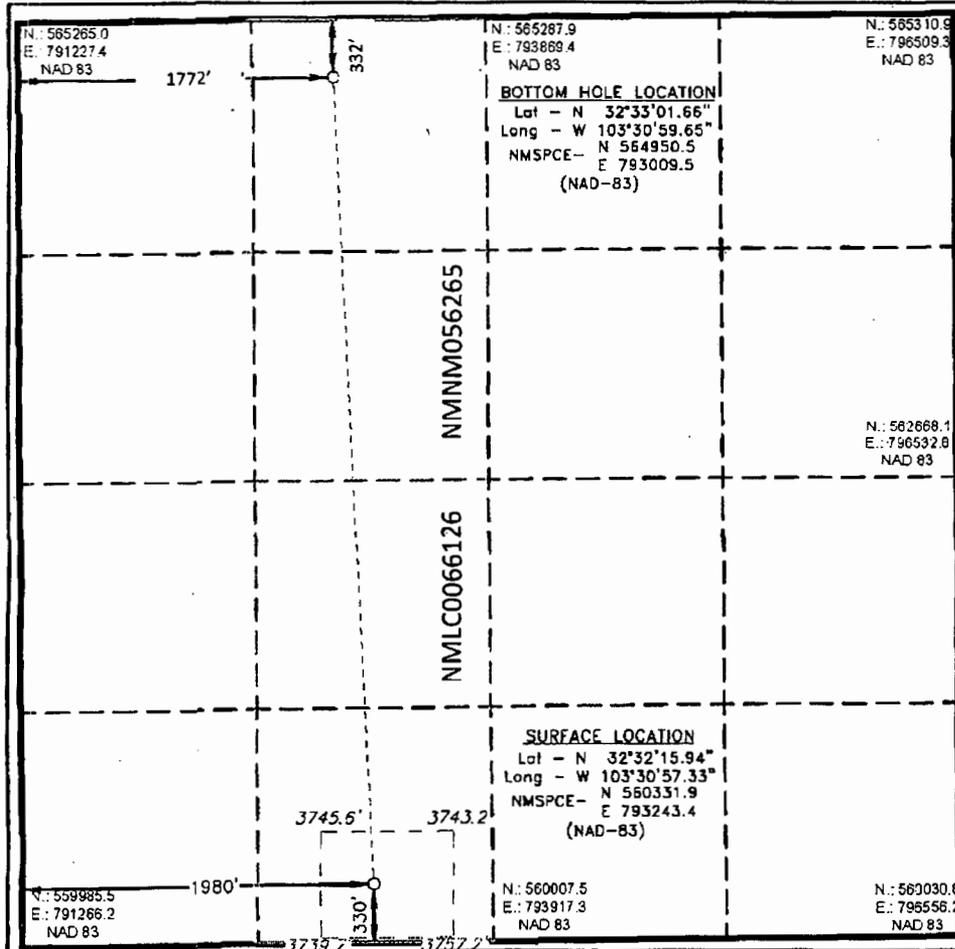
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	20 S	34 E		330	SOUTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	25	20 S	34 E		332	NORTH	1772	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

01/13/15
 Signature _____ Date _____
 Tim Green
 Printed Name
 tgreen@nearburg.com
 Email Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

Date Surveyed _____
 Signature & Seal of Professional Surveyor _____
 W.S. No. 25418

Certificate No. Gary L. Jones 7977
 BASIN SURVEYS 28418

MAP 26 2015

District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St., Artesa, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD
JAN 19 2018
RECEIVED

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-43029	² Pool Code 37580	³ Pool Name LEA; BONE SPRING, SOUTH
⁴ Property Code	⁵ Property Name LEA SOUTH 25 FED COM 3BS	⁶ Well Number 7H
⁷ OGRID No. 372137	⁸ Operator Name CHISHOLM ENERGY OPERATING, LLC	⁹ Elevation 3743'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	25	20S	34E		330	FSL	1980	FEL	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	25	20S	34E		339	FNL	2080	FEL	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

N: 791228.8
E: 585261.8
NAD 83

N: 796511.3
E: 565298.7
NAD83

N: 791269.6
E: 585984.3
NAD 83

N: 796555.1
E: 560020.4
NAD 83

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete as the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

Jennifer Elrod 11/20/17
Signature Date

JENNIFER ELROD
Printed Name

jelrod@chisholmenergy.com
E-mail Address

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number

TOE PERF
447 FNL
2070 FEL

BHL LOCATION
LAT 32.550426
LONG -103.51193
NMSPCE- N 564952
E 794433.7
NAD83

BHL
339 FNL
2080 FEL

20S 34E

TOP PERF
770 FSL
1980 FEL

KOP
480 FSL
1960 FEL

SURFACE LOCATION
LAT 32.537757
LONG -103.511593
NMSPCE- N 0
E 0
NAD83

SL
330 FSL
1980 FEL

DISTRICT I
1628 N. French Dr., Boise, NM 86840
Phone (505) 342-4141 Fax (505) 342-4722

DISTRICT II
811 S. First St., Artesia, NM 86210
Phone (505) 744-1420 Fax (505) 744-4726

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410
Phone (505) 842-4176 Fax (505) 842-4176

DISTRICT IV
1428 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 474-2426 Fax (505) 474-2426

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-43057	Pool Code	Pool Name 3RD BONE SPRING
Property Code 40102	Property Name LEA SOUTH 25 FEDERAL	Well Number 8
OGRI No. 15742	Operator Name NEARBURG PRODUCING CO.	Elevation 3761'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	25	20 S	34 E		330	SOUTH	490	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	25	20 S	34 E		330	SOUTH	330	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N: 565265.0 E: 791227.4 NAD 83	N: 565287.8 E: 793869.4 NAD 83	N: 565310.2 E: 796506.3 NAD 83	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill the well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 10-7-16 Signature Date</p> <p>Tim Green Printed Name</p> <p>tgreen@nearburg.com Email Address</p>
N: 559985.5 E: 791266.2 NAD 83	N: 560007.5 E: 793917.3 NAD 83	N: 562688.1 E: 796532.8 NAD 83	
			<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>APR 19, 2016 Date Surveyed</p> <p><i>[Signature]</i> Signature of Professional Surveyor</p> <p>7977 Certificate No. Gary L. Jones</p> <p>BASIN SURVEYS 28420</p>
<p>BOTTOM HOLE LOCATION Lat - N 32°32'15.94" Long - W 103°30'22.48" NMSPC - N 580357.8 E 798225.3 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32°32'15.94" Long - W 103°30'24.33" NMSPC - N 580356.3 E 798063.3 (NAD-83)</p>			

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-43110		² Pool Code 98247		³ Pool Name WC-025 G-08 S203435D;WOLFCAMP	
⁴ Property Code 318092		⁵ Property Name LEA SOUTH 25 FED COM WCA 12H			⁶ Well Number 12H
⁷ OGRID No. 372137		⁸ Operator Name Chisholm Energy Operating, LLC			⁹ Elevation 3760

¹⁰ Surface Location

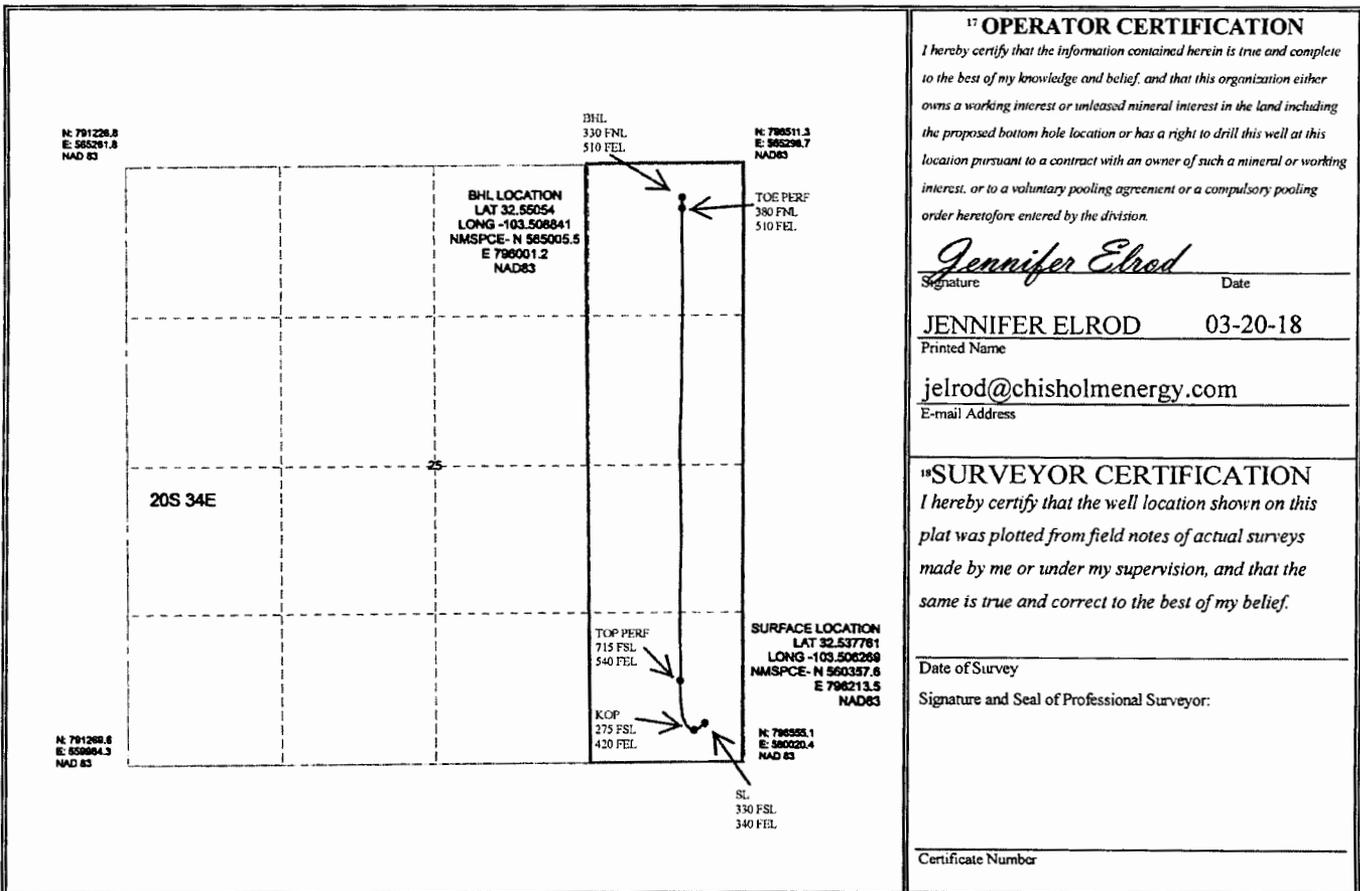
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	20S	34E		330	SOUTH	340	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	25	20S	34E		330	NORTH	510	EAST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jennifer Elrod
Signature Date

JENNIFER ELROD 03-20-18
Printed Name

jelrod@chisholmenergy.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION

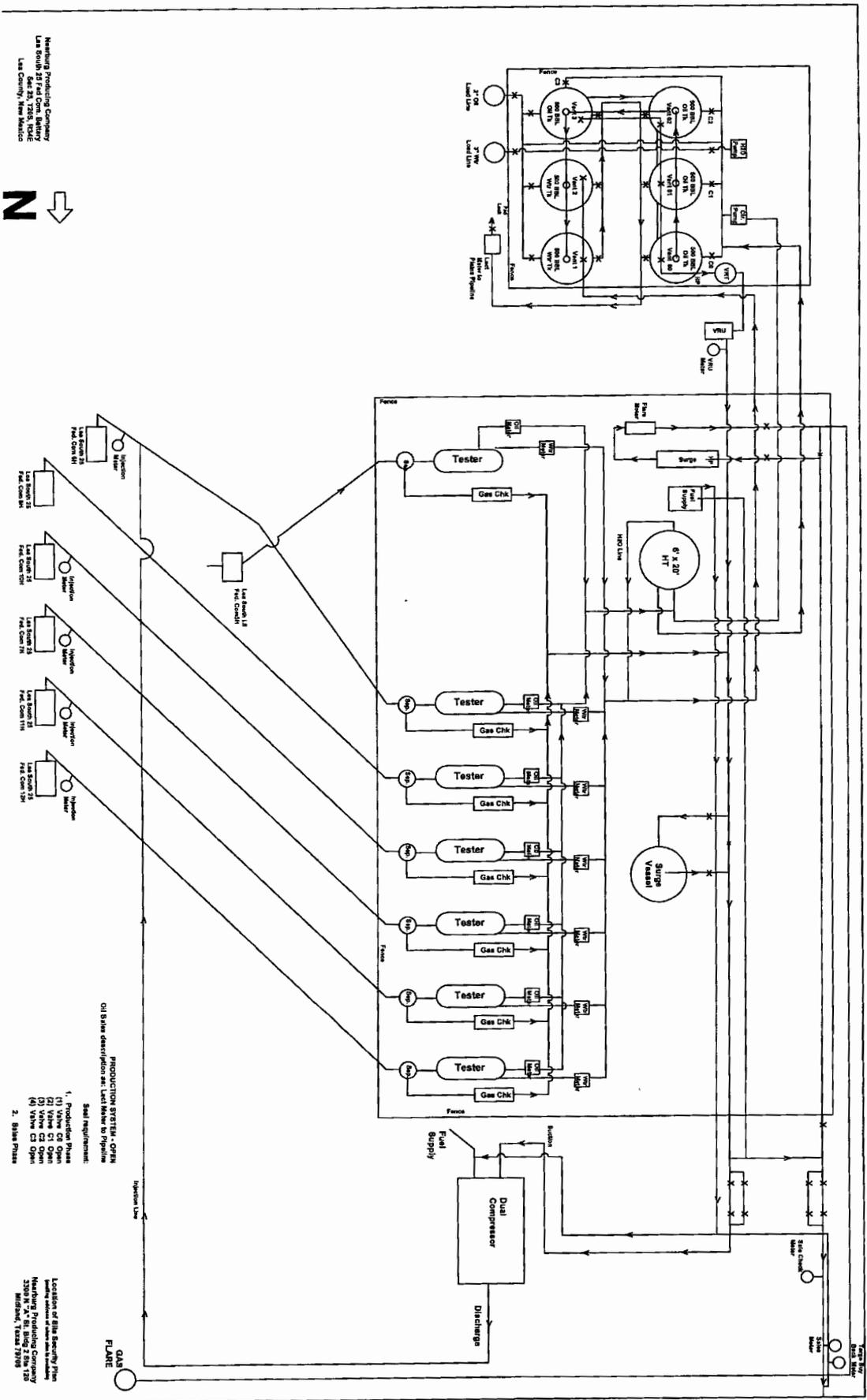
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number

MTH	Lea South 25 Fed Com 5H PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS	Lea South 25 Fed Com 6H PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS	Lea South 25 Fed Com 3B5 7H PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS	Lea South 25 Fed Com 8 PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS	Lea South 25 Fed Com 2B5 10H PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS	Lea South 25 Fed Com 1B5 11H PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS	Lea South 25 Fed Com WCA 12H PRODUCTION OIL-BBLS GAS-MCF WATER-BBLS
Dec-17	1274.96 1591.55	825.32 1,955.94 -113.89	1952.06 18699.83 23209.00	16705.11 10,178.40 30678.70	21,372.05 14253.00	6415.63 12618.46 14234.00	30687.89
Jan-18	2134.25 2950.33	1354.99 1,797.75 1263.64	818.35 9659.74 13015.27	8268.48 10,467.40 39990.73	0.00 19,876.02 11403.00	4927.27 6287.35 5456.54	13008.91
Feb-18	1977.26 2686.00	881.96 2,124.05 2098.00	1185.22 2719.8 3785.00	11163.95 10,223.22 30267.00	0.00 13,598.29 8962.00	2582.08 6286.72 4910.00	12002.94
Mar-18	2124.39 2991.00	867.70 2,073.39 2369.00	815.37 6113.75 8990.00	7622.58 8,486.00 21864.00	590.56 15,816.24 10618.00	3092.20 6622.15 5054.00	13511.69
Apr-18	2019.00 2396.00	1288.52 322.46 509.00	156.46 6515.52 8743.00	6303.18 773.36 2484.00	180.61 13,432.23 8477.00	2333.92 4106.67 3915.00	8695.54
May-18	1996.00 2721.00	737.20 2,736.67 3112.00	991.24 6657.38 9100.00	5308.89 1,697.48 2075.00	1228.92 17,650.50 11554.00	3080.10 5631.13 4899.00	10674.55
	11,525.86 15,335.88	5,955.69 11,010.26 9,237.75	5,918.70 50,366.02 66,842.27	55,372.19 41,825.86 121,359.43	2,000.09 101,745.33 65,267.00	22,431.20 41,552.48 38,468.54	88,581.52
							10,062.06 8,443.00 39,734.70

FIRST PROD: 02-10-18



Handberg Production Company
 Lane South 23 rd Corral Battery
 Corral 23 12001 NOLC
 Lane Company, New Mexico



PRODUCTION SYSTEM - OPEN
 Oil State description as: Last Maker to Pipeline

Seal requirements:

- 1. Production Phase
 - (1) Valve C1 Open
 - (2) Valve C2 Open
 - (3) Valve C3 Open
 - (4) Valve C4 Open
- 2. Status Phase

Location of this Spec. from
 Handberg Production Company
 2300 N. 7th St. Bldg 2 Box 120
 Midland, Texas 79701

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

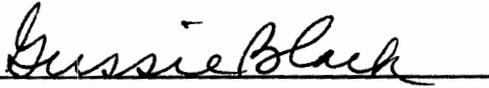
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
June 07, 2018
and ending with the issue dated
June 07, 2018.



Publisher

Sworn and subscribed to before me this
7th day of June 2018.



Business Manager

My commission expires

January 29, 2019

(Seal)



OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico

My Commission Expires 1-29-19

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said



LEGAL NOTICE June 7, 2018

Pursuant the requirements of the NMOCD
Title 19, Chapter 15, Part 12.10.C (4)(e)
Notice by Publication
COMMINGLE PERMIT REQUEST SUBMITTED TO THE
BLM & NMOCD

Operator: Chisholm Energy Operating, LLC
801 Cherry Street, Suite 1200 - Unit 20
Fort Worth, TX 76102
Contact: Bettie Watson 972-979-0132

To the following owners unlocatable "and their heirs and devisees":
Cleta Fern Sweatt Sanders, William H. Bolch, Corwin Myers, and Sharon Staller Putnam.

Lease:
Lea South 25 Fed Com Is in Section 25, T20S, R34E
Commingle Battery Facility is at Lea South 25 Fed Com 5H
located in SWSW, S25, T20S, R34E

Commingle Production from the following pools:

WC-025 G-08 S203435D;
98247 WOLFCAMP
37580 Lea; Bone Spring, South

Pursuant Title 19, Chapter 15, Part 12.10.C (4)(e)(iv)
Interested Parties must file objections or requests for
hearing in writing with the division's Santa Fe office within
20 days after publication, or the division may approve the
application.
#32884

67115144

00212973

BETTIE WATSON
CHISHOLM ENERGY OPERATING, LLC
801 CHERRY ST. STE 1200-UNIT 20
FORT WORTH, TX 76102

McMillan, Michael, EMNRD

From: Bettie Watson <bwatson@chisholmenergy.com>
Sent: Monday, June 18, 2018 10:05 AM
To: McMillan, Michael, EMNRD
Subject: Lea South 25 Commingle permit - Most recent publication
Attachments: DOC061818-001.pdf

WAIVER

Application of Chisholm Energy Operating, LLC for administrative approval of Pool/Lease surface commingling for its Lea South 25 Fed, wells 5H, 6H, 7H, 8, 11H, 12H all in Section 25, T-20S, R-34E Lea County NM.

Cimarex Energy Co. hereby waives objection to the above referenced application for Pool/Lease surface commingle for the Lea South 25 Fed, wells 5H, 6H, 7H, 8, 11H, 12H all in Section 25, T-20S, R-34E Lea County NM.

Dated: 6-11-18



Signature



April 17, 2018

VIA: USPS-Certified Mail, Return Receipt &
E-mail: Michael.McMillan@state.nm.us

New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

Attn: Mr. Michael McMillan

RE: Application for Pool/Lease Surface Commingle for
Lea South 25 Fed, wells 5H, 6H, 7H, 8, 11H, 12H all in
Section 25, T-20S, R-34E
Lea; Bone Spring, South & WC-025 G-08 S203435D; Wolfcamp
Lea County, New Mexico

Mr. McMillan,

Pursuant to Division Rule 19.15.12.10, Chisholm Energy Operating, LLC respectfully requests administrative approval to Pool/Lease Surface Commingle and store in a common facility production from Lea South 25 Fed, wells 5H, 6H, 7H, 8, 11H, 12H all in Section 25, T-20S, R-34E, Lea Co., New Mexico.

Each well is metered individually. This action will prevent waste, promote conservation, and protect correlative rights. The Lea South 25 Fed battery is location on 5H well pad, UL/Lot M, Sec 25, T-20S, R 34E.

These wells are operated by Chisholm Energy Operating, LLC with diverse ownership. There are three leases involved and three Communitization Agreements submitted with one approved. Pursuant Division Rule 19.15.12.10 the Interest owners that are to be notified are listed on Exhibit A and are being sent a copy of this application by certified mail, return receipt.

Also, attached:

- 1) NMOCD Form C-107-B
- 2) Summary Detail
- 3) Lease Plat shows boundaries, Federal Lease #'s, facility, wellhead, and path of production.
- 4) Facility Diagram
- 5) NMOCD Form C-102 Well Plats for each well.
- 6) A copy of notice letter to interest owners and copy of certified mail, return receipt request
- 7) Copy of BLM Sundry submittal.

For future addition of wells, leases, and pools to this commingling operation, notice shall only be given to those interest owners in the wells, leases or pools to be added, in accordance with the Division Rule 19.15.12.10 C (4)(g) NMAC.

If you should have any questions, please call me at (972)979-0132 or Jennifer Elrod at (817) 953-3728.

Sincerely,

Bettie Watson,
Regulatory Consultant



CHISHOLM ENERGY PRODUCING, LLC

EXHIBIT "A"

APPLICATION FOR POOL/LEASE SURFACE COMMINGLE & STORAGE for
Lea South 25 Fed, wells 5H, 6H, 7H, 8, 11H, & 12H
Lea; Bone Spring, South & WC-025 G-08 S203435D; Wolfcamp
Section 25, T-20S, R-34E - Lea County, New

Owners to be Served Notice of this Filing

Joyco Investments LLC
PO Box 2104
Roswell, NM 88202

Joe N. Gifford
P.O. Box 51187
Midland, TX 79710-1187

McBride Production Company
P.O. Box 1515
Roswell, NM 88201

Sue Hanson McBride
P.O. Box 1515
Roswell, NM 88201

Julie Scott McBride
P.O. Box 1515
Roswell, NM 88201

Douglas McBride
P.O. Box 1515
Roswell, NM 88201

Babe Development
P.O. Box 758
Roswell, NM 88202

Corwin Myers
660 Fairwood Lane
Omaha, NE 68132

Exxon Mobil
P.O. Box 951082
Dallas, Texas 75395



CHISHOLM ENERGY PRODUCING, LLC

EXHIBIT "A"

APPLICATION FOR POOL/LEASE SURFACE COMMINGLE & STORAGE for
Lea South 25 Fed, wells 5H, 6H, 7H, 8, 11H, & 12H
Lea; Bone Spring, South & WC-025 G-08 S203435D; Wolfcamp
Section 25, T-20S, R-34E - Lea County, New

Owners to be Served Notice of this Filing

Cleta Fern Sweatt Sander
17091 Knots
Addison, TX 75001

Sharon Staller Putnam
5109 Pemberton Lane
The Colony, TX 75056

Foy Boyd, Jr.
P.O. Box 11385
Midland, TX 79702

J.W. Mulloy
1110 N Big Spring
Midland, TX 79701

William H. Bolch
4455 Hackberry
Midland, TX 79701

New Mexico Oil Conservation Division
Attn: Mr. Michael McMillan
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87505

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 1220 S. St. Francis Dr.
 Santa Fe, New Mexico 87505

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 4031 Solutions Center
 Chicago, IL 60677-4000

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 Roswell, NM 88201

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 P.O. Box 1090
 Roswell, NM 88202-1090

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 15934 Burrowing Owl Court
 Morrison, CO 80465-8508

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 6101 Imperata St NE
 Apt #1812
 Albuquerque, NM 87111-8022

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 City, State, ZIP+4 P.O. Box 2104 Roswell, NM 88202

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 City, State, ZIP+4 P.O. Box 51187 Midland, TX 79710-1187

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P.O. Box 1515
Roswell, NM 88201

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Omaha, NE 68132

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 Dallas, TX 75395

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Sent To: Clea Fern Sweatt Sander
 17091 Knots
 Addison, TX 75001

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 5109 Pemberton Lane
 The Colony, TX 75056

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Sent To: Foy Boyd, Jr.
 P.O. Box 11385
 Midland, TX 79702

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Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 8.25	

Sent To: J. W. Mulloy
 1110 N Big Spring
 Midland, TX 79701

PS Form 3800, June 2002 See Reverse for Instructions

7005 1160 0005 1213 8484

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$	<i>Mailed</i> 4-18-2018 Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 8.25	

Sent To: William H. Bolch
 4455 Hackberry
 Midland, TX 79707

PS Form 3800, June 2002 See Reverse for Instructions

Form 3160-5
(August 2007)

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.

Bold* fields are required.

Section 1 - Completed by Operator	
1. BLM Office* Hobbs, NM	2. Well Type* OIL
3. Submission Type* <input type="radio"/> Notice of Intent <input checked="" type="radio"/> Subsequent Report	4. Action* Other Sundry Notice
Operating Company Information	
5. Company Name* CHISHOLM ENERGY HOLDINGS LLC	
6. Address* 801 CHERRY ST., SUITE 1200 UNIT-20 FORT WORTH TX 76102	7. Phone Number* 817-953-3728
Administrative Contact Information	
8. Contact Name* JENNIFER _ ELROD	9. Title* SENIOR REGULATORY TECH
10. Address* 801 CHERRY STREET SUITE 12 UNIT 20 FORT WORTH TX 76102	11. Phone Number* 817-953-3728 12. Mobile Number 817-953-3728
13. E-mail* jelrod@chisholmenergy.com	14. Fax Number
Technical Contact Information	
<input checked="" type="checkbox"/> Check here if Technical Contact is the same as Administrative Contact.	
15. Contact Name* _____	16. Title* _____
17. Address* _____ _____ _____	18. Phone Number* _____ 19. Mobile Number _____

20. E-mail*	21. Fax Number
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Lease and Agreement	
22. Lease Serial Number* NMLC066126	
24. If Unit or CA/Agreement, Name and/or Number	25. Field and Pool, or Exploratory Area* PURPLE SAGE; WOLFCAMP

County and State for Well	
26. County or Parish, State* LEA NM	

Associated Well Information			
27. Specify well using one of the following methods: a) Well Name, Well Number, API Number, Section, Township, Range, Qtr/Qtr, N/S Footage, E/W Footage b) Well Name, Well Number, API Number, Latitude, Longitude, Metes & Bounds description			
Well Name* LEE SOUTH 25 FED COM	Well Number* 5H	API Number 30-025-41367	
Section 25	Township 20S	Range 34E	Meridian NEW MEXICO PRINCIPAL
Qtr/Qtr SWSW	N/S Footage 60 FSL	E/W Footage 660 FWL	
Latitude	Longitude	Metes and Bounds	

28. 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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all markers and zones. Attach the Bond under which the work will be performed or provide the Bond Number on file pertinent with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

BCW

APPLICATION to AMEND TRANSACTION CODE #34535322 POOL/LEASE SURFACE COMMINGLE & STORAGE for Lea South 25 Fed Com BS 5H, 6H, 7H, 10H, 11H; Lea South 25 Fed Com WCA 12H; and Lea South 25 Federal 8

Summary Detail is attached along with the following to support the permit application.

- 1 - Lease Plat shows boundary, Federal Lease Number, Communitization, wellheads and wellbore path.
- 2 - Battery Diagram (8-1/2 X 11).
- 3 - NMOCD Form C-102 Well Plats.
- 4 - Notice letter to interest owners.
- 5 - USPS - certified return receipt requested.
- 6 - Transmittal letter to the NMOCD.
- 7 - NMOCD Administrative Application Checklist
- 8 - NMOCD Form C-107B.

Also attached file with 8-1/2 X 14 sheet of Battery Diagram.

I hereby certify that the foregoing is true and correct.

29. Name* JENNIFER_ELROD	30. Title SENIOR REGULATORY TECH
31. Date* (MM/DD/YYYY) 04/17/2018 <input type="text" value="Today"/>	32. Signature* <i>You have the ability to sign this form only if a SmartCard or digital certificate has been issued to you.</i>

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.

Section 2 - System Receipt Confirmation

33. Transaction 412043	34. Date Sent 04/17/2018	35. Processing Office Hobbs, NM
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Section 3 - Internal Review #1 Status

36. Review Category _____	37. Date Completed _____	38. Reviewer Name _____
39. Comments 		

Section 4 - Internal Review #2 Status

40. Review Category _____	41. Date Completed _____	42. Reviewer Name _____
43. Comments 		

Section 5 - Internal Review #3 Status

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



May 9, 2018

Surface Commingling Order PLC-505
Administrative Application Reference No. pMAM1810829228

CHISHOLM ENERGY OPERATING, LLC
Attention: Ms. Bettie Watson

Pursuant to your application received on April 18, 2018, Chisholm Energy Operating, LLC (OGRID 372137) is hereby authorized to surface commingle and off-lease measure oil and gas production from the following pools located in Section 25, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico;

LEA; BONE SPRING, SOUTH (37580)
WC-025 G-08 S203435D; WOLFCAMP (98247)

and from the following diversely owned federal wells and leases in Section 25, Township 20 South, Range 34 East, in Lea County, New Mexico.

Lease:	Federal Communitization Agreement 134225	
Description:	W/2 of Section 25	
Wells:	Lea South 25 Federal Com Well No. 5H	API 30-025-41367
	Lea South 25 Federal Com Well No. 6H	API 30-025-41898
	Lea South 25 Federal Com 2BS Well No. 10H	API 30-025-43409
Pool:	Lea; Bone Spring, South	
Lease:	Pending Lea South 25 Federal Com 3BS Well No. 7H Federal Communitization Agreement	
Description:	W/2 E/2 of Section 25	
Wells:	Lea South 25 Federal Com 3BS Well No. 7H	API 30-025-43029
	Lea South 25 Federal Com 1BS Well No. 11H	API 30-025-43036
Pool:	Lea; Bone Spring, South	
Lease:	Pending Cottonwood 28 33 Federal WCA Well No. 3H Communitization Agreement	
Description:	E/2 E/2 of Section 25	
Well:	Lea South 25 Federal Com WCA Well No. 12H	API 30-025-43110
Pool:	WC-025 G-08 S203435D; Wolfcamp	

Lease: Bureau of Land Management Lease NMLC 066126
Description: SE/4 SE/4 of Section 25
Well: Lea South 25 Federal Well no. 8 API 30-025-43057
Pool: Lea; Bone Spring, South

The commingled oil and gas production from the wells shall be measured and sold at the Lea South Central Tank Battery (CTB), located in Unit M of Section 25, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters.

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

This administrative order supersedes Administrative Order CTB-798, issued on August 16, 2016. The WC-025 G-08 S203435D; Wolfcamp Pool is added to this order.

The Operator shall notify the transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations. Lastly, the project areas in the E/2 of Section 25 is added.

Additional wells added to the approved leases with a Sundry notice to the Bureau.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Administrative Order PLC-505
Chisholm Energy Operating, LLC
May 9, 2018
Page 3 of 3

Done at Santa Fe, New Mexico, on May 9, 2018.



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division District Office – Hobbs
Bureau of Land Management - Carlsbad