<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

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 263950

			APPLIC	ATION	FOR PERMIT TO	DRILL, RE-E	NTER, DEEPEN	I, PLUGBACK	, OR ADD A	ZONE			
•											2. OGRID Number		
CHISHOLM ENERGY OPERATING, LLC									372137				
	801 Cherry Street Fort Worth, TX 76102								3. API Number 30-025-45624				
4. Property Code 5. Property Name							6	6. Well No.					
321291				р	GRAMA RIDGE EAST 34 STATE COM 3BS						004H		
						7. Surfa	ce Location						
UL - Lot		Section	Township		Range	Lot Idn	Feet From	N/S Line	Feet From		E/W Line	County	
(0	34	2	1S	34E	0	143	S	139	99	E		Lea
						8. Proposed Bo	ttom Hole Location	1					
UL - Lot		Section	Township		Range	Lot Idn	Feet From	N/S Line	Feet From		E/W Line	County	
	В	34	2	1S	34E	В	100	N	198	30	E		Lea

9. Pool Information

GRAMA RIDGE;BONE SPRING, NE	28435

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3616
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	16085	3rd Bone Spring Sand		3/11/2019
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	1755	1525	0
Int1	12.25	9.625	40	5660	1390	0
Prod	8.75	5.5	20	16085	2225	0

Casing/Cement Program: Additional Comments

	D	I DI		D	D
22	. Propo	osea Bio	wout	Prevention	Program

	ZZ. I TOPOGGG BIOMOGET TOVO	inion i rogium		
Туре	Working Pressure	Test Pressure	Manufacturer	
Annular 2500		2500	CAMERON	
Double Ram	5000	5000	CAMERON	
Pipe	5000	5000	CAMERON	

knowledge and b	elief.	true and complete to the best of my NMAC 🗵 and/or 19.15.14.9 (B) NMAC		OIL CONSERVATIO	ON DIVISION	
Printed Name:	Electronically filed by Jennifer Ele	rod	Approved By:	Paul F Kautz		
Title:	Title: Sr. Regulatory Tech			Geologist		
Email Address: jelrod@chisholmenergy.com			Approved Date:	2/20/2019	Expiration Date: 2/20/2021	
Date:	Date: 2/19/2019 Phone: 817-953-3728			Conditions of Approval Attached		

DISTRICT I 1625 N. French Dr., Hobbs, NM 65240 Faces (575) 383-511 Fast (575) 392-0730 DISTRICT II 311 S. First St., Artesia, NM 86210 Faces (575) 745-1835 Fast (575) 748-9730

State of New Mexico Energy, Minerals and Natural Resources Department Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

Phone (1975) 745-1833 Fai: (1973) 748-19780 DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone (509) 534-6175 Fai: (508) 534-6179 DISTRICT IV 1226 S. St. Francis Dr., Santa Fe. NM 87505 Faces (509) 476-3400 Fai: (500) 476-3462

OIL CONSERVATION DIVISION 1226 South St. Francis Dr. Santa Fe, New Mexico 87505

C AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PI	WELL	LOCATION	AND	ACREAGE	DEDICATION	PLAT
---	------	----------	-----	---------	------------	------

APl Number	Pool Code 28435	Pool Name GRAMA RIDCE: BONE SPRING, NE		
Property Code	Pi	roperty Name ST 34 STATE COM 3BS	Well Number	
OGRID No. 372137		Perator Name RGY OPERATING, LLC	Elevation 3616	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
0	34	21 S	34 E		143	SOUTH	1399	EAST	LEA

Bottom Hole Location If Different From Surface

UL or let No.	Section 34	Township 21 S	Range 34 E	Lot 1dn	FEET from the	North/South line NORTH	FEET from the 1980	East/West line EAST	County
Dedicated Acres	s Joint	or Infill Co	nsolidation	Code Or	der 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

4: \$29675 8 : 81885 9 :4445 82	LAST TAKE POINT PROPOSED BOTTOM HOLE LOCATION Lot - N 32.442403' Long - W 103.455608' NMSPCE- N 525769.9 (NAD-83)	4. 595457 E: 811497 RNAD 81.	1980° 4 35501. E 9 400.5 No. 21.	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 awas a working interest or unlessed mineral interest in the tand including the proposed bottom hole tocation or has a right to dwill this well at this location pursuant to a contract with an aware of such a mineral or working interest, or to a voluntary pooling agreement or a computery pooling order heretefore entered by the division
				Jennifer Elrad 02/19/2019 Signatur Date JENNIFER ELROD Printed Name JELRODQCHISHOLMENERGY.COM Email Address
V 5732°50 E 65672.6 (V4D82	FIRST TAKE POINT LANDING POINT 100 FSL & 1980 FEL Lat = N 32.428425' Lang = W 103.455603' NMSPCE = N 520704.7 E 812155.5 (NAD-83)		4: 52325 E: 2431 :N4233	I hereby certify that the well location shown
	KICK OFF POINT SURFACE LOCATION Lot - N 32.428549* Lorg - W 103.453718* NMSPCE - N 520754.4 E 812736.4 (NAD-83)	E 11	OP \$15500 1211111111111111111111111111111111	81 o' 1000' 2000' 3000' 4000'

Operator Name: CHISHOLM ENERGY OPERATING, LLC					Property Name: GRAMA RIDGE EAST 34 STATE COM 3BS						Well Number 4H		
ick (Off Point ((KOP)				2							
UL	Section	Township	Range	Lot	Feet	From N		Feet	20 1 8	om E/W	County		
O 34 215 34E				143	SOUT	н	1399) E	AST				
Latit						Longitude -103.453718						NAD 83	
32.	428549				-103.4	53/18					03		
irst '	Take Poin	t (FTP)	Range	Lot	Feet	From	/5	Feet	Fre	om E/W	County		
0	34	215	34E		100	SOUT		1980 EAST			LEA		
Latit			-		Longitu	de					NAD		
32.	428425				-103.4	-103,455603							
UL B	Section 34	Township 215	Range 34E	Lot	Feet								
Latit	ude				Longitu	ıde				NAD			
32.	442403				-103.4	55608				83			
		defining v		e Hor		pacing Unit) [NO]				
s thi		1	ride API if	availa	ble, Ope	rator Name	and v	vell n	umber fo	r Defini	ing well fo	r Horizontal	
f inf	ing Unit.	nease prov	7										
f inf Spac API 30-	ing Unit.	823				Property I						Well Numbe	

Form APD Comments

<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

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

Permit 263950

PERMIT COMMENTS

Operator Name and Address:	API Number:				
CHISHOLM ENERGY OPERATING, LLC [372137]	30-025-45624				
801 Cherry Street	Well:				
Fort Worth, TX 76102	GRAMA RIDGE EAST 34 STATE COM 3BS #004H				

Created By Comment Comment Date

Form APD Conditions

<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

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

Permit 263950

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:				
CHISHOLM ENERGY OPERATING, LLC [372137]	30-025-45624				
801 Cherry Street	Well:				
Fort Worth, TX 76102	GRAMA RIDGE EAST 34 STATE COM 3BS #004H				

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.