

RECEIVED: REVIEWER: LRL TYPE: NSL APP NO: PLEL 17

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



NSL-7571

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: ~~Chisholm Energy Operating, LLC~~ CHISHOLM ENERGY OPERATING GRID Number: 372137
 Well Name: Buffalo West 2 State Com 2BS 5H LLC. API: 30-25-43832
 Pool: Buffalo, Bone Spring, Southwest Southeast Pool Code: (8146)

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
 B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY

Notice Complete

Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Bettie Watson

Print or Type Name

Bettie Watson

Signature

08/07/2017

Date

817-864-1104

Phone Number

bwatson@chisholmenergy.com

e-mail Address



August 7, 2017

VIA E-mail: Leonard.Lowe@state.nm.us

New Mexico Oil Conservation Commission
Attn: Leonard Lowe
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Subj.: Buffalo West 2 State Com 2BS #005H
API # 30-025-43832

Dear Mr. Lowe,

Chisholm Energy Operating, LLC request approval of a non-standard location for the subject well. To support this request, the following information is provided:

- 1) Assigned "Administrative Application Checklist" is attached and signed.
- 2) Statement of reason for NSL is: We are experimenting with well down spacing.
- 3) API: 30-25-43832.
- 4) Well Information: All in Section 2, T19S, R33E, Lea Co. Footages are from Section lines.
 - a. SHL – 125' FNL & 1325' FEL, Lat 32.696539 / Long -103.629430
 - b. FTP – 560' FNL & 1584' FWL, Lat 32.695341 / Long -103.630269
 - c. LTP & BHL – 330' FSL & 1584' FEL, Lat 32.682905 / -103.630251 → 1654 FEL
- 5) Pool Name / Pool Code: Buffalo; Bone Spring, Southeast / Pool Code #8146
- 6) OCD Form C-102 is attached.
- 7) Plat surrounding spacing unit is attached.
- 8) Chisholm Energy Operating, LLC has 100% WI in all of Section 2, T19S, R33E, Lea County, therefore, Notice is not required.

Please let me know if I can be of further assistance.

Sincerely,

Bettie Watson,
Regulatory Manager

Submit 1 Copy To Appropriate District Office

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-43832
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Buffalo West 2 State Com 2BS
8. Well Number 005H
9. OGRID Number 372137
10. Pool name or Wildcat: Buffalo; Bone Spring, Southeast

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
CHISHOLM ENERGY OPERATING, LLC

3. Address of Operator
801 Cherry Street, Suite 1200-Unit 20 - Fort Worth, Texas 76102

4. Well Location
Unit Letter 2 : 125 feet from the N line and 1325 feet from the E line
Section 2 Township 19S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3777 GR

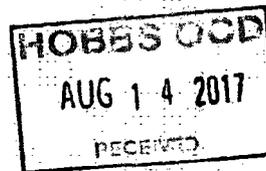
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Request approval for BHL From: 330' FSL & 1584" FEL
To: 330' FSL & 1654' FEL

Attached is Form C-102 Plat



Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bettie Watson TITLE Regulatory Manager DATE 8/14/2017

Type or print name Bettie Watson E-mail address: bwatson@chisholmenergy.com PHONE: 817-864-1104

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 08/14/17
Conditions of Approval (if any):

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240
Phone (505) 593-8181 Fax: (505) 593-8728

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-9780

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 834-8178 Fax: (505) 834-8170

DISTRICT IV
1226 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3450 Fax: (505) 478-3452

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 30-025-43832	Pool Code 8146	Pool Name Buffalo: Bone Spring
Property Code 317783	Property Name BUFFALO WEST 2 STATE COM 2BS	Well Number 5H
OGRID No. 372137	Operator Name CHISHOLM ENERGY OPERATING, LLC	Elevation 3777'

Surface Location

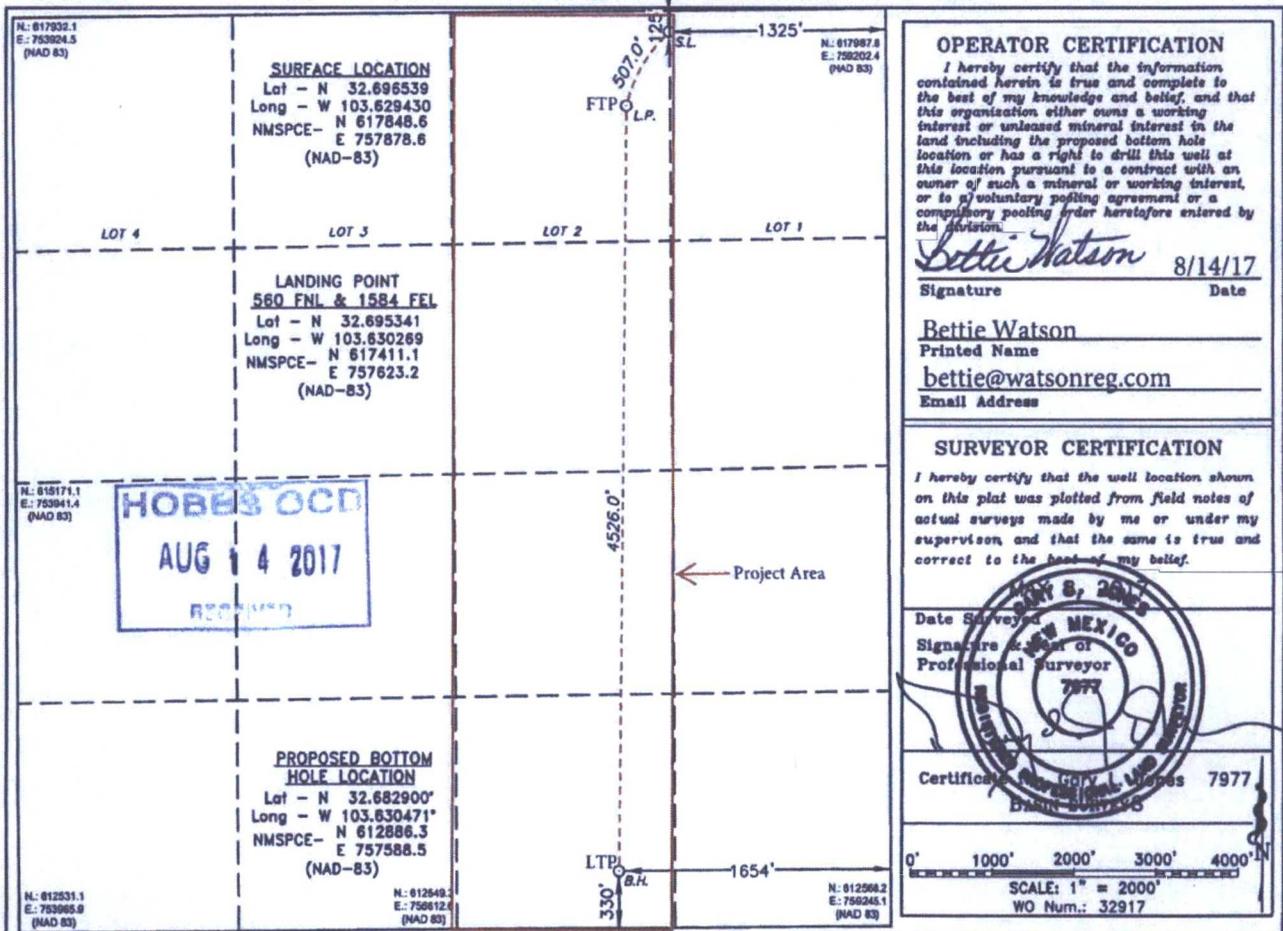
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
LOT 2	2	19 S	33 E		125	NORTH	1325	EAST	LEA

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
0	2	19 S	33 E		330	SOUTH	1654	EAST	LEA

Dedicated Acres 233.87 / 165.0	Joint or Infill	Consolidation Code	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



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 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.
Bettie Watson 8/14/17
Signature Date
Bettie Watson
Printed Name
bettie@watsonreg.com
Email Address

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.
Date Surveyed: 8/14/17
Signature of Surveyor: *Betty Watson*
Professional Surveyor
Certification Number: 7977
Division: 2008

0' 1000' 2000' 3000' 4000'
SCALE: 1" = 2000'
WO Num.: 32917

Lowe, Leonard, EMNRD

From: Bettie Watson <bwatson@chisholmenergy.com>
Sent: Friday, August 18, 2017 4:38 PM
To: Lowe, Leonard, EMNRD
Subject: Buffalo West 2 State Com 2BS 5H

Leonard,

The bottom hole and the last take point are the same location for the subject well.

Let me know if additional information is required.

Bettie Watson, Regulatory Manager
Chisholm Energy Operating, LLC
817-864-1104 Desk
972-979-0132 Cell

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Friday, August 11, 2017 3:53 PM
To: 'Bettie Watson'
Subject: RE: NSL questions

Ms. Bettie Watson,

OCD references POOL NUMBER 8146 with Buffalo; Bone Spring, Southeast.

Not southwest.

I suspect in your reference, the Pool number will supersede your intended pool name.

I need to have these flaming ducks in line, as I have to defend your application to the Director when approval is sought.

I will contact the OCD district office to try to bring resolution to this Pool Name and number.

Your application is still not complete. Once completed your 20 Public Notice will start.

Leonard Lowe

Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Cell: 505-930-6717
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>

From: Bettie Watson [mailto:bwatson@chisholmenergy.com]
Sent: Thursday, August 10, 2017 10:40 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Subject: RE: NSL questions

Leonard,

My submittal cover page and letter are a mess for sure. I apologize for this inconvenience. The pool # & name are 8146 - Buffalo; Bone Spring, Southwest. The FTP is 1584' FEL.

Thanks
Bettie Watson

Lowe, Leonard, EMNRD

From: Bettie Watson <bwatson@chisholmenergy.com>
Sent: Thursday, August 10, 2017 10:40 PM
To: Lowe, Leonard, EMNRD
Subject: RE: NSL questions

Leonard,

My submittal cover page and letter are a mess for sure. I apologize for this inconvenience. The pool # & name are 8146 - Buffalo; Bone Spring, Southwest. The FTP is 1584' FEL.

Thanks
Bettie Watson

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Thursday, August 10, 2017 5:42 PM
To: Bettie Watson <bwatson@chisholmenergy.com>
Subject: NSL questions
Importance: High

Bettie Watson,

Per your submitted NSL application, I will take the information via the attached C-102 as the correct information.

Your letter and information pertaining to the First and Last Take points are not the same.

Which is right?

FTP = 1584' FEL? OR FWL?

ALSO,

What is the correct name of the pool you are seeking? There is no record of a Buffalo; Bone Spring, Southwest associated with the pool number 8146.

Please clarify.

Thank you Ma'am.

Leonard Lowe
Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, August 10, 2017 4:42 PM
To: 'Bettie Watson'
Subject: NSL questions

Importance: High

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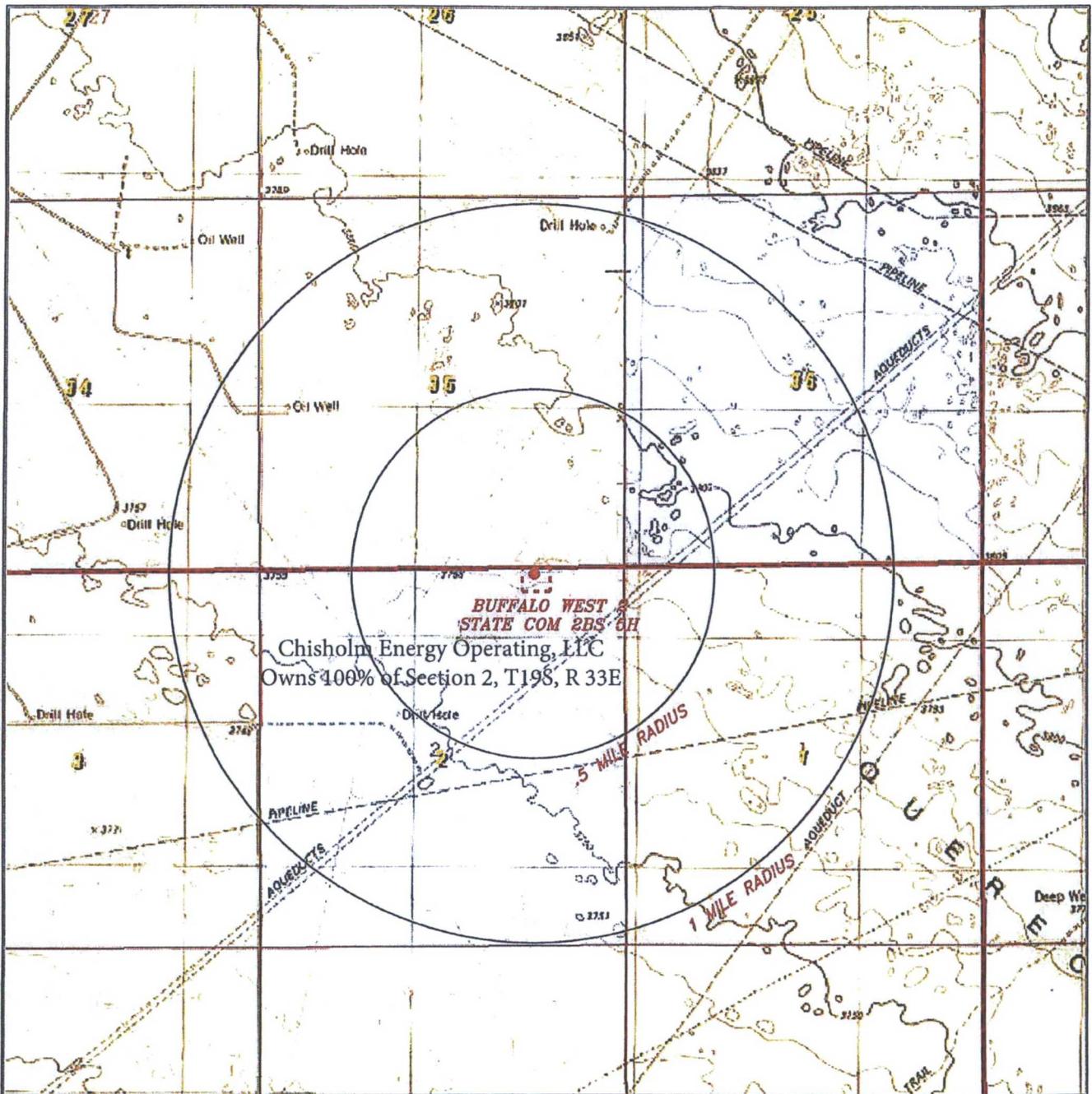
ALSO,

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Please clarify.

Thank you Ma'am.

Leonard Lowe
Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Cell: 505-930-6717
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>



BUFFALO WEST 2 STATE COM 2BS 5H

Located 125' FNL and 1325' FEL
 Section 2, Township 19 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

0' 1000' 2000' 3000' 4000'

SCALE: 1" = 2000'

W.O. Number: JG 32917

Survey Date: 5-3-2017

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



**CHISHOLM
 ENERGY
 OPERATING,
 LLC**

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Tuesday, August 22, 2017 10:48 AM
To: 'Bettie Watson'
Cc: Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; Holm, Anchor E.; Martin, Ed
Subject: APPROVED NSL-7571_Chisholm Energy Operating, LLC_Buffalo West 2 State Com 2BS Well No. 5H_SEC 2 19S 33E

Importance: High

Ms. Bettie Watson,

The following administrative order has been issued and will soon be available on the Division's web site: <http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7571

Chisholm Energy Operating, LLC

WELL: API #: 30-025-43832

WELL NAME: Buffalo West 2 State Com 2BS Well No. 5H

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>