

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF CHISHOLM
ENERGY OPERATING, LLC FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

**CASE NO. 20182 (Re-opened)
ORDER NO. R-20417**

APPLICATION

Chisholm Energy Operating, LLC ("Chisholm") (OGRID No. 327137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to add additional initial wells pursuant to the terms of Order No. R-20417. In support of its application, Chisholm states:

1. Division Order No. R-20417, entered February 28, 2019, created a 640-acre, more or less, standard horizontal oil spacing unit in the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220), comprised of the E/2 of Sections 21 and 28, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico.

2. The Order dedicated the above-described spacing unit to the following two initial wells:

- **Cletus 28 21 Fed Com WCB #1H Well** (API No. 30-015-45408), to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 28 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 21;
- **Cletus 28 21 Fed Com WCA #2H Well** (API No. 30-015-45409), to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of

Section 28 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 21.

3. Since entry of Order No. R-20417, Chisholm has added an additional initial proposed well in the Wolfcamp formation within this acreage. The spacing unit, pool, and all other provisions remain the same under Order No. R-20417.

4. The spacing unit will be dedicated to two initial wells: The **Cletus 28 21 Fed Com WCA #2H Well** (API No. 30-015-45409), to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 28 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 21, which is already designated to the spacing unit under Order No. R-20417.

5. Additionally, Chisholm intends to dedicate the **Cletus 28 21 Fed Com WCA #3H Well** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 28 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 21, as an additional initial well in the horizontal spacing unit.

WHEREFORE, Chisholm requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 3, 2019 and, after notice and hearing as required by law, the Division amend the initial wells dedicated to the spacing unit under the terms of existing Division Order R-20417 as requested herein.

Respectfully submitted,

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**ATTORNEYS FOR CHISHOLM ENERGY OPERATING,
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CASE 20182 (Re-opened): Application of Chisholm Energy Operating, LLC to Re-Open Case No. 20182 to Add Additional Initial Wells Under the Terms of Compulsory Pooling Order No. R-20417, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order No. R-20417 to add an additional initial well dedicated to the 640-acre, more or less, horizontal well spacing unit within the Wolfcamp formation Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220), comprised of the E/2 of Sections 21 and 28, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico. The spacing unit will be dedicated to the following two wells: (1) **Cletus 28 21 Fed Com WCA #2H Well** (API No. 30-015-45409), to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 28 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 21; and (2) **Cletus 28 21 Fed Com WCA #3H Well** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 28 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 21. Both wells are at standard locations. Said area is located approximately 20 miles southwest of Eunice, New Mexico.