

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.***Carlsbad Field Office**
OCD Artesia**SUBMIT IN TRIPLICATE - Other Instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

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

8. Well Name and No.
RUSTLER HILLS 5 FEDERAL 2

2. Name of Operator

CHISHOLM ENERGY OPERATING LLC

Contact: JENNIFER ELROD

Email: JELROD@CHISHOLMENERGY.COM

9. API Well No.

30-015-36084-00-S1

3a. Address

801 CHERRY STREET
FORT WORTH, TX 76012

3b. Phone No. (include area code)

Ph: 817-953-3728

Fx: 817-601-7551

10. Field and Pool or Exploratory Area

INGLE WELLS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 5 T23S R26E NENW 760FNL 2310FWL

11. County or Parish, State

EDDY COUNTY, NM

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

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|---|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input checked="" type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <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.

RUSTLER HILLS 5 FEDERAL 2 RETURNED TO PRODUCTION 02/01/2018.

RESPONSE TO NOTICE OF WRITTEN ORDER 18RKC016W

RECEIVED

GC 6-6-18
Accepted for record - NMOC

JUN 06 2018

DISTRICT II-ARTESIA O.C.D.

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

Electronic Submission #421928 verified by the BLM Well Information System
For CHISHOLM ENERGY OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 05/31/2018 (18PP1844SE)

Name (Printed/Typed) JENNIFER ELROD

Title SR REGULATORY TECH

Signature (Electronic Submission)

Date 05/30/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

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

JUN - 4 2018 Jonathon Shepard

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 any statement 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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

I & E CFO

Number 18RKC016W

Page of

☒ Certified Mail - Return Receipt Requested
70163010000095306658

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NOTICE OF WRITTEN ORDER

IDENTIFICATION	
IID	
Lease	NMNM97120
CA	
Unit	
PA	

Bureau of Land Management Office CARLSBAD FIELD OFFICE				Operator CHISHOLM ENERGY OPERATING LLC			
Address 620 E GREENE STREET CARLSBAD NM 88220				Address 801 CHERRY STREET FORT WORTH TX 76012			
Telephone 575-234-5906				Attention			
Inspector CAFFALL				Attn Addr			
Site Name RUSTLER HILLS 5 FEDERAL	Well/Facility/FMP 2	1/4 1/4 Section NENW 5	Township 23S	Range 26E	Meridian NMP	County EDDY	State NM
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
05/16/2018	11:00	06/29/2018		43 CFR 3162.1(a) 43 CFR 3162.4-1 (c)

Remarks:

Report of Production

43 CFR 3162.4- 1 Well records and reports.

(c) Not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed.

Corrective Action: Submit Sundry Notice 3160-5 informing well returned to production & date of (Remarks continued on following page(s).)

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title Sr. Regulatory Analyst Signature [Signature] Date 05/30/2018
Company Comments Previous Operator Resource Rock deemed this well shut-in.
Chisholm Energy Operating returned to production 02/01/2018.

Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>	Date <u>5/18/14</u>	Time <u>12:50</u>
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FOR OFFICE USE ONLY

Number 51	Date	Type of Inspection WS
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