

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 243712

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 319804		3. API Number 30-025-44158
5. Property Name OUTLAND 14 23 STATE 2BS		6. Well No. 003H

7. Surface Location

UL - Lot C	Section 14	Township 21S	Range 34E	Lot Idn C	Feet From 200	N/S Line N	Feet From 1370	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

8. Proposed Bottom Hole Location

UL - Lot F	Section 23	Township 21S	Range 34E	Lot Idn F	Feet From 2310	N/S Line N	Feet From 1980	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	--------------	-------------------	---------------	-------------------	---------------	---------------

9. Pool Information

GRAMA RIDGE;BONE SPRING	28430
-------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3709
16. Multiple N	17. Proposed Depth 17908	18. Formation Bone Spring	19. Contractor	20. Spud Date 6/1/2018
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	1810	1454	0
Int1	12.25	9.625	40	5700	2361	0
Prod	8.75	5.5	17	17908	3149	4700

Casing/Cement Program: Additional Comments

--

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	1500	1500	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 Bettie Watson	Approved By: Paul Kautz
Title: Regulatory Consultant	Title: Geologist
Email Address: bwatson@chisholmenergy.com	Approved Date: 10/31/2017 Expiration Date: 10/31/2019
Date: 10/31/2017 Phone: 972-979-0132	Conditions of Approval Attached

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 (505) 743-1253 Fax (505) 748-9720

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8178 Fax: (505) 334-5170

DISTRICT IV

1226 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 28430	Pool Name GRAMA RIDGE, BONE SPRING
Property Code	Property Name OUTLAND 14-23 STATE 2BS	Well Number 3H
OGRID No. 372137	Operator Name CHISHOLM ENERGY OPERATING, LLC	Elevation 3709'

Surface Location

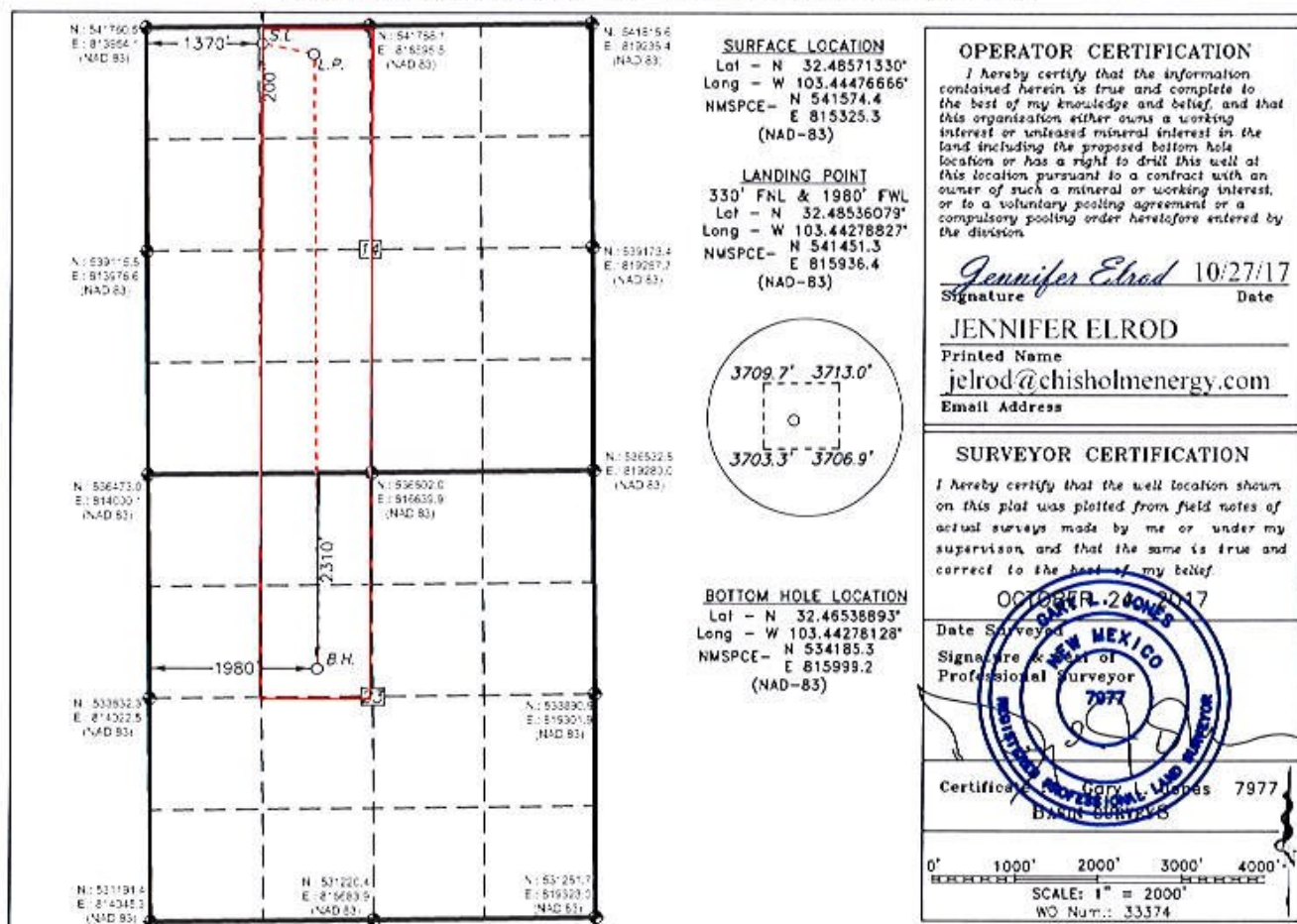
UL or lot No.	Section	Township	Range	Lot 1stn	FEET from the	North/SOUTH LINE	FEET from the	East/West Line	County
C	14	21 S	34 E		200	NORTH	1370	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/SOUTH LINE	FEET from the	East/West Line	County
F	23	21 S	34 E		2310	NORTH	1980	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240			

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



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 APD Comments

Permit 243712

PERMIT COMMENTS

Operator Name and Address: CHISHOLM ENERGY OPERATING, LLC [372137] 801 Cherry Street Fort Worth, TX 76102		API Number: 30-025-44158
		Well: OUTLAND 14 23 STATE 2BS #003H

Created By	Comment	Comment Date
jelrod	FORMATION MD, ft TVD, ft TVDSS, ft Rustler 1,783 1,955 Salado 2,213 1,525 Yates 3,763 -25 Capitan Reef 3,988 -250 Delaware Mtn Gr 5,428 -1,690 Bone Spring 8,298 -4,560 1st Bone Spring SS 9,638 -5,900 2nd Bone Spring SS 10,288 -6,550 Target Basal 2nd BS SS 10,518 -6,780 3rd Bone Spring Carb 10,553 -6,815 3rd Bone Spring SS 11,058 -7,320 Wolfcamp 11,338 -7,600	10/31/2017

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

Form APD Conditions

Permit 243712

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CHISHOLM ENERGY OPERATING, LLC [372137] 801 Cherry Street Fort Worth, TX 76102	API Number: 30-025-44158
	Well: OUTLAND 14 23 STATE 2BS #003H

OCD Reviewer	Condition
pkautz	The operator shall keep a copy of the approved form C-101 and a copy of these conditions of approval at the well site.
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
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	Operator shall notify appropriate District office when setting conductor pipe.
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 20 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	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Lost Circulation - Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 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.
pkautz	Gas Capture Plan - Operator to Submit Gas Capture Plan ASAP.