<u>District I</u> 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

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

PURPLE SAGE;WOLFCAMP (GAS)

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

Form C-101 August 1, 2011

Permit 238276

| | | | APPLICA | AOITA | FOR PERMIT T | O DRILL, RE- | ENTER, DEEPE | N, PLUGBAC | K, OR ADD | A ZON | NE | | |
|------------|------------------|----------------------------------|------------|---------|---------------------------|---------------|---------------------|------------|-----------|---------------------|------------------------|--------|------|
| 1. Operato | | e and Address HOLM ENERGY | OPERATING, | LLC | | | | | | 2. OGR | ID Number 372137 | | |
| | | Cherry Street Vorth, TX 76102 | | | | | | | | 3. API I | Number 30-015-44284 | 4 | |
| 4. Propert | ty Code 31810 | | | 5. Prop | perty Name MCCORD ENTE | RPRISES 23 WO | CA | | | 6. Well No. 003H | | | |
| | | | | | | 7. Surf | ace Location | | | | | | |
| UL - Lot | | Section | Township | | Range | Lot Idn | Feet From | N/S Line | Feet From | | E/W Line | County | |
| | N | 23 | 2 | 3S | 26E | | 125 | S | 145 | 0 | W | | Eddy |
| | | | | | | 8. Proposed B | ottom Hole Location | on | | | | | |
| UL - Lot | | Section | Township | | Range | Lot Idn | Feet From | N/S Line | Feet From | | E/W Line | County | |
| | С | 23 | 23 | S | 26E | С | 330 | N | 145 | 50 | W | | Eddy |

9. Pool Information

98220

| | Additional Well Information | | | | | | | |
|-----------------------|-----------------------------|--|----------------|-----------------------------------|--|--|--|--|
| 11. Work Type | 12. Well Type | 13. Cable/Rotary | 14. Lease Type | 15. Ground Level Elevation | | | | |
| New Well | OIL | | Private | 3269 | | | | |
| 16. Multiple | 17. Proposed Depth | 18. Formation | 19. Contractor | 20. Spud Date | | | | |
| N | 13370 | Wolfcamp | | 12/11/2017 | | | | |
| Depth to Ground water | _ | Distance from nearest fresh water well | | Distance to nearest surface water | | | | |

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 54.5 | 400 | 530 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 5300 | 3305 | 0 |
| Prod | 8.75 | 5.5 | 17 | 13370 | 2300 | 4300 |

Casing/Cement Program: Additional Comments

| 22. Proposed Blowout Prevention Program | | | | | | | |
|---|------------------|---------------|--------------|--|--|--|--|
| Туре | Working Pressure | Test Pressure | Manufacturer | | | | |
| Double Ram | 5000 | 5000 | CAMERON | | | | |
| Annular | 1500 | 1500 | CAMERON | | | | |
| Pipe | 5000 | 500 | CAMERON | | | | |

| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC □ and/or 19.15.14.9 (B) NMAC ☒, if applicable. Signature: | | | | OIL CONSE | RVATION DIVISION |
|---|-------------------------------------|----|--------------|----------------|---------------------------|
| Printed Name: | Electronically filed by Bettie Wats | on | Approved By: | Karen Sharp | |
| Title: | Regulatory Consultant | | Title: | OCD Reviewer | |
| Email Address: | dress: bwatson@chisholmenergy.com | | | 7/6/2017 | Expiration Date: 7/6/2019 |
| Date: | te: 6/27/2017 Phone: 972-979-0132 | | | roval Attached | • |

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District IV

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

Form C-102 August 1, 2011

Permit 238276

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number | 2. Pool Code | 3. Pool Name | | | | | |
|------------------|--------------------------------|----------------------------|--|--|--|--|--|
| 30-015-44284 | 98220 | PURPLE SAGE;WOLFCAMP (GAS) | | | | | |
| 4. Property Code | 5. Property Name | 6. Well No. | | | | | |
| 318103 | MCCORD ENTERPRISES 23 WCA | 003H | | | | | |
| 7. OGRID No. | 8. Operator Name | 9. Elevation | | | | | |
| 372137 | CHISHOLM ENERGY OPERATING, LLC | 3269 | | | | | |

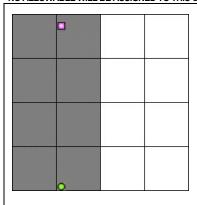
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| N | 23 | 23S | 26E | | 125 | S | 1450 | W | Eddy |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section 23 | Township 23S | Range 26E | Lot Idn | Feet From 330 | N/S Line N | Feet From 1450 | E/W Line W | County Eddy |
|--|------------|--------------|--------------|---------|------------------------|---------------|-------------------|---------------|----------------|
| 12. Dedicated Acres 13. Joint or Infill 14. Consolidation Code | | | | | 15. Order No. | Ludy | | | |
| 320.00 |) | | | | 14. Consolidation Code | | | | |

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(s) 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.

E-Signed By: Bettie Watson

Title: Regulatory Consultant

Date: 6/27/2017

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.

Surveyed By: Gary Jones
Date of Survey: 6/5/2017

Certificate Number: 7977

Form APD Comments

Permit 238276

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PERMIT COMMENTS

| API Number: |
|---------------------------------|
| 30-015-44284 |
| Well: |
| MCCORD ENTERPRISES 23 WCA #003H |
| |

Created By Comment Comment Date

Form APD Conditions

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Permit 238276

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: | | |
|---|---------------------------------|--|--|
| CHISHOLM ENERGY OPERATING, LLC [372137] | 30-015-44284 | | |
| 801 Cherry Street | Well: | | |
| Fort Worth, TX 76102 | MCCORD ENTERPRISES 23 WCA #003H | | |

| OCD Reviewer | Condition |
|--------------|---|
| RPodany | Will require a directional survey with the C-104 |
| RPodany | Cement is required to circulate on both surface and intermediate1 strings of casing |