

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

Form C-101
August 1, 2011
Permit 270570

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address CHISHOLM ENERGY OPERATING, LLC 801 Cherry Street Fort Worth, TX 76102		2. OGRID Number 372137
4. Property Code 326000		3. API Number 30-025-46280
5. Property Name OUTLAND 18 STATE 2BS		6. Well No. 003H

7. Surface Location

UL - Lot O	Section 18	Township 21S	Range 35E	Lot Idn O	Feet From 145	N/S Line S	Feet From 1550	E/W Line E	County Lea
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8. Proposed Bottom Hole Location

UL - Lot B	Section 18	Township 21S	Range 35E	Lot Idn B	Feet From 100	N/S Line N	Feet From 1980	E/W Line E	County Lea
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9. Pool Information

WILSON;BONE SPRING, NORTH	97704
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3646
16. Multiple N	17. Proposed Depth 15075	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 1/1/2020
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	1705	1360	0
Int1	12.25	9.625	40	5690	4425	0
Prod	8.75	5.5	20	15075	1300	4600

Casing/Cement Program: Additional Comments

DV TOOL @ 4000' MD

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2500	2500	CAMERON
Double Ram	5000	5000	CAMERON
Pipe	5000	5000	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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Jennifer Elrod	Approved By: Paul F Kautz
Title: Sr. Regulatory Tech	Title: Geologist
Email Address: jelrod@chisholmenergy.com	Approved Date: 8/2/2019 Expiration Date: 8/2/2021
Date: 7/31/2019 Phone: 817-953-3728	Conditions of Approval Attached

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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	² Pool Code 97704	³ Pool Name WILSON; BONE SPRING, NORTH
⁴ Property Code	⁵ Property Name OUTLAND 18 STATE 2BS	⁶ Well Number 3H
⁷ OGRID No. 372137	⁸ Operator Name CHISHOLM ENERGY OPERATING, LLC	⁹ Elevation 3646.1

¹⁰ Surface Location

UL or lot no. O	Section 18	Township 21 S	Range 35 E	Lot Idn	Feet from the 145	North/South line SOUTH	Feet from the 1550	East/West line EAST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. B	Section 18	Township 21 S	Range 35 E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 1980	East/West line EAST	County LEA
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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.

<p>NMSP EAST (FT) N = 541862.03 E = 824533.49</p> <p>NMSP EAST (FT) N = 541883.99 E = 827031.26</p> <p>LOT 1</p> <p>LOT 2</p> <p>LANDING POINT & FTP 100' FSL, 1980' FEL LAT. = 32.4720467°N LONG. = 103.4046607°W N = 536707.64 E = 827735.65 GRID BNG. TO LP S83°33'16"W HORIZ. DIST 432.34 FT</p> <p>LOT 3</p> <p>LOT 4</p> <p>NMSP EAST (FT) N = 541907.36 E = 829672.00</p> <p>BOTTOM OF HOLE 100' FNL, 1980' FEL LAT. = 32.4860158°N LONG. = 103.4046547°W NMSP EAST (FT) N = 541789.86 E = 827693.24</p> <p>OUTLAND 18 STATE 2BS 3H 145' FNL, 1550' FEL ELEV. = 3646.1' LAT. = 32.4721697°N (NAD83) LONG. = 103.4032668°W NMSP EAST (FT) N = 536756.17 E = 828165.12</p> <p>NMSP EAST (FT) N = 536581.68 E = 824574.62</p>	<p>¹⁷ 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 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>Jennifer Elrod</i> 7/31/19 Signature Date</p> <p>JENNIFER ELROD Printed Name</p> <p>jelrod@chisholmenergy.com E-mail Address</p> <p>¹⁸ 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>FEBRUARY 26, 2019 Date of Survey</p> <p><i>Filimon F. Jaramillo</i> Signature and Seal of Professional Surveyor</p> <p>Certificate Number: FILIMON F. JARAMILLO, PLS 12797 SURVEY NO. 6984</p>
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Intent ☒ As Drilled ☐

API #

Operator Name:	Property Name:	Well Number
CHISHOLM ENERGY OPERATING, LLC	OUTLAND 18 STATE 2BS	3H

Kick Off Point (KOP)

UL O	Section 18	Township 21S	Range 35E	Lot	Feet 145	From N/S SOUTH	Feet 1550	From E/W EAST	County LEA
Latitude 32.4721697					Longitude 103.4032668			NAD 83	

First Take Point (FTP)

UL O	Section 18	Township 21S	Range 35E	Lot	Feet 100	From N/S SOUTH	Feet 1980	From E/W EAST	County LEA
Latitude 32.4720467					Longitude 103.4046607			NAD 83	

Last Take Point (LTP)

UL B	Section 18	Township 21S	Range 35E	Lot	Feet 100	From N/S NORTH	Feet 1980	From E/W EAST	County LEA
Latitude 32.4860158					Longitude 103.4046547			NAD 83	

Is this well the defining well for the Horizontal Spacing Unit? ☒

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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Form APD Comments

Permit 270570

PERMIT COMMENTS

Operator Name and Address: CHISHOLM ENERGY OPERATING, LLC [372137] 801 Cherry Street Fort Worth, TX 76102		API Number: 30-025-46280
		Well: OUTLAND 18 STATE 2BS #003H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 270570

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CHISHOLM ENERGY OPERATING, LLC [372137] 801 Cherry Street Fort Worth, TX 76102	API Number: 30-025-46280
	Well: OUTLAND 18 STATE 2BS #003H

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.