

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING FEBRUARY 8, 2018**

CASE NO. 15851 AND 15852

GAZELLE 32 STATE COM 2BS No. 1H

AND

GAZELLE 32 STATE COM 2BS No. 2H

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC
TO RE-OPEN CASE NO. 15851 TO POOL THE INTEREST
OF AN ADDITIONAL MINERAL INTEREST OWNER UNDER
THE TERMS OF COMPULSORY POOLING ORDER
R-14539, LEA COUNTY, NEW MEXICO.**

CASE NO. 15851 (re-opened)

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC
TO RE-OPEN CASE NO. 15852 TO POOL THE INTEREST
OF AN ADDITIONAL MINERAL INTEREST OWNER UNDER
THE TERMS OF COMPULSORY POOLING ORDER
R-14540, LEA COUNTY, NEW MEXICO.**

CASE NO. 15852 (re-opened)

AFFIDAVIT OF DAVIS ARMOUR


STATE OF TEXAS)
) ss.
COUNTY OF TARRANT)

Davis Armour, being first duly sworn on oath, states as follows:

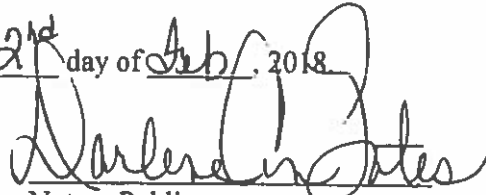
1. My name is Davis Armour. I reside in Fort Worth, Texas. I am a Landman employed by Chisholm Energy Operating, LLC ("Chisholm"). I am familiar with the status of the lands in Section 32, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico. I have previously been qualified as an expert witness in petroleum land matters in front of the Oil Conservation Division. I previously testified to the Division in Case Nos. 15851 and 15852.
2. Division Order R-14539, entered on December 27, 2017, created a 160-acre non-standard spacing and proration unit in the Bone Spring formation (Corbin; Bone Spring, South Pool (13160)) consisting of the W/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, in Lea County, New Mexico, and pooled certain uncommitted working interest owners in this spacing and proration unit ("the Unit"). This Unit was dedicated to the **Gazelle 32 State Com 2 BS No. 1H** (API No. 30-025-43906), which has not yet been drilled. **Attachment A** to this affidavit is a copy of Order R-14539.

3. Division Order R-14540, also entered on December 27, 2017, created a 160-acre non-standard spacing and proration unit in the Bone Spring formation (Corbin; Bone Spring, South Pool (13160)) consisting of the E/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, in Lea County, New Mexico, and pooled certain uncommitted working interest owners in this spacing and proration unit ("the Unit"). This Unit was dedicated to the **Gazelle 32 State Com 2 BS No. 2H** (API No. 30-025-43907), which has not yet been drilled. **Attachment B** to this affidavit is a copy of Order R-14540.
4. Since the entry of Orders R-14539 and 14540, a working interest owner that Chisholm previously viewed as committed to the spacing units has elected to non-consent each well for each spacing unit. This interest owner is not subject to any voluntary agreement. **Attachment C** lists the nature and percentage of the additional working interest owner in the subject project areas. The additional working interest owner owns identical interests in the W/2 W/2 and the E/2 W/2 of Section 32.
 4. The additional interest owner is a working interest owner who does not oppose these applications.
 5. Chisholm has undertaken good faith efforts to locate and gain voluntary participation for the development of the Unit from this interest owner.
 - A. Both wells were proposed to the additional working interest owner, Rohoel, Inc., via certified mail on July 27, 2017, with AFE enclosed. A copy of the well proposal letter for both the **Gazelle 32 State Com 2 BS No. 1H** and the **Gazelle 32 State Com 2 BS No. 2H** that was sent to the additional working interested owner is included as **Attachment D**.
 - B. Chisholm has conducted a diligent search of the county records of Eddy County, as well as conducting searches and computer searches of phone directories. Rohoel, Inc., the sole additional working interest owner, has been located.
 - C. Rohoel, Inc. contacted Chisholm and notified Chisholm that they will not voluntarily participate in this well, necessitating that they be brought under the terms of the existing pooling order.
 - D. Notice of this application and hearing has been provided to the additional interest owner subject to pooling in compliance with Division rules.
6. **Attachment E** is a copy of the authorization for expenditure (AFE) for the well.
7. **Attachment F** is an affidavit and letter from my attorney at Holland & Hart providing notice of this hearing to the party that Chisholm seeks to pool.
8. For these reasons, Chisholm respectfully requests that the additional working interest owner be pooled pursuant to the terms of Orders R-14539 and R-14540.

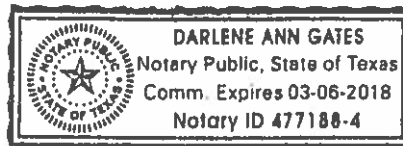
FURTHER AFFIANT SAYETH NOT.


Davis Armour

SUBSCRIBED AND SWORN before me on this 2nd day of Feb, 2018.


Notary Public

My Commission Expires:
March 6, 2018



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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 15851
ORDER NO. R-14539**

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC FOR A NON-
STANDARD SPACING AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 12, 2017, at Santa Fe, New Mexico, before Examiner Phillip R. Goetze.

NOW, on this 27th day of December, 2017, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.
- (2) Cases No. 15851 and No. 15852 were consolidated at the hearing for the purpose of testimony; however, separate orders will be issued for each case.
- (3) In Case No. 15851, Chisholm Energy Operating, LLC (the "Applicant" or "Chisholm") seeks approval of a non-standard, 160-acre oil spacing and proration unit and project area (the "Unit") in the Bone Spring formation (Corbin; Bone Spring, South Pool (Pool code 13160)) consisting of the W/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, in Lea County, New Mexico. Applicant further seeks an order pooling all uncommitted interests in the Unit for the Bone Spring formation.
- (4) The Unit will be dedicated to Applicant's Gazelle 32 State Com 2BS Well No. 1H (the "proposed well"; API No. 30-025-43906), a horizontal well to be drilled from a surface location 200 feet from the North line and 1310 feet from the West line

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 11-A
Submitted by:
CHISHOLM ENERGY OPERATING LLC
Hearing Date: February 8, 2018

(Unit D) of Section 32, to a terminus 330 feet from the South line and 510 feet from the West line (Unit M) of Section 32, both in Township 18 South, Range 33 East, NMPM. The completed interval of the proposed well will be orthodox.

(5) The proposed well is within the Corbin; Bone Spring, South Pool. Spacing in this undesignated pool is governed by Division Rule 19.15.15.9(A) NMAC, which provides for standard 40-acre units, each comprising a governmental quarter-quarter section. The proposed Unit and project area consists of four adjacent quarter-quarter sections.

(6) Applicant appeared at the hearing through counsel and presented land and geologic evidence to the effect that:

- (a) the Bone Spring formation in this area is suitable for development by horizontal drilling;
- (b) the proposed well is to be completed in the 2nd Bone Spring sand of the Bone Spring formation;
- (c) the proposed orientation of the horizontal well North to South is appropriate for the Unit;
- (d) all standard units to be included in the Unit are expected to be productive in the Bone Spring formation, so that formation of the Unit as requested will not impair correlative rights;
- (e) notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed; and
- (f) Applicant provided notice of this application to affected parties in the quarter-quarter sections surrounding the Unit area by certified mail and by publication as provided in Rule 19.15.4.12(B) NMAC.

(7) MRC Spiral Resources, LLC, MRC Delaware Resources, LLC and MRC Explorers Resources, LLC appeared through counsel but did not oppose the granting of this application. These parties are mineral interest owners for the acreage considered in this case. No other party appeared at the hearing, or otherwise opposed the granting of this application.

The Division concludes as follows:

(8) Approval of the proposed non-standard Unit will enable Applicant to drill a horizontal well that will efficiently produce the reserves underlying the Unit, thereby preventing waste, and will not impair correlative rights.

(9) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(10) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed well to a common source of supply within the Unit at the proposed location.

(11) There are interest owners in the Unit that have not agreed to pool their interests.

(12) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense its just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(13) Chisholm should be designated the operator of the proposed well and the Unit.

(14) Any pooled working interest owner who does not pay its share of estimated well costs should have withheld from production its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the proposed well.

(15) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7,000 per month while drilling and \$700 per month while producing, provided that these rates should be adjusted annually pursuant to the overhead section of the COPAS form titled "Accounting Procedure-Joint Operations."

IT IS THEREFORE ORDERED THAT:

(1) A non-standard 160-acre oil spacing and proration unit and project area (the "Unit") is hereby established for the Bone Spring formation (Corbin; Bone Spring, South Pool (Pool code 13160)) consisting of the W/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, in Lea County, New Mexico.

(2) Pursuant to the application of Chisholm Energy Operating, LLC, all uncommitted interests, whatever they may be, in the oil and gas in the Bone Spring formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to Applicant's **Gazelle 32 State Com 2BS Well No. 1H** (the "proposed well"; API No. 30-025-43906), a horizontal well to be drilled from a surface location 200 feet from the North line and 1310 feet from the West line (Unit D) of Section 32, to a terminus 330 feet from the South line and 510 feet from

the West line (Unit M) of Section 32, both in Township 18 South, Range 33 East, NMPM. The completed interval of the proposed well will be orthodox.

(4) The operator of the Unit shall commence drilling the proposed well on or before December 31, 2018, and shall thereafter continue drilling the proposed well with due diligence to test the Bone Spring formation.

(5) In the event the operator does not commence drilling the proposed well on or before December 31, 2018, Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(6) Should the proposed well not be drilled and completed within 120 days after commencement thereof, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit and project area created by this order shall terminate, unless operator appears before the Division Director and obtains an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence. If the proposed well is not completed in all of the spacing units included in the proposed Unit within 120 days after commencement of drilling, then the operator shall apply to the Division for an amendment to this Order to contract the Unit so that it includes only those spacing units in which the well is completed.

(7) Upon final plugging and abandonment of the proposed well and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit created by this Order shall terminate, unless this Order has been amended to authorize further operations.

(8) Chisholm Energy Operating, LLC (OGRID 372137) is hereby designated the operator of the well and the Unit.

(9) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this Order, the operator shall furnish the Division and each known pooled working interest owner in the Unit an itemized schedule of estimated costs of drilling, completing and equipping the proposed well ("well costs").

(10) Within 30 days from the date the schedule of estimated well costs is furnished, any pooled working interest owner shall have the right to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above shall remain liable for operating costs but shall not be liable for risk charges. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(11) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs within 90 days following completion of the proposed well. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(12) Within 60 days following determination of reasonable well costs, any pooled working interest owner who has paid its share of estimated costs in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

(13) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- (a) the proportionate share of reasonable well costs attributable to each such owner; and
- (b) as a charge for the risk involved in drilling the well, 200% of the above costs.

(14) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(15) Reasonable charges for supervision (combined fixed rates) for the well are hereby fixed at \$7,000 per month while drilling and \$700 per month while producing, provided that these rates may, at the operator's discretion, be adjusted annually pursuant to the overhead provisions of the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from each pooled working interest owner's share of production from the subject well, such owner's proportionate share of both the supervision charges and the actual expenditures required for operating the well, not in excess of what are reasonable.

(16) Except as provided above, all proceeds from production from the proposed well that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(17) Any unleased mineral interests shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for the purpose of allocating costs

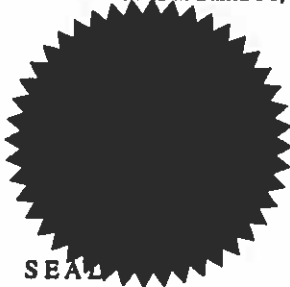
and charges under this Order. Any well costs or charges that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(18) Should all the parties to this compulsory pooling order reach voluntary agreement subsequent to entry of this Order, this Order shall thereafter be of no further effect.

(19) The operator of the well and the Unit shall notify the Division in writing of the subsequent voluntary agreement of all parties subject to the compulsory pooling provisions of this Order.

(20) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



DAVID R. CATANACH
Director

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 15852
ORDER NO. R-14540**

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC FOR A NON-
STANDARD SPACING AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

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- (4) The Unit will be dedicated to Applicant's Gazelle 32 State Com 2BS Well No. 2H (the "proposed well"; API No. 30-025-43907), a horizontal well to be drilled from a surface location 200 feet from the North line and 1370 feet from the West line

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 11-8
Submitted by:
CHISHOLM ENERGY OPERATING LLC
Hearing Date: February 8, 2018**

(Unit C) of Section 32, to a terminus 330 feet from the South line and 1830 feet from the West line (Unit N) of Section 32, both in Township 18 South, Range 33 East, NMPM. The completed interval of the proposed well will be orthodox.

(5) The proposed well is within the Corbin; Bone Spring, South Pool. Spacing in this undesignated pool is governed by Division Rule 19.15.15.9(A) NMAC, which provides for standard 40-acre units, each comprising a governmental quarter-quarter section. The proposed Unit and project area consists of four adjacent quarter-quarter sections.

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(10) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed well to a common source of supply within the Unit at the proposed location.

(11) There are interest owners in the Unit that have not agreed to pool their interests.

(12) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense its just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(13) Chisholm should be designated the operator of the proposed well and the Unit.

(14) Any pooled working interest owner who does not pay its share of estimated well costs should have withheld from production its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the proposed well.

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the West line (Unit N) of Section 32, both in Township 18 South, Range 33 East, NMPM. The completed interval of the proposed well will be orthodox.

(4) The operator of the Unit shall commence drilling the proposed well on or before December 31, 2018, and shall thereafter continue drilling the proposed well with due diligence to test the Bone Spring formation.

(5) In the event the operator does not commence drilling the proposed well on or before December 31, 2018, Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(6) Should the proposed well not be drilled and completed within 120 days after commencement thereof, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit and project area created by this order shall terminate, unless operator appears before the Division Director and obtains an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence. If the proposed well is not completed in all of the spacing units included in the proposed Unit within 120 days after commencement of drilling, then the operator shall apply to the Division for an amendment to this Order to contract the Unit so that it includes only those spacing units in which the well is completed.

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(8) Chisholm Energy Operating, LLC (OGRID 372137) is hereby designated the operator of the well and the Unit.

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(12) Within 60 days following determination of reasonable well costs, any pooled working interest owner who has paid its share of estimated costs in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

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- (b) as a charge for the risk involved in drilling the well, 200% of the above costs.

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(16) Except as provided above, all proceeds from production from the proposed well that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

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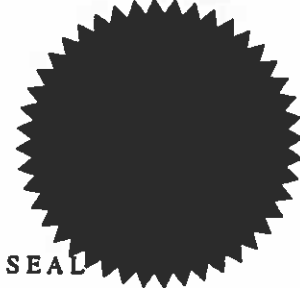
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(18) Should all the parties to this compulsory pooling order reach voluntary agreement subsequent to entry of this Order, this Order shall thereafter be of no further effect.

(19) The operator of the well and the Unit shall notify the Division in writing of the subsequent voluntary agreement of all parties subject to the compulsory pooling provisions of this Order.

(20) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



DAVID R. CATANACH
Director

<u>Tract 1: NW/4, Section 32, 18S-33E (160 Acres)</u>	
WI Owner	WI
MRC Delaware Resources, LLC	20.984878%
MRC Explorers Resources, LLC	3.917519%
MRC Spiral Resources, LLC	3.917519%
Rohoel, Inc.	0.595898%
Nadel & Gussman Capitan, LLC	3.917519%
Chisholm Energy Operating, LLC	66.611113%
Tim MacDonald	0.055555%
Total	100.00000%

<u>Tract 2: SW/4, Section 32, 18S-33E (160 Acres)</u>	
WI Owner	WI
MRC Delaware Resources, LLC	29.333334%
MRC Explorers Resources, LLC	1.333333%
MRC Spiral Resources, LLC	1.333333%
Chisholm Energy Operating, LLC	66.611112%
Tim MacDonald	0.055555%
Nadel & Gussman Capitan, LLC	1.333333%
Total	100.00000%

<u>Ownership of W/2 Sec 32, 18S-34E, Eddy County NM</u>	
WI Owner	WI
MRC Delaware Resources, LLC	25.1591060%
MRC Explorers Resources, LLC	2.6254262%
Rohoel, Inc.	0.2979490%
MRC Spiral Resources, LLC	2.6254260%
Nadel & Gussman Capitan, LLC	2.6254260%
Chisholm Energy Operating, LLC	66.611124%
Tim MacDonald	0.055550%
Total	100.00000%
Parties currently pooled	
Parties to be pooled	

Section 32, 18S-33E, Eddy Co, NM

Gazelle 32 State Com 2B5 1H		Gazelle 32 State Com 2B5 2H	
Tract 1			
Tract 2			



July 27, 2017

VIA CERTIFIED MAIL

Rohoel, Inc.
Attn: P.A. Brew
1600 Broadway, Suite 1050
Denver, CO 80202

RE: Gazelle 32 2BS 1H
W2W2 Section 32: T18S-R33E
Lea County, New Mexico

Dear Ms. Brew,

Chisholm Energy Operating, LLC ("Chisholm") hereby proposes the drilling of the Gazelle 32 2BS 1H in Section 32, Township 18 South, Range 33 East, Lea County, New Mexico. The surface location for this well is proposed at a legal location in Unit C with a bottom hole at a legal location in Unit M (see attached plat for further detail). The well will have a targeted interval in the Bone Spring formation to a Measured Depth of approximately 14,800'. Included herewith is our Authority for Expenditure ("AFE") in the gross amount of \$4,137,334, being the total estimated cost to drill and complete said well.

Chisholm is proposing to drill this well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers W/2 of Section 32, Township 18 South, Range 33 East, limited to the Bone Spring Formation. It has the following general provisions:

- 100/300 Non-consenting penalty
- \$10,000/\$1,000 Drilling and Production rate
- Chisholm Energy Operating, LLC named as Operator
- Initial Well Gazelle 32 2BS 1H

Rohoel, Inc. will own an approximate .30% working interest in the well, subject to title verification. Please indicate your participation election in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFE and a copy of your geologic well requirements, to my attention at the letterhead address. You may also email your response to darmour@chisholmenergy.com

Should you have any questions, please do not hesitate to contact myself at 817-953-0480.

Very truly yours,

Chisholm Energy Operating, LLC

Davis Armour
Senior Landman

_____ I/We hereby elect to participate in the Gazelle 32 2BS 1H.

_____ I/We hereby elect NOT to participate in the Gazelle 32 2BS 1H.

Company: Rohoel, Inc.

By: _____
Name: _____
Title: _____
Date: _____

Address: Chisholm Energy Operating, LLC 801 Cherry Street Suite 1200 Unit 20 Fort Worth, TX 76102

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 11-D
Submitted by:
CHISHOLM ENERGY OPERATING LLC
Hearing Date: February 8, 2018



July 27, 2017

VIA CERTIFIED MAIL

Rohoel, Inc.
Attn: P.A. Brew
1600 Broadway, Suite 1050
Denver, CO 80202

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E2W2 Section 32: T18S-R33E
Lea County, New Mexico

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Chisholm is proposing to drill this well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The Operating Agreement covers W/2 of Section 32, Township 18 South, Range 33 East, limited to the Bone Spring Formation. It has the following general provisions:

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- \$10,000/\$1,000 Drilling and Production rate
- Chisholm Energy Operating, LLC named as Operator
- Initial Well Gazelle 32 2BS 1H

Rohoel, Inc. will own an approximate .30% working interest in the well, subject to title verification. Please indicate your participation election in the space provided below, sign and return this letter, along with a signed copy of the enclosed AFE and a copy of your geologic well requirements, to my attention at the letterhead address. You may also email your response to darmour@chisholmenergy.com

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Senior Landman

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_____ I/We hereby elect NOT to participate in the Gazelle 32 2BS 2H.

Company: Rohoel, Inc.

By: _____
Name: _____
Title: _____
Date: _____

Address: Chisholm Energy Operating, LLC 801 Cherry Street Suite 1200 Unit 20 Fort Worth, TX 76102



**CHISHOLM
ENERGY**

Statement of Estimated Well Cost (100%)

Well	Gazelle 32 2BS 111
Field	2nd Bone Spring
County, State:	Lea, NM
BHL:	Horizontal
Proposed TD:	14,800 MD 9,640 TVD
Normal Pressure?	Yes

		BCP	ACP	TOTAL
COSTS TO CASING POINT: TANGIBLES				
8510-400	Conductor Casing or Drive Pipe	\$15,000		\$15,000
8510-405	Surface Casing	\$43,291		\$43,291
8510-410	Intermediate Casing/Drig Liner	\$127,270		\$127,270
8510-415	Wellhead/Equipment - Surface & MLS	\$10,500		\$10,500
8510-420	Other Sub-Surface Equipment	\$0		
8510-425	Cementing Equipment	\$14,050		\$14,050
8510-600	Nonoperated	\$0		
8510-700	Impairment	\$0		
8510-999	Accruals	\$0		
	TOTAL COST TO CASING POINT - TANGIBLES	\$210,111		\$210,111
COSTS TO CASING/POINT: INTANGIBLES				
8500-100	Roads/Location	\$50,000		\$50,000
8500-105	Drilling Turnkey	\$0		
8500-110	Drilling Daywork	\$363,000		\$363,000
8500-115	Fuel/Power	\$88,000		\$88,000
8500-125	Equipment Rental	\$125,380		\$125,380
8500-130	Legal Fees	\$0		
8500-135	Bonds, Permits and Inspection	\$50,000		\$50,000
8500-155	Mud and Chemicals	\$60,000		\$60,000
8500-160	Cementing Services	\$29,000		\$29,000
8500-170	Supervision/Consulting	\$51,600		\$51,600
8500-175	Casing and Other Tangible Crew	\$24,000		\$24,000
8500-180	Damages/Penalties	\$0		
8500-185	Coring and Analysis	\$0		
8500-190	Guttings/Fluids Disposal	\$125,000		\$125,000
8500-195	Directional Drilling Services	\$162,500		\$162,500
8500-200	Drill Bits	\$51,000		\$51,000
8500-210	Surface Damages/ROW	\$0		
8500-215	Contract Labor and Services	\$1,100		\$1,100
8500-220	Mud Logging	\$25,000		\$25,000
8500-235	Reclamation	\$0		
8500-240	Rig Mobilization/Demob	\$202,500		\$202,500
8500-245	Fishing Tools and Services	\$0		
8500-250	Testing-Drill Stem/Production	\$0		
8500-260	Wireline Services	\$0		
8500-265	Water	\$16,250		\$16,250
8500-270	Camp Expenses	\$40,200		\$40,200
8500-285	Contingencies	\$0		
8500-290	Environmental	\$0		
8500-300	Overhead	\$0		
8500-350	Insurance	\$0		
8500-600	Nonoperated	\$0		
8500-700	Impairment	\$0		
8500-999	Accruals	\$0		
	TOTAL COST TO CASING POINT - INTANGIBLES	\$1,464,530		\$1,464,530
COMPLETION COSTS: TANGIBLES				
8530-415	Wellhead		\$21,900	\$21,900
8530-420	Subsurface Equipment		\$15,000	\$15,000

8530-515	Rods			\$0	
8530-525	Artificial Lift Equipment			\$25,000	\$25,000
8530-530	Gas Metering Equipment			\$48,000	\$48,000
8530-535	LACT Unit			\$0	
8530-540	Production Facilities and Flowlines			\$120,000	\$120,000
8530-545	Pumping Unit			\$0	
8530-550	Separator, Heater, Treater			\$75,000	\$75,000
8530-555	Tank/Battery			\$55,000	\$55,000
8530-560	Vapor Recovery Unit			\$0	
8530-590	Other Misc. Equipment			\$21,500	\$21,500
8530-600	Nonoperated			\$0	
8530-700	Impairment			\$0	
8530-999	Accruals			\$0	
	TOTAL COMPLETION COST - TANGIBLES			\$613,480	\$613,480
	COMPLETION COSTS: INTANGIBLES				
8520-100	Roads/Location			\$0	
8520-120	Perforating Services			\$66,500	\$66,500
8520-125	Equipment/Rental			\$193,000	\$193,000
8520-135	Bonds, Permits and Inspection			\$0	
8520-145	Completion Unit			\$20,000	\$20,000
8520-150	Frac Plugs			\$28,500	\$28,500
8520-155	Mud and Chemicals			\$90,000	\$90,000
8520-160	Cementing Services			\$70,000	\$70,000
8520-165	Acidizing and Fracturing			\$811,813	\$811,813
8520-170	Supervision/Consulting			\$42,000	\$42,000
8520-175	Casing and Other Tangible Grew			\$15,000	\$15,000
8520-190	Cuttings/Fluids Disposal			\$60,000	\$60,000
8520-200	Drill Bits			\$3,000	\$3,000
8520-210	Surface Damages/ROW			\$0	
8520-215	Contract Labor and Services			\$5,000	\$5,000
8520-230	Pump/Vacuum Trucks			\$20,000	\$20,000
8520-235	Reclamation			\$0	
8520-245	Fishing Tools and Services			\$0	
8520-250	Well Testing			\$84,000	\$84,000
8520-255	Trucking and Hauling			\$0	
8520-260	Wireline Services			\$5,000	\$5,000
8520-270	Camp Expenses			\$6,000	\$6,000
8520-275	Coiled/Tubing Services			\$54,400	\$54,400
8520-280	Frac Water			\$275,000	\$275,000
8520-285	Contingencies			\$0	
8520-290	Environmental			\$0	
8520-300	Overhead			\$0	
8520-350	Insurance			\$0	
8520-600	Nonoperated			\$0	
8520-700	Impairment			\$0	
8520-999	Accruals			\$0	
	TOTAL COMPLETION COST - INTANGIBLES			\$1,849,213	\$1,849,213
	TOTAL WELL COST		\$1,674,641	\$2,462,693	\$4,137,334

Approved by _____

Date: _____

Approved by _____

Date: _____

Approved by _____

Date: _____

Ownership Gazelle 32 2BS 1H
W2W2 Section 32, T18S-R33E

<u>Owner</u>	<u>Working Interest</u>	<u>Net Revenue Interest</u>
Rohoel, Inc.	0.00297949	0.00256981
Chisholm Energy	0.666111124	0.489773067
Other Committed Interests	0.33090939	0.27661182
	1.00000000	0.768954693



Statement of Estimated Well Cost (100%)

Well	Gazelle 32 2BS 2H	
Field	2nd Bone Spring	
County, State:	Lea, NM	
BHL:	Horizontal	
Proposed TD:	14,800 MD	9,640 TVD
Normal Pressure?	Yes	

		BCP	ACP	TOTAL
COSTS TO CASING POINT: TANGIBLES				
8510-400	Conductor Casing or Drive Pipe	\$15,000		\$15,000
8510-405	Surface Casing	\$43,291		\$43,291
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8510-415	Wellhead Equipment - Surface & MLS	\$10,500		\$10,500
8510-420	Other Sub-Surface Equipment	\$0		
8510-425	Cementing Equipment	\$14,050		\$14,050
8510-600	Nonoperated	\$0		
8510-700	Impairment	\$0		
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8500-100	Roads/Location	\$50,000		\$50,000
8500-105	Drilling Turnkey	\$0		
8500-110	Drilling Daywork	\$363,000		\$363,000
8500-115	Fuel/Power	\$88,000		\$88,000
8500-125	Equipment Rental	\$125,380		\$125,380
8500-130	Legal Fees	\$0		
8500-135	Bonds, Permits and Inspection	\$50,000		\$50,000
8500-155	Mud and Chemicals	\$60,000		\$60,000
8500-160	Cementing Services	\$29,000		\$29,000
8500-170	Supervision/Consulting	\$51,600		\$51,600
8500-175	Casing and Other Tangible Crew	\$24,000		\$24,000
8500-180	Damages/Penalties	\$0		
8500-185	Coring and Analysis	\$0		
8500-190	Cuttings/Fluids Disposal	\$125,000		\$125,000
8500-195	Directional Drilling Services	\$162,500		\$162,500
8500-200	Drill Bits	\$51,000		\$51,000
8500-210	Surface Damages/ROW	\$0		
8500-215	Contract Labor and Services	\$1,100		\$1,100
8500-220	Mud Logging	\$25,000		\$25,000
8500-235	Reclamation	\$0		
8500-240	Rig Mobilization/Demob	\$202,500		\$202,500
8500-245	Fishing Tools and Services	\$0		
8500-250	Testing-Drill Stem/Production	\$0		
8500-260	Wireline Services	\$0		
8500-265	Water	\$16,250		\$16,250
8500-270	Camp Expenses	\$40,200		\$40,200
8500-285	Contingencies	\$0		
8500-290	Environmental	\$0		
8500-300	Overhead	\$0		
8500-350	Insurance	\$0		
8500-600	Nonoperated	\$0		
8500-700	Impairment	\$0		
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8530-515	Rods			\$0	
8530-525	Artificial Lift Equipment			\$25,000	\$25,000
8530-530	Gas Metering Equipment			\$48,000	\$48,000
8530-535	LACT Unit			\$0	
8530-540	Production Facilities and Flowlines			\$120,000	\$120,000
8530-545	Pumping Unit			\$0	
8530-550	Separator, Heater, Treater			\$75,000	\$75,000
8530-555	Tank Battery			\$55,000	\$55,000
8530-560	Vapor Recovery Unit			\$0	
8530-590	Other Misc Equipment			\$21,500	\$21,500
8530-600	Nonoperated			\$0	
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8520-120	Perforating Services			\$66,500	\$66,500
8520-125	Equipment Rental			\$193,000	\$193,000
8520-135	Bonds, Permits and Inspection			\$0	
8520-145	Completion Unit			\$20,000	\$20,000
8520-150	Frac Plugs			\$28,500	\$28,500
8520-155	Mud and Chemicals			\$90,000	\$90,000
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8520-165	Acidizing and Fracturing			\$811,813	\$811,813
8520-170	Supervision/Consulting			\$42,000	\$42,000
8520-175	Casing and Other/Tangible Crew			\$15,000	\$15,000
8520-190	Cuttings/Fluids/Disposal			\$60,000	\$60,000
8520-200	DFM/Bits			\$3,000	\$3,000
8520-210	Surface Damages/ROW			\$0	
8520-215	Contract Labor and Services			\$5,000	\$5,000
8520-230	Pump/Vacuum/Trucks			\$20,000	\$20,000
8520-235	Reclamation			\$0	
8520-245	Fishing Tools and Services			\$0	
8520-250	Well Testing			\$84,000	\$84,000
8520-255	Trucking and Hauling			\$0	
8520-260	Wireline Services			\$5,000	\$5,000
8520-270	Camp Expenses			\$6,000	\$6,000
8520-275	Gelled Tubing Services			\$54,400	\$54,400
8520-280	Frac Water			\$275,000	\$275,000
8520-285	Contingencies			\$0	
8520-290	Environmental			\$0	
8520-300	Overhead			\$0	
8520-350	Insurance			\$0	
8520-600	Nonoperated			\$0	
8520-700	Impairment			\$0	
8520-999	Accruals			\$0	
	TOTAL COMPLETION COST - INTANGIBLES			\$1,849,213	\$1,849,213
	TOTAL WELL COST		\$1,674,641	\$2,462,693	\$4,137,334

Approved by: _____

Date: _____

Approved by: _____

Date: _____

Approved by: _____

Date: _____

Ownership Gazelle 32 2BS 2H
E2W2 Section 32, T18S-R33E

<u>Owner</u>	<u>Working Interest</u>	<u>Net Revenue Interest</u>
Rohoel, Inc.	0.00297949	0.00256981
Chisholm Energy	0.666111124	0.489773067
Other Committed Interests	0.33090939	0.27661182
	1.00000000	0.768954693

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

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC
TO RE-OPEN CASE NO. 15851 TO POOL THE INTEREST
OF AN ADDITIONAL MINERAL INTEREST OWNER UNDER
THE TERMS OF COMPULSORY POOLING ORDER
R-14539, LEA COUNTY, NEW MEXICO.**

CASE NO. 15851 (re-opened)

**APPLICATION OF CHISHOLM ENERGY OPERATING, LLC
TO RE-OPEN CASE NO. 15852 TO POOL THE INTEREST
OF AN ADDITIONAL MINERAL INTEREST OWNER UNDER
THE TERMS OF COMPULSORY POOLING ORDER
R-14540, LEA COUNTY, NEW MEXICO.**

CASE NO. 15852 (re-opened)

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)


Jordan L. Kessler, attorney in fact and authorized representative of Chisholm Energy Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.



Jordan L. Kessler


SUBSCRIBED AND SWORN to before me this 7th day of February, 2018 by Jordan L.

Kessler.



Notary Public

My Commission Expires:


August 26, 2021

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 11-F
Submitted by:
CHISHOLM ENERGY OPERATING LLC
Hearing Date: February 8, 2018

HOLLAND & HART



Jordan L. Kessler

Associate

Phone (505) 988-4421

Fax (505) 983-6043

JLKessler@hollandhart.com

January 19, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Chisholm Energy Operating, LLC to Re-Open Case No. 15851 To Pool
The Interests Of An Additional Mineral Owner Under The Terms Of Compulsory
Pooling Order R-14539, Lea County, New Mexico.
Gazelle 32 State Com 2BS No. 1H**

Ladies & Gentlemen:

This letter is to advise you that Chisholm Energy Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on February 8, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact Davis Armour, at (817) 953-0480 or darmour@chisholmenergy.com.

Sincerely,

Jordan L. Kessler

**ATTORNEY FOR CHISHOLM ENERGY OPERATING,
LLC**

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
JLKessler@hollandhart.com

January 19, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chisholm Energy Operating, LLC to Re-Open Case No. 15852 To Pool The Interests Of An Additional Mineral Owner Under The Terms Of Compulsory Pooling Order R-14540, Lea County, New Mexico.
Gazelle 32 State Com 2BS No. 2H

Ladies & Gentlemen:

This letter is to advise you that Chisholm Energy Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on February 8, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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Sincerely,

Jordan L. Kessler
ATTORNEY FOR CHISHOLM ENERGY OPERATING, LLC

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☉

Gazelle 32 State Com 2BS No. 1H
Gazelle 32 State Com 2BS No. 2H
Case Nos. 15851- 15852

Rohoel, Inc,
Attn P. A. Brew
1600 Broadway, Suite 1050
Denver, CO 80202

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$ 3.35	092112 14
Return Receipt Fee (Endorsement Required)	092112 24
Restricted Delivery Fee (Endorsement Required)	15851-15852
	(1)

Rohoel, Inc.
 Attn P. A. Brew
 1600 Broadway, Suite 1050
 Denver, CO 80202

PS Form 3800, August 2006

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Rohoel, Inc.
 Attn P. A. Brew
 1600 Broadway, Suite 1050
 Denver, CO 80202



9590 9402 1848 6104 4859 17

2. Article Number (Transfer from service label)

7012 3050 0000 6847 7257

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature X P. A. Brew ☒ Agent ☐ Addressee

B. Received by (Printed Name) _____ C. Date of Delivery 1-23-18

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below: _____

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input checked="" type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Mail	<input type="checkbox"/> Restricted Delivery
<input type="checkbox"/> Mail Restricted Delivery	

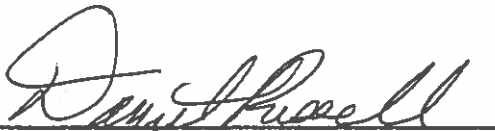
Domestic Return Receipt

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
January 23, 2018
and ending with the issue dated
January 23, 2018.



Publisher

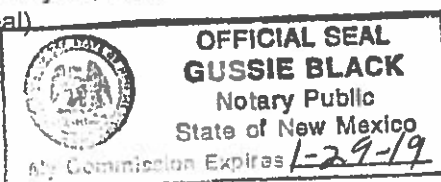
Sworn and subscribed to before me this
23rd day of January 2018.



Business Manager

My commission expires
January 29, 2019

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE January 23, 2018

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on February 8, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by January 29, 2018. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All offset owners and pooled parties, including:
Rohoel, Inc.

Case No. 15851 (re-opened): Application of Chisholm Energy Operating, LLC to Re-Open Case No. 15851 To Pool The Interests Of An Additional Mineral Owner Under The Terms Of Compulsory Pooling Order R-14539, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-14539 to include the pooling of an additional mineral interest in the Bone Spring formation underlying the W/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, in Lea County, New Mexico. Said unit is dedicated to the *Gazelle* 32 State Com 2BS No. 1H and is located 32 miles west of Hobbs, New Mexico.
#32440

67100754

00205982

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
January 23, 2018
and ending with the issue dated
January 23, 2018.



Publisher

Sworn and subscribed to before me this
23rd day of January 2018.

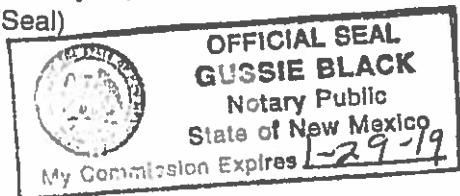


Business Manager

My commission expires

January 29, 2019

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE
January 28, 2018

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on February 8, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by January 29, 2018. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All offset owners and pooled parties, including: Rohoel, Inc.

Case No. 15852 (re-opened): Application of Chisholm Energy/Operating, LLC to Re-Open Case No. 15852 To Pool The Interests Of An Additional Mineral Owner Under The Terms Of Compulsory Pooling Order R-14540, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order R-14540 to include the pooling of an additional mineral interest in the Bone Spring formation underlying the E/2 W/2 of Section 32, Township 18 South, Range 33 East, NMPM, in Lea County, New Mexico. Said unit is dedicated to the Gazelle 32 State Com 2BS No. 2H and is located 32 miles west of Hobbs, New Mexico.
#32446

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HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208