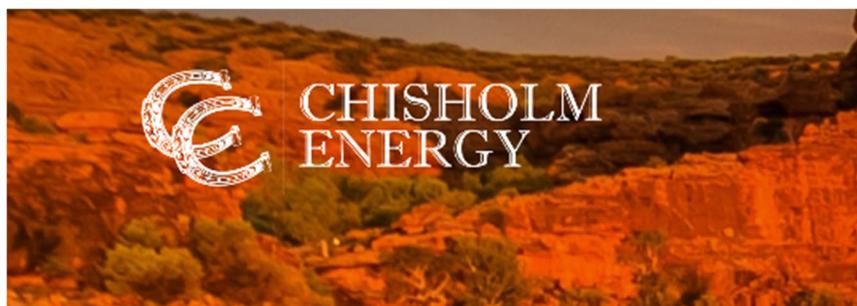


**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MAY 06, 2021**

CASE NOS. 21799-21800

*JADE 34-3 FED COM 2BS #5H WELL
JADE 34-3 FED COM 1BS #9H WELL
JADE 34-3 FED COM 2BS #6H WELL
JADE 34-3 FED COM 1BS #10H WELL*

LEA COUNTY, NEW MEXICO



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

**APPLICATIONS OF CHISHOLM ENERGY
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 21799, 21800

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

**APPLICATIONS OF CHISHOLM ENERGY
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 21799, 21800

AFFIDAVIT OF LUKE SHELTON, LANDMAN

Luke Shelton, of lawful age and being first duly sworn, declares as follows:

1. My name is Luke Shelton and I am employed by Chisholm Energy Operating, LLC (“Chisholm”) as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by Chisholm in these consolidated cases and I am familiar with the status of the lands in the subject areas.

4. I do not expect opposition to the presentation of these case by affidavits.

5. In these consolidated cases, Chisholm seeks orders pooling all uncommitted interests in the Bone Spring formation [Teas; Bone Spring (58960)] underlying two standard horizontal spacing units comprised of (1) the W/2 W/2 of Section 34, Township 19 South, Range 33 East and the W/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico, and (2) the E/2 W/2 of Section 34, Township 19 South, Range 33 East, and the E/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico.

- In **Case No. 21799**, Chisholm seeks to form and initially dedicate the W/2 W/2 of said Sections 34 and 3, comprising 320.12-acres, more or less, to (1) the **Jade 34-3 Fed**

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800**

Com 2BS #5H well to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of said Section 34 to a bottom hole location in the SW/4 SW/4 (Unit M) of said Section 3 and (2) the **Jade 34-3 Fed Com 1BS #9H well** to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of said Section 34 to a bottom hole location in the SW/4 SW/4 (Unit M) of said Section 3.

- In **Case No. 21800**, Chisholm seeks to form and initially dedicate the E/2 W/2 of said Sections 34 and 3, comprising 320.03-acre, more or less, to (1) the **Jade 34-3 Fed Com 2BS #6H well** and (2) the **Jade 34-3 Fed Com 1BS #10H well**, both of which are to be horizontally drilled from a common surface location in the NE/4 NW/4 (Unit C) of said Section 34 to bottom hole locations in the SE/4 SW/4 (Unit N) of said Section 3.

6. This acreage contains federal lands and no ownership depth severances exist in the Bone Spring formation underlying the subject acreage. There are no unleased mineral interest owners.

7. **Chisholm Exhibit A-1** contains Form C-102s for the proposed initial wells for each spacing unit. They reflect that each well will comply with the standard setback requirements for horizontal oil wells.

8. **Chisholm Exhibit A-2** identifies the tracts of lands comprising each proposed spacing units, the working interests in each tract and their respective percentage interest in the horizontal spacing unit. The working interest owners and the overriding royalty interest owners that remain to be pooled for each spacing unit are indicated in italics.

9. Chisholm has conducted a diligent search of company records, county records, telephone directories and conducted computer searches to locate the contact information for each of

the mineral owners that it seeks to pool. All of the pooled working interest owners have been located.

10. **Chisholm Exhibit A-3** contains a sample of the well proposal letters and AFE's Chisholm sent to the working interest owners. The costs reflected in each AFE are consistent with what Chisholm and other operators have incurred for drilling similar horizontal wells in this formation in this area.

11. **Chisholm Exhibit A-4** contains a chronology of the contacts with the uncommitted working interest owners. It reflects that Chisholm has made a good faith effort to obtain voluntary joinder of these owners in the proposed wells.

12. If Chisholm reaches an agreement with any of the parties Chisholm seeks to pool before the Division enters any order, I will let the Division know that Chisholm is no longer seeking to pool that party.

13. Chisholm seeks approval of overhead and administrative rates of \$7,500/month while drilling and \$750/month while producing. These rates are consistent with what Chisholm and other operators are charging in this area for these types of wells.

14. I provided the law firm of Holland & Hart LLP a list of names and addresses of the mineral owners that Chisholm seeks to pool and instructed that they be notified of this hearing.

15. **Chisholm Exhibits A-1 through A-4** were either prepared by me or compiled under my direction and supervision.

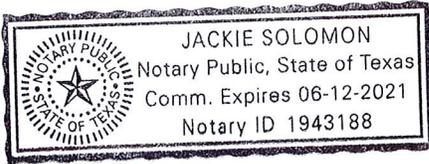
FURTHER AFFIANT SAYETH NOT.

Luke Shelton

LUKE SHELTON

STATE OF TEXAS)
)
COUNTY OF TARRANT)

SUBSCRIBED and SWORN to before me this 30th day of April 2021 by
Luke Shelton.



Jackie Solomon
NOTARY PUBLIC

My Commission Expires:

6-12-21

DISTRICT I
1825 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
1226 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit one copy to appropriate
District Office

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-45407	Pool Code 58960	Pool Name TEAS; BONE SPRING
Property Code	Property Name JADE 34-3 FED 2BS COM	Well Number 5H
OGRID No. 372137	Operator Name CHISHOLM ENERGY OPERATING, LLC	Elevation 3565'

Surface Location

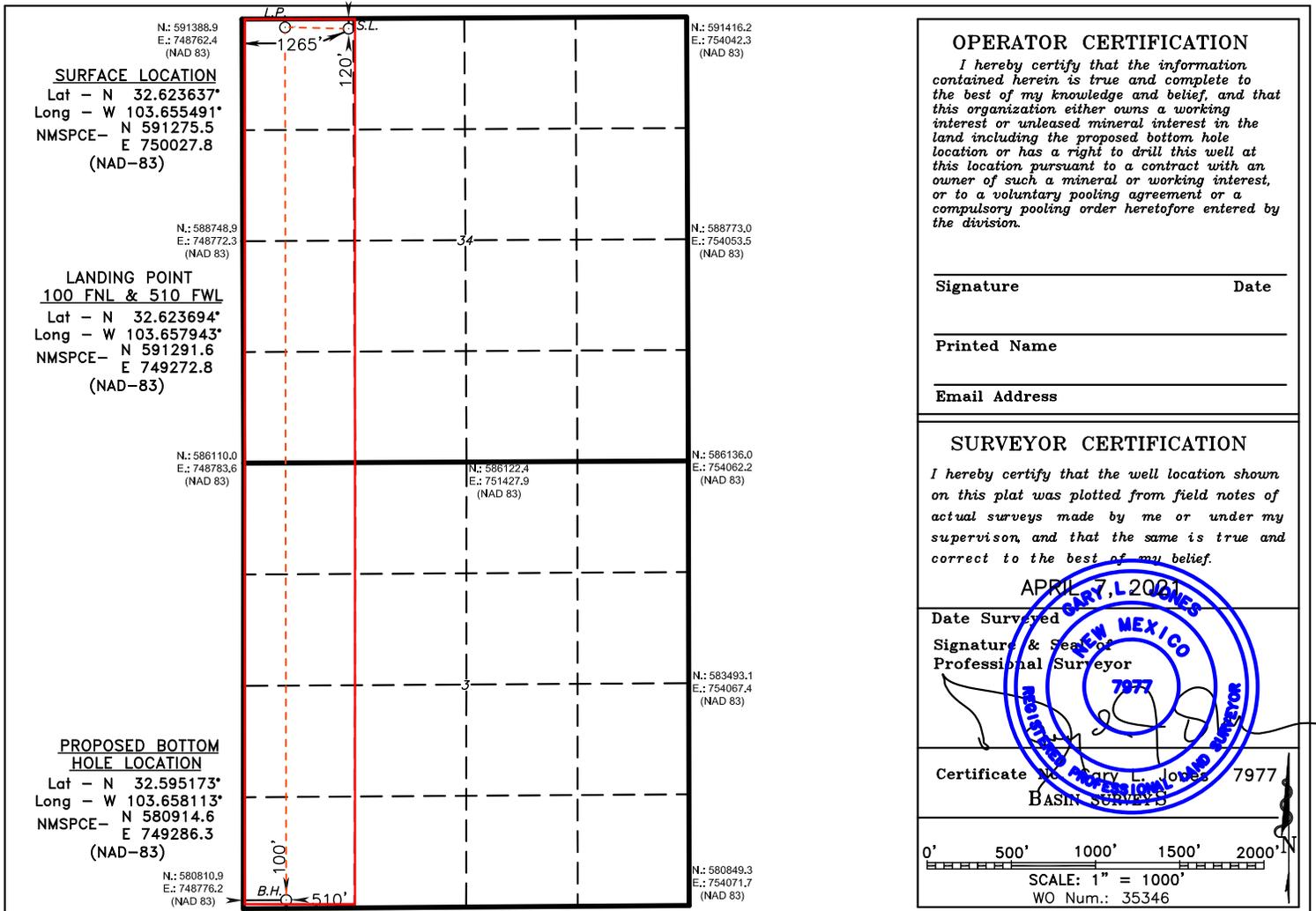
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
D	34	19 S	33 E		120	NORTH	1265	WEST	LEA

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
M	3	20 S	33 E		100	SOUTH	510	WEST	LEA

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

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.

Signature _____ Date _____

Printed Name _____

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.

APRIL 7, 2021

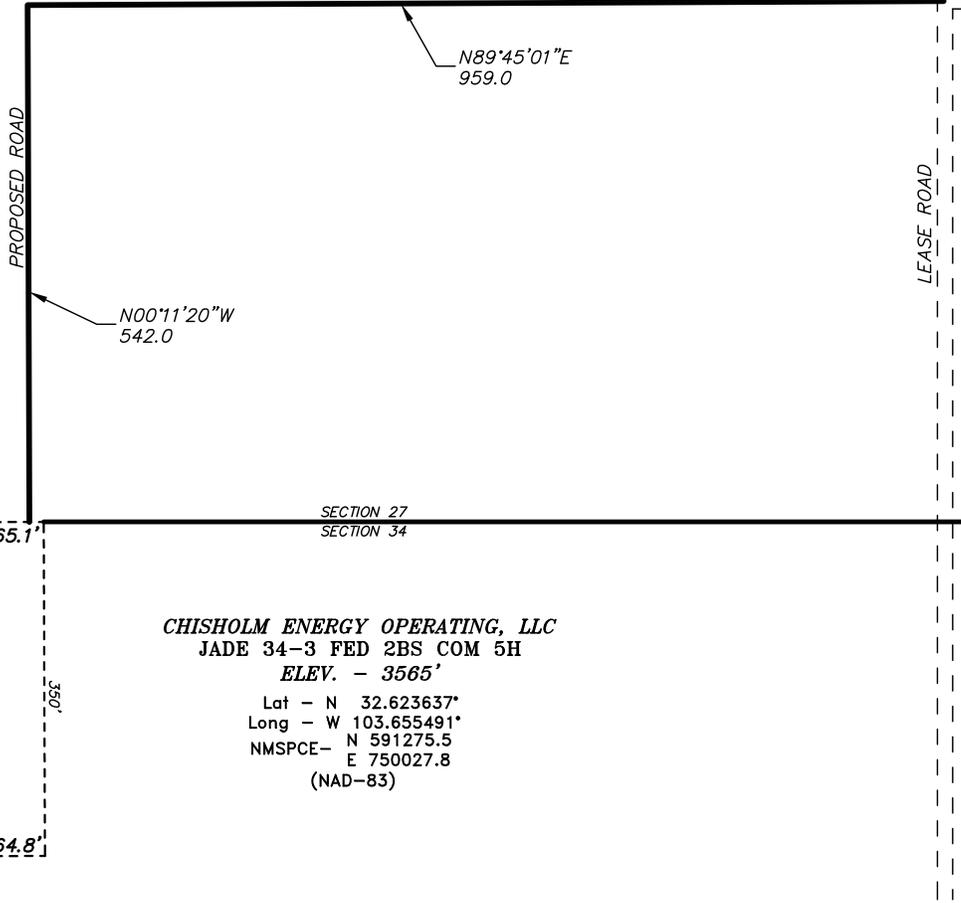
Date Surveyed _____

Signature & Seal of Professional Surveyor _____

Certificate No. 7977
BASIN SURVEYS

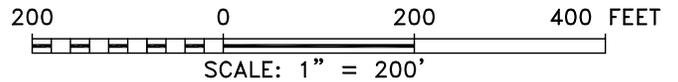
0' 500' 1000' 1500' 2000'
SCALE: 1" = 1000'
WO Num.: 35346

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



CHISHOLM ENERGY OPERATING, LLC
JADE 34-3 FED 2BS COM 5H
ELEV. - 3565'
 Lat - N 32.623637°
 Long - W 103.655491°
 NMSPE- N 591275.5
 E 750027.8
 (NAD-83)

MONUMENT, NM IS ±22 MILES TO THE EAST OF LOCATION.



Directions to Location:

EAST 0.4 MILES FROM MILE MARKER 74 ON US
 62-180 GO NORTH 3.0 MILES ON LEASE ROAD THEN
 WEST 0.4 MILES ON LEASE ROAD TO PROPOSED
 ROAD.



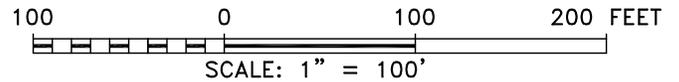
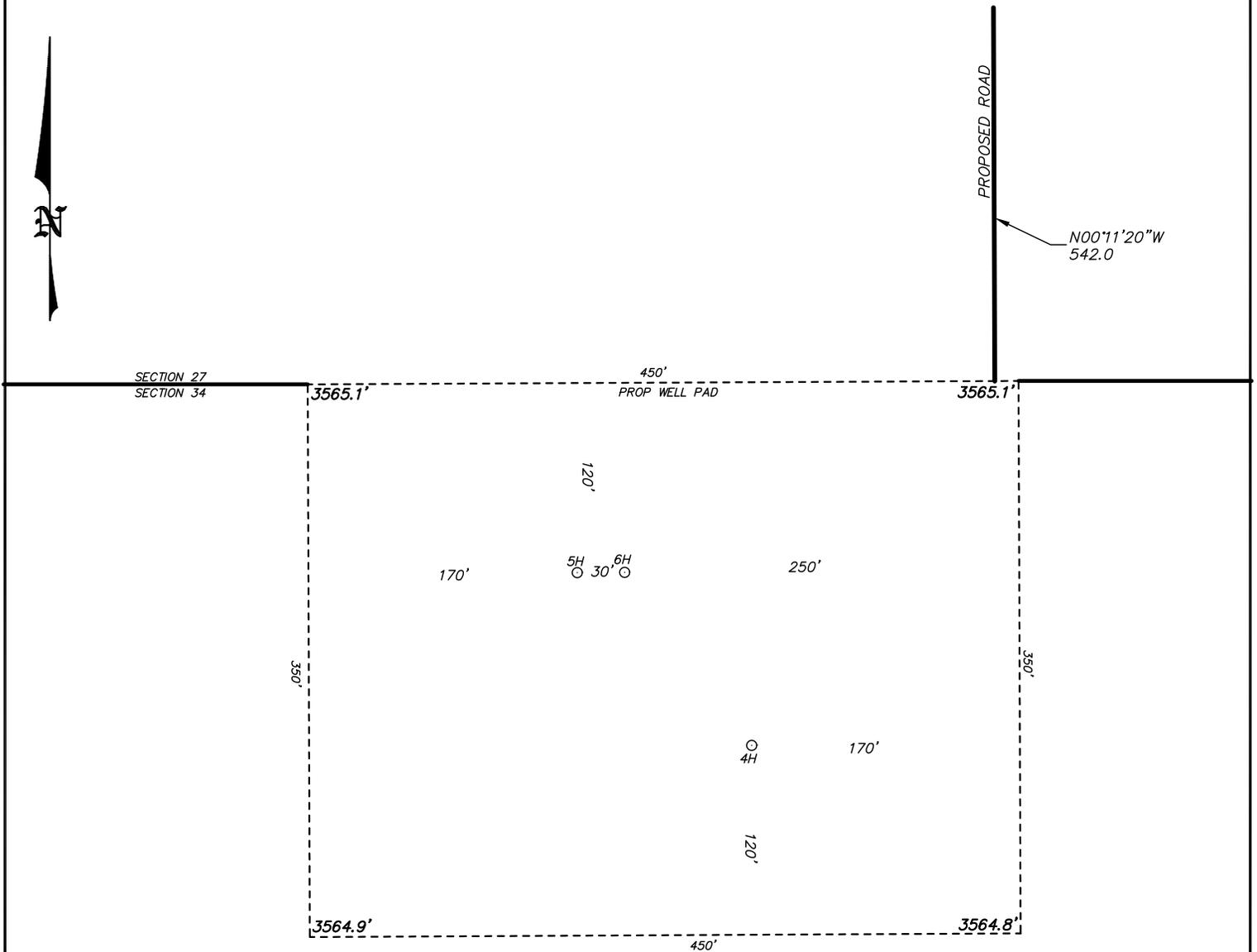
P.O. Box 1786 (575) 393-7316 - Office
 1120 N. West County Rd. (575) 392-2206 - Fax
 Hobbs, New Mexico 88241 basin-surveys.com

CHISHOLM ENERGY OPERATING, LLC

REF: JADE 34-3 FED 2BS COM #5H / WELL PAD TOPO

THE JADE 34-3 FED 2BS COM #5H LOCATED 120' FROM
 THE NORTH LINE AND 1265' FROM THE WEST LINE OF
 SECTION 34, TOWNSHIP 19 SOUTH, RANGE 33 EAST,
 N.M.P.M., LEA COUNTY, NEW MEXICO.

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



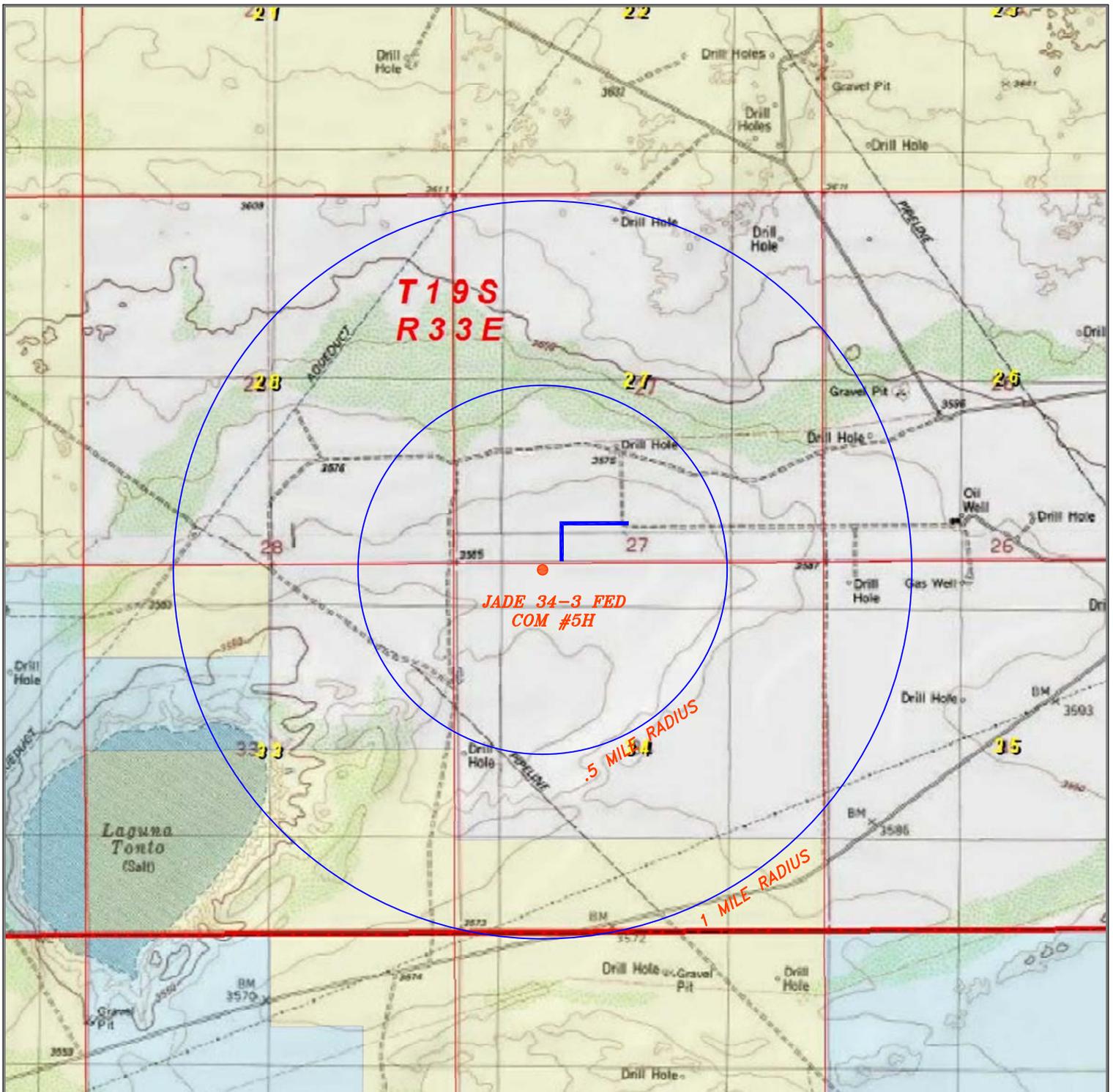
CHISHOLM ENERGY OPERATING, LLC

REF: JADE 34-3 FED 2BS COM #5H / WELL PAD TOPO

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N.M.P.M., LEA COUNTY, NEW MEXICO.



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



JADE 34-3 FED 2BS COM #5H

Located 120' FNL and 1265' FWL
 Section 34, Township 19 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



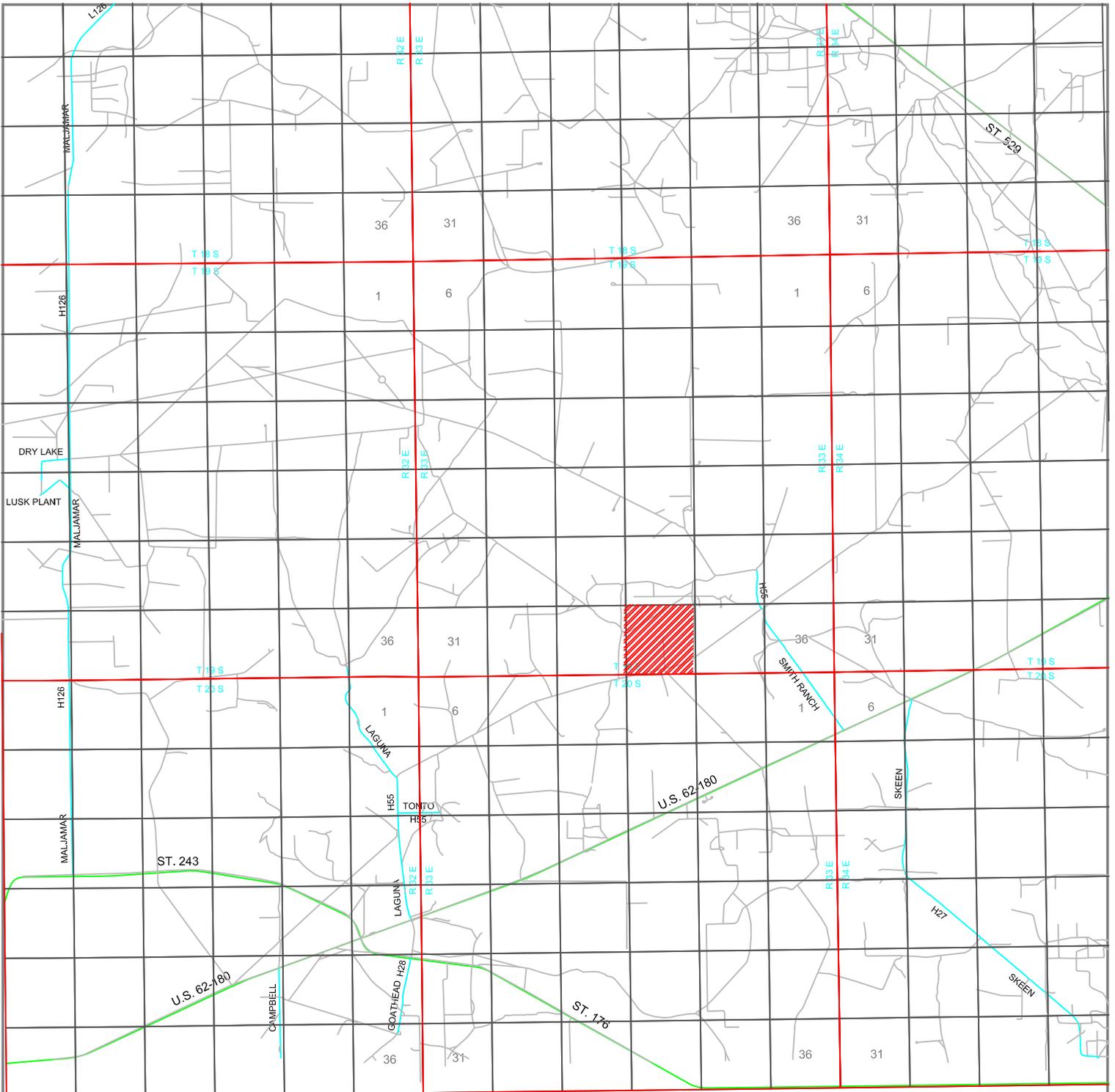
P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com



W.O. Number: 35347
 Survey Date: 04-05-2021
 YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



**CHISHOLM
 ENERGY
 OPERATING,
 LLC**

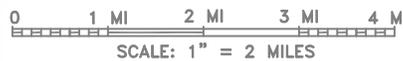


JADE 34-3 FED 2BS COM #5H

Located 120' FNL and 1265' FWL
 Section 34, Township 19 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



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 1120 N. West County Rd.
 Hobbs, New Mexico 88241
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**CHISHOLM
 ENERGY
 OPERATING,
 LLC**

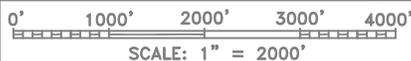


JADE 34-3 FED 2BS COM #5H

Located 120' FNL and 1265' FWL
 Section 34, Township 19 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



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W.O. Number: 35347
 Survey Date: 04-05-2021

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



**CHISHOLM
 ENERGY
 OPERATING,
 LLC**

1825 N. French Dr., Hobbs, NM 88240
 Phone (575) 393-8161 Fax: (575) 393-0720

State of New Mexico
 Energy, Minerals and Natural Resources Department

Revised August 1, 2011

DISTRICT II
 811 S. First St., Artesia, NM 88210
 Phone (505) 748-1288 Fax: (505) 748-9720

Submit one copy to appropriate
 District Office

OIL CONSERVATION DIVISION

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone (505) 334-6178 Fax: (505) 334-6170

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

DISTRICT IV
 1226 S. St. Francis Dr., Santa Fe, NM 87505
 Phone (505) 476-3480 Fax: (505) 476-3482

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-45408	Pool Code 58960	Pool Name TEAS; BONE SPRING
Property Code	Property Name JADE 34-3 FED 2BS COM	Well Number 6H
OGRID No. 372137	Operator Name CHISHOLM ENERGY OPERATING, LLC	Elevation 3565'

Surface Location

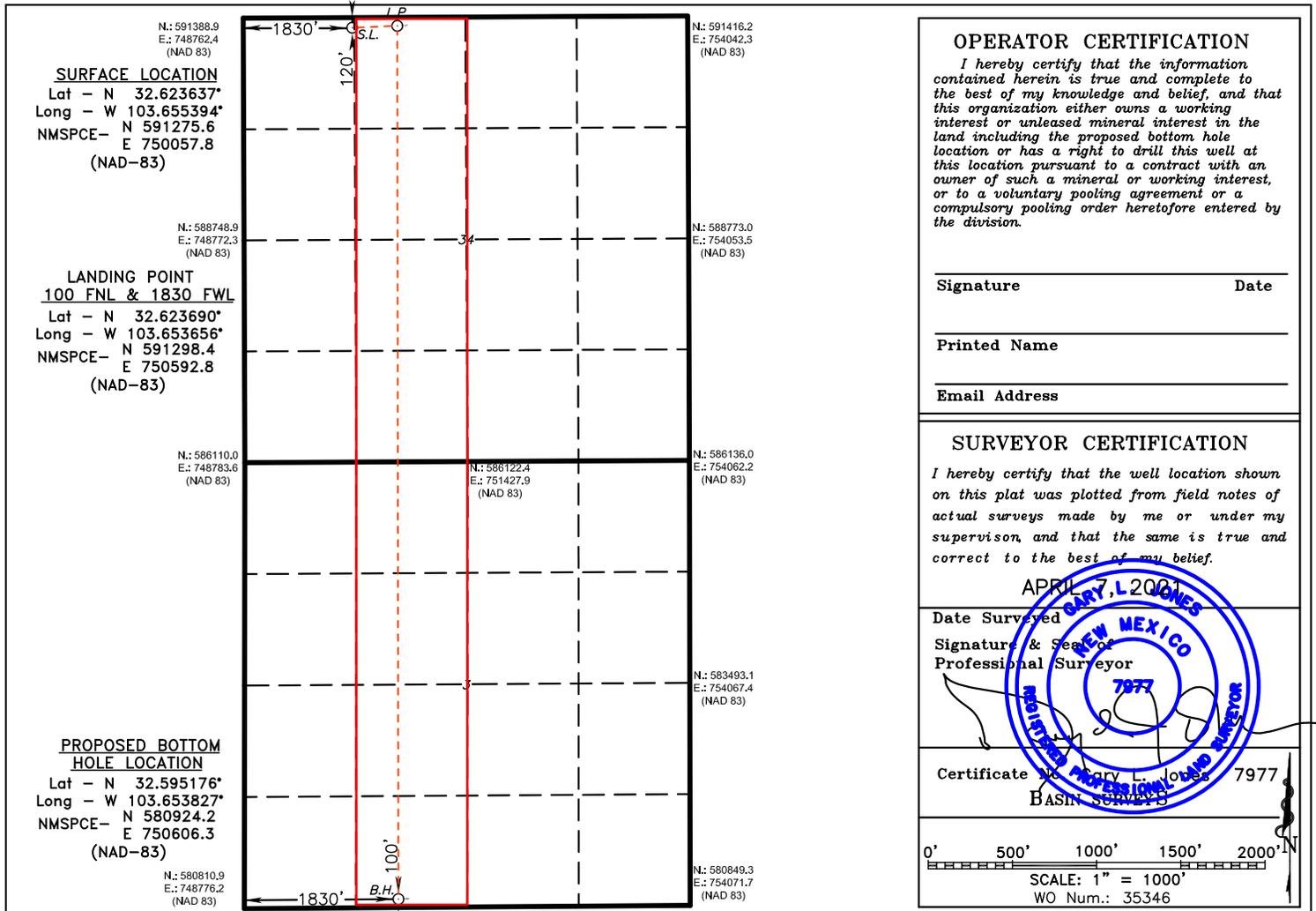
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
D	34	19 S	33 E		120	NORTH	1295	WEST	LEA

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
M	3	20 S	33 E		100	SOUTH	1830	WEST	LEA

Dedicated Acres 320.12	Joint or Infill	Consolidation Code	Order No.
---------------------------	-----------------	--------------------	-----------

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.

Signature _____ Date _____

Printed Name _____

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.

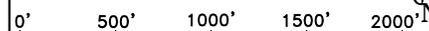
APRIL 2011

Date Surveyed _____

Signature & Seal of Professional Surveyor

Certificate No. 7977

BASIN SURVEYS



SCALE: 1" = 1000'

WO Num.: 35346

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 58960	³ Pool Name TEAS; BONE SPRING
⁴ Property Code	⁵ Property Name JADE 34-3 FED COM 1BS	
⁷ OGRID No. 372137	⁸ Operator Name CHISHOLM ENERGY OPERATING, LLC	
		⁶ Well Number 9H
		⁹ Elevation 3565

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	19 S	33 E		120	NORTH	1365	WEST	LEA

¹¹ 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
M	3	19 S	33 E		100	SOUTH	510	WEST	LEA

¹² Dedicated Acres 320.12	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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.

TOE PERF
LAT 32.6237
LONG -103.658
X 750013.4
Y 591262.8
NMSPCE - NAD 83

SURFACE LOCATION
LAT 32.6236018
LONG -103.6555386
X 749318.6
Y 591277.2
NMSPCE-NAD 83

KICK OFF POINT
LAT 32.6237
LONG -103.658
X 750013.4
Y 591262.8
NMSPCE - NAD 83

BOTTOM OF HOLE
LAT 32.5951686
LONG -103.6580890
X 749318.6
Y 591277.2
NMSPCE-NAD 83

HEEL PERF
LAT 32.5952
LONG -103.658
X 749293.6
Y 580932.9
NMSPCE - NAD 83

¹⁷ 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

Intent As Drilled

API #

Operator Name: CHISHOLM ENERGY OPERATING, LLC	Property Name: THUNDERBIRD 18-7 FED 1BS COM	Well Number 1H
---	---	--------------------------

Kick Off Point (KOP)

UL	Section 18	Township 19S	Range 33E	Lot 4	Feet 225	From N/S SOUTH	Feet 940	From E/W WEST	County LEA
Latitude 32.6536681					Longitude 103.7081113			NAD 83	

First Take Point (FTP)

UL	Section 18	Township 19S	Range 33E	Lot 4	Feet 100	From N/S SOUTH	Feet 400	From E/W WEST	County LEA
Latitude 32.6533279					Longitude 103.7098655			NAD 83	

Last Take Point (LTP)

UL	Section 7	Township 19S	Range 33E	Lot 1	Feet 100	From N/S NORTH	Feet 400	From E/W WEST	County LEA
Latitude 32.6818049					Longitude 103.7098963			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
----------------	----------------	-------------

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 58960	³ Pool Name TEAS; BONE SPRING
⁴ Property Code	⁵ Property Name JADE 34-3 FED COM 1BS	
⁷ OGRID No. 372137	⁸ Operator Name CHISHOLM ENERGY OPERATING, LLC	⁶ Well Number 10H ⁹ Elevation 3565

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	19 S	33 E		120	NORTH	1395	WEST	LEA

¹¹ 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
N	3	19 S	33 E		100	SOUTH	1830	WEST	LEA

¹² Dedicated Acres 320.12	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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.

The diagram shows a well path starting from a 'SURFACE LOCATION' (LAT 32.6236, LONG -103.655439) and ending at a 'BOTTOM OF HOLE' (LAT 32.5952, LONG -103.653806). The path is marked with 'FIRST TAKE POINT' and 'LAST TAKE POINT'. The well is located in Section 34, Township 19 S, Range 33 E. A dashed line indicates the well's vertical path through the section. The diagram also shows the 'KICK OFF POINT' and 'BOTTOM OF HOLE' with their respective coordinates. The well path is shown in red with arrows indicating the direction of drilling.

¹⁷ 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

Intent As Drilled

API #

Operator Name: CHISHOLM ENERGY OPERATING, LLC	Property Name: THUNDERBIRD 18-7 FED 1BS COM	Well Number 1H
---	---	--------------------------

Kick Off Point (KOP)

UL	Section 18	Township 19S	Range 33E	Lot 4	Feet 225	From N/S SOUTH	Feet 940	From E/W WEST	County LEA
Latitude 32.6536681					Longitude 103.7081113				NAD 83

First Take Point (FTP)

UL	Section 18	Township 19S	Range 33E	Lot 4	Feet 100	From N/S SOUTH	Feet 400	From E/W WEST	County LEA
Latitude 32.6533279					Longitude 103.7098655				NAD 83

Last Take Point (LTP)

UL	Section 7	Township 19S	Range 33E	Lot 1	Feet 100	From N/S NORTH	Feet 400	From E/W WEST	County LEA
Latitude 32.6818049					Longitude 103.7098963				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
----------------	----------------	-------------

JADE 34-3 FED COM 2BS #5H AND JADE 34-3 FED COM 1BS #9H
T19S-R33E-Section 34
T20S-R33E-Section 3
Lea County, NM

W2W2

Tract 1: W2 NW4 Section 34			
Tract 2: W2 SW4 Section 34			
Tract 3: Lot 4, SW4 NW4 Section 3			
Tract 4: NW4 SW4 Section 3			
Tract 5: SW4 SW4 Section 3			

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A2
Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800

Tract 1: W2 NW4, Section 34-T19S-R33E, 80 ac

CHISHOLM ENERGY AGENT, INC.	58.30%
DEVON ENERGY PRODUCTION, L.P.	12.00%
FR ENERGY, LLC	22.00%
TIMOTHY R. MACDONALD	0.15%
MAVERICK OIL & GAS CORPORATION	0.05%
MARATHON OIL PERMIAN, LLC	7.50%
Total:	100.00%

Tract 2: W2 SW4, Section 34-T19S-R33E, 80 ac

CHISHOLM ENERGY AGENT, INC.	29.05%
LEGACY RESERVES OPERATING, LP	29.25%
DEVON ENERGY PRODUCTION, L.P.	12.00%
FR ENERGY, LLC	22.00%
TIMOTHY R. MACDONALD	0.15%
MAVERICK OIL & GAS CORPORATION	0.05%
MARATHON OIL PERMIAN, LLC	7.50%
Total:	100.00%

Tract 3: Lot 4, SW4 NW4, Section 3-T20S-R33E, 80.12 ac

CHISHOLM ENERGY AGENT, INC.	51.39%
COG OPERATING LLC	30.00%
EOG RESOURCES, INC.	18.61%
Total:	100.00%

Tract 4: NW4 SW4, Section 3-T20S-R33E, 40 ac

CHISHOLM ENERGY AGENT, INC.	69.98%
COG OPERATING LLC	30.00%
TIMOTHY R. MACDONALD	0.01%
MAVERICK OIL & GAS CORPORATION	0.01%
Total:	100.00%

Tract 5: SW4 SW4, Section 3-T20S-R33E, 40 ac

COG OPERATING LLC	30.00%
SHACKLEFORD OIL COMPANY	28.00%
TAP ROCK RESOURCES, LLC	24.98%
MARSHALL & WINSTON, INC.	14.00%
MURCHISON OIL & GAS, LLC	2.32%
MEC PETROLEUM CORP.	0.70%
Total:	100.00%

UNIT RECAPITULATION

JADE 34-3 FED COM 2BS #5H AND JADE 34-3 FED COM 1BS #9H

T19S-R33E-Section 34

T20S-R33E-Section 3

Lea County, NM

320.12 ac

CHISHOLM ENERGY AGENT, INC.	43.44%
COG OPERATING LLC	15.01%
FR ENERGY, LLC	11.00%
LEGACY RESERVES OPERATING, LP	7.31%
DEVON ENERGY PRODUCTION, L.P.	6.00%
EOG RESOURCES, INC.	4.66%
MARATHON OIL PERMIAN, LLC	3.75%
SHACKLEFORD OIL COMPANY	3.50%
TAP ROCK RESOURCES, LLC	3.12%
MARSHALL & WINSTON, INC.	1.75%
MURCHISON OIL & GAS, LLC	0.29%
MEC PETROLEUM CORP.	0.09%
TIMOTHY R. MACDONALD	0.08%
MAVERICK OIL & GAS CORPORATION	0.03%
TOTAL:	100.00%

OVERRIDING ROYALTY INTERESTS:

W. B. STRANGE, MONCIA HAUFLER, AND CHERI FUTCH, CO-TRUSTEES OF THE CHARLES E. STRANGE 1976 TRUST NO. 1
WING RESOURCES IV, LLC
MARK T. MANNING

NEARBURG PRODUCING COMPANY FBO NEARBURG PRODUCING COMPANY EMPLOYEE FUND
BURLINGTON RESOURCES OIL & GAS COMPANY LP
MAP2004-OK
TECKLA OIL CO., LLC
NEARBURG EXPLORATION COMPANY, LLC
SES INVESTMENTS, LTD.
JAREED PARTNER, LTD.
PAUL R. BARWIS
KINGDOM INVESTMENTS, LIMITED
KIMBELL ROYALTY HOLDINGS, LLC
MICHAEL J. PETRAITIS
DARREN PRINTZ
PENWELL EMPLOYEE ROYALTY POOL
CORNERSTONE FAMILY TRUST DATED JUNE 9, 2006: JOHN KYLE THOMA, TRUSTEE
CROWNROCK MINERALS, LP
RAVE ENERGY, INC. D/B/A/GEP III
J.D. MURCHISON INTERESTS, INC.
RUSK CAPITAL MANAGEMENT, LLC
THE TAURUS ROYALTY, LLC
RAVE ENERGY, INC.
GEORGE VAUGHT, JR.

Interests seeking to Compulsory Pool

JADE 34-3 FED COM 2BS #6H AND JADE 34-3 FED COM 1BS #10H

T19S-R33E-Section 34

T20S-R33E-Section 3

Lea County, NM

E2W2

	Tract 1: E2 NW4 Section 34		
	Tract 2: E2 SW4 Section 34		
	Tract 3: Lot 3, Section 3		
	Tract 4: SE4 NW4 Section 3		
	Tract 5: NE4 SW4 Section 3		
	Tract 6: SE4 SW4 Section 3		

Tract 1: E2 NW4, Section 34-T19S-R33E, 80 ac

CHISHOLM ENERGY AGENT, INC.	58.30%
DEVON ENERGY PRODUCTION, L.P.	12.00%
FR ENERGY, LLC	22.00%
TIMOTHY R. MACDONALD	0.15%
MAVERICK OIL & GAS CORPORATION	0.05%
MARATHON OIL PERMIAN, LLC	7.50%
Total:	100.00%

Tract 2: E2 SW4, Section 34-T19S-R33E, 80 ac

CHISHOLM ENERGY AGENT, INC.	29.05%
LEGACY RESERVES OPERATING, LP	29.25%
DEVON ENERGY PRODUCTION, L.P.	12.00%
FR ENERGY, LLC	22.00%
TIMOTHY R. MACDONALD	0.15%
MAVERICK OIL & GAS CORPORATION	0.05%
MARATHON OIL PERMIAN, LLC	7.50%
Total:	100.00%

Tract 3: Lot 3, Section 3-T20S-R33E, 40.03 ac

CHISHOLM ENERGY AGENT, INC.	51.39%
COG OPERATING LLC	30.00%
EOG RESOURCES, INC.	18.61%
Total:	100.00%

Tract 4: SE4 NW4, Section 3-T20S-R33E, 40 ac

CHISHOLM ENERGY AGENT, INC.	51.39%
COG OPERATING LLC	30.00%
EOG RESOURCES, INC.	18.61%
Total:	100.00%

Tract 5: NE4 SW4, Section 3-T20S-R33E, 40 ac

<i>CHISHOLM ENERGY AGENT, INC.</i>	69.98%
<i>COG OPERATING LLC</i>	30.00%
<i>TIMOTHY R. MACDONALD</i>	0.01%
<i>MAVERICK OIL & GAS CORPORATION</i>	0.01%
Total:	100.00%

Tract 6: S4 SW4, Section 3-T20S-R33E, 40 ac

<i>COG OPERATING LLC</i>	30.00%
<i>SHACKLEFORD OIL COMPANY</i>	28.00%
<i>TAP ROCK RESOURCES, LLC</i>	24.98%
<i>MARSHALL & WINSTON, INC.</i>	14.00%
<i>MURCHISON OIL & GAS, LLC</i>	2.32%
<i>MEC PETROLEUM CORP.</i>	0.70%
Total:	100.00%

UNIT RECAPITULATION

JADE 34-3 FED COM 2BS #6H AND JADE 34-3 FED COM 1BS #10H

T19S-R33E-Section 34

T20S-R33E-Section 3

Lea County, NM

320.03 ac

CHISHOLM ENERGY AGENT, INC.	43.43%
COG OPERATING LLC	15.00%
FR ENERGY, LLC	11.00%
LEGACY RESERVES OPERATING, LP	7.31%
DEVON ENERGY PRODUCTION, L.P.	6.00%
EOG RESOURCES, INC.	4.65%
MARATHON OIL PERMIAN, LLC	3.75%
SHACKLEFORD OIL COMPANY	3.50%
TAP ROCK RESOURCES, LLC	3.12%
MARSHALL & WINSTON, INC.	1.75%
MURCHISON OIL & GAS, LLC	0.29%
MEC PETROLEUM CORP.	0.09%
TIMOTHY R. MACDONALD	0.08%
MAVERICK OIL & GAS CORPORATION	0.03%
TOTALS:	100.00%

OVERRIDING ROYALTY INTERESTS:

W. B. STRANGE, MONCIA HAUFLER, AND CHERI FUTCH, CO-TRUSTEES OF THE CHARLES E. STRANGE 1976 TRUST NO. 1
WING RESOURCES IV, LLC
MARK T. MANNING
NEARBURG PRODUCING COMPANY FBO NEARBURG PRODUCING COMPANY EMPLOYEE FUND
BURLINGTON RESOURCES OIL & GAS COMPANY LP
MAP2004-OK
TECKLA OIL CO., LLC
NEARBURG EXPLORATION COMPANY, LLC
JOHN K. MANNING
SES INVESTMENTS, LTD.
JAREED PARTNER, LTD.

PAUL R. BARWIS
KINGDOM INVESTMENTS, LIMITED
KIMBELL ROYALTY HOLDINGS, LLC
MICHAEL J. PETRAITIS
DARREN PRINTZ
PENWELL EMPLOYEE ROYALTY POOL
CORNERSTONE FAMILY TRUST DATED JUNE 9, 2006: JOHN KYLE THOMA, TRUSTEE
CROWNROCK MINERALS, LP
RAVE ENERGY, INC. D/B/A/GEP III
J.D. MURCHISON INTERESTS, INC.
RUSK CAPITAL MANAGEMENT, LLC
THE TAURUS ROYALTY, LLC
RAVE ENERGY, INC.
GEORGE VAUGHT, JR.

Interests seeking to Compulsory Pool



February 9, 2021

VIA CERTIFIED MAIL

COG OPERATING LLC

One Concho Center
600 W. Illinois Ave.
Midland, TX 79701

RE: Jade 34-3 Fed Com 2BS 5H
W/2 W/2, Section 34: T19S-R33E
W/2 W/2, Section 3: T20S-R33E
Lea County, New Mexico

To whom it may concern,

Chisholm Energy Operating, LLC ("Chisholm") hereby proposes the drilling of a horizontal 2nd Bone Spring well to TVD of approximately 10,140' and a MD of approximately 20,104'.

Approximate surface hole locations:

At a legal location in Unit C, Sec. 34-T19S-R33E

Approximate bottom hole locations:

At a legal location in Unit M, Sec. 3-T20S-R33E

Chisholm is proposing to drill this well under the terms of a modified 1989 AAPL form Operating Agreement covering the W/2 of Section 3, T20S-R33E and W/2 of Section 34, T19S-R33E, Lea Co., New Mexico. Said Operating Agreement will be made available for your review upon request and contains the following general provision.

- 100/300 Non-consenting penalty
- \$7,500/\$750 Drilling and Production Rate
- Chisholm Energy Operating, LLC named as Operator

Enclosed is our Authority for Expenditure ("AFEs").

Please indicate your election in the space provided below and return one copy of this letter to the undersigned. If you elect to participate under this well proposal, please sign and return one copy of the AFE.

Feel free to call or email me to further discuss our proposal.

Chisholm Energy Operating, LLC

Luke Shelton
Senior Landman
lshelton@chisholmenergy.com
817-953-0359

Enclosures

_____ Elect to participate in the drilling of the Jade 34-3 Fed Com 2BS 5H.

_____ Elect to farmout/assign our interest in the Jade 34-3 Fed Com 2BS 5H.

COG OPERATING LLC

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

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A3
Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800**



February 9, 2021

VIA CERTIFIED MAIL

COG OPERATING LLC

One Concho Center
600 W. Illinois Ave.
Midland, TX 79701

RE: Jade 34-3 Fed Com 2BS 6H
E/2 W/2, Section 34: T19S-R33E
E/2 W/2, Section 3: T20S-R33E
Lea County, New Mexico

To whom it may concern,

Chisholm Energy Operating, LLC ("Chisholm") hereby proposes the drilling of a horizontal 2nd Bone Spring well to TVD of approximately 10,140' and a MD of approximately 20,832'.

Approximate surface hole locations:

At a legal location in Unit C, Sec. 34-T19S-R33E

Approximate bottom hole locations:

At a legal location in Unit N, Sec. 3-T20S-R33E

Chisholm is proposing to drill this well under the terms of a modified 1989 AAPL form Operating Agreement covering the W/2 of Section 3, T20S-R33E and W/2 of Section 34, T19S-R33E, Lea Co., New Mexico. Said Operating Agreement will be made available for your review upon request and contains the following general provision.

- 100/300 Non-consenting penalty
- \$7,500/\$750 Drilling and Production Rate
- Chisholm Energy Operating, LLC named as Operator

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Please indicate your election in the space provided below and return one copy of this letter to the undersigned. If you elect to participate under this well proposal, please sign and return one copy of the AFE.

Feel free to call or email me to further discuss our proposal.

Chisholm Energy Operating, LLC

Luke Shelton
Senior Landman
lshelton@chisholmenergy.com
817-953-0359

Enclosures

_____ Elect to participate in the drilling of the Jade 34-3 Fed Com 2BS 6H.

_____ Elect to farmout/assign our interest in the Jade 34-3 Fed Com 2BS 6H.

COG OPERATING LLC

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



February 9, 2021

VIA CERTIFIED MAIL

COG OPERATING LLC

One Concho Center
600 W. Illinois Ave.
Midland, TX 79701

RE: Jade 34-3 Fed Com 1BS 9H
W/2 W/2, Section 34: T19S-R33E
W/2 W/2, Section 3: T20S-R33E
Lea County, New Mexico

To whom it may concern,

Chisholm Energy Operating, LLC ("Chisholm") hereby proposes the drilling of a horizontal 1st Bone Spring well to TVD of approximately 9,246' and a MD of approximately 19,200'.

Approximate surface hole locations:

At a legal location in Unit D, Sec. 34-T19S-R33E

Approximate bottom hole locations:

At a legal location in Unit M, Sec. 3-T20S-R33E

Chisholm is proposing to drill this well under the terms of a modified 1989 AAPL form Operating Agreement covering the W/2 of Section 3, T20S-R33E and W/2 of Section 34, T19S-R33E, Lea Co., New Mexico. Said Operating Agreement will be made available for your review upon request and contains the following general provision.

- 100/300 Non-consenting penalty
- \$7,500/\$750 Drilling and Production Rate
- Chisholm Energy Operating, LLC named as Operator

Enclosed is our Authority for Expenditure ("AFEs").

Please indicate your election in the space provided below and return one copy of this letter to the undersigned. If you elect to participate under this well proposal, please sign and return one copy of the AFE.

Feel free to call or email me to further discuss our proposal.

Chisholm Energy Operating, LLC

Luke Shelton
Senior Landman
lshelton@chisholmenergy.com
817-953-0359

Enclosures

_____ Elect to participate in the drilling of the Jade 34-3 Fed Com 1BS 9H.

_____ Elect to farmout/assign our interest in the Jade 34-3 Fed Com 1BS 9H.

COG OPERATING LLC

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



February 9, 2021

VIA CERTIFIED MAIL

COG OPERATING LLC
One Concho Center
600 W. Illinois Ave.
Midland, TX 79701

RE: Jade 34-3 Fed Com 1BS 10H
E/2 W/2, Section 34: T19S-R33E
E/2 W/2, Section 3: T20S-R33E
Lea County, New Mexico

To whom it may concern,

Chisholm Energy Operating, LLC ("Chisholm") hereby proposes the drilling of a horizontal 1st Bone Spring well to TVD of approximately 9,246' and a MD of approximately 19,200'.

Approximate surface hole locations:

At a legal location in Unit C, Sec. 34-T19S-R33E

Approximate bottom hole locations:

At a legal location in Unit N, Sec. 3-T20S-R33E

Chisholm is proposing to drill this well under the terms of a modified 1989 AAPL form Operating Agreement covering the W/2 of Section 3, T20S-R33E and W/2 of Section 34, T19S-R33E, Lea Co., New Mexico. Said Operating Agreement will be made available for your review upon request and contains the following general provision.

- 100/300 Non-consenting penalty
- \$7,500/\$750 Drilling and Production Rate
- Chisholm Energy Operating, LLC named as Operator

Enclosed is our Authority for Expenditure ("AFEs").

Please indicate your election in the space provided below and return one copy of this letter to the undersigned. If you elect to participate under this well proposal, please sign and return one copy of the AFE.

Feel free to call or email me to further discuss our proposal.

Chisholm Energy Operating, LLC

Luke Shelton
Senior Landman
lshelton@chisholmenergy.com
817-953-0359

Enclosures

_____ Elect to participate in the drilling of the Jade 34-3 Fed Com 1BS 10H.

_____ Elect to farmout/assign our interest in the Jade 34-3 Fed Com 1BS 10H.

COG OPERATING LLC

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

#	Name	Address	Attention	Proposal Date	Tracking Number	Green Card Received	Contact	Comments	WI
1	COG OPERATING LLC/CONOCO PHILLIPS	One Concho Center 600 W. Illinois Ave. Midland, TX 79701	Attn: Outside Operated Properties	2/9/21	7018 1830 0001 3777 7989	2/22/21	Baylor Mitchell baylor.mitchell@conocophillips.com 432-253-9745	2/22/21-Email from Baylor Mitchell at COP requesting WI/NRI 3/20/21-Sent JOA by request	0.15005623
2	FR ENERGY, LLC	2 Greenway Plaza Houston, TX 77046	Attn: Land Department	2/9/21	7018 1830 0001 3777 8016	2/13/21	Vanessa Peace vpeace@fortunaresourcesllc.com 281-404-4441	2/23/21-Email from Vanessa Peace requesting WI/NRI 3/2/21-Elected to Participate- No JOA 3/2/21-Sent JOA	0.10995877
3	LEGACY RESERVES OPERATING, LP	P.O. Box 207418 Dallas, TX 75320-7418	Attn: Land Department	2/9/21	7018 1830 0001 3777 8023	2/12/21	Michael Owen mowen@legacyservices.com 432-689-5208	2/26/21- Email requesting info, new management may want to trade out 3/3/21- Executed CA regarding shape exchange for trade purposes Multiple trades options in review	0.07309759
4	DEVON ENERGY PRODUCTION, L.P.	333 West Sheridan Oklahoma City, OK 73102-5015	Attn: Land Department	2/9/21	7018 1830 0001 3777 8047	2/11/21	Kirby Foster Hurd kirby.fosterhurd@dmv.com	2/17/21-Email from Kirby Foster Hurd requesting WI/NRI and FO offer, made offer to purchase	0.05997751
5	EOG RESOURCES, INC.	P.O. Box 2267 Midland, TX 79702	Attn: Land Department	2/9/21	7018 1830 0001 3777 8078	2/11/21	Chris Leyendecker chris_leyendecker@egoresources.com 432-686-3673	2/11/21-Email from Chris Leyendecker with multiple questions, curious about JOA, I requested Phil to review 3/22- Would like to trade out, involving Hanson 13 Trade under review by EOG	0.04657982
6	MARATHON OIL PERMIAN, LLC	5555 San Felipe Houston, TX 77056	Attn: Land Department	2/9/21	7018 1830 0001 3777 8054	2/22/21		No response	0.03748594
7	SHACKLEFORD OIL COMPANY	11417 W. County Rd. 33 Midland, TX 79707	Attn: Land Department	3/1/21	7018 1830 0001 3777 7811		Brady Shackelford bradyshackelford@sbglobal.net	4/16-Phone conversation and proposals and notices sent, updated address	0.03498688
8	TAP ROCK RESOURCES, LLC	523 Park Point Drive, Ste. 200 Golden, CO 80401	Attn: Land Department	2/9/21	7018 1830 0001 3777 8108	2/13/21	Erica Hixson ehixson@taprock.com 720-460-3316	2/17/21-Email from Erica Hixson with multiple requests 3/19- Would like to explore a trade 3/29- No great trade options, made offer to purchase	0.03121267
9	MARSHALL & WINSTON, INC.	P.O. Box 50880 Midland, TX 79710	Attn: Land Department	2/9/21	7018 1830 0001 3777 8061	2/11/21	Omar Sanchez osanchez@mar-win.com 432-684-7373	3/3-Verified interest, reviewing further 3/8- Election to participate, no JOA	0.01749344
10	MURCHISON OIL & GAS, LLC.	7250 Dallas Pkwy, Ste. 1400 Plano, TX 75024	Attn: Land Department	2/9/21	7018 1830 0001 3777 8085	2/11/21	Eric S. Buddenbohn ebuddenbohn@dmil.com 469-573-6448	3/24-Elected to Participate, No JOA yet	0.00289954
11	MEC PETROLEUM CORP.	P.O. Box 11265 Midland, TX 79702		2/9/21	7018 1830 0001 3777 7996	2/16/21	Gary Causey gcausey@rocketmail.com 432-686-1059	2/19/21-Email/Phone with Gary Causey requesting WI/NRI, etc. 2/23/21-Email from Gary Causey with questions, requested signed CEH signature pages for JOA	0.00087467
12	TIMOTHY R. MACDONALD	3003 Paleo Point College Station, TX 77845		2/9/21	7018 1830 0001 3777 8009	2/11/21		3/3/21-Non-Consent	0.00075497
13	MAVERICK OIL & GAS CORPORATION	1001 W. Wall Street Midland, TX 79701-3383		2/9/21	7018 1830 0001 3777 8030	2/19/21		No response	0.00025687

5H and 9H- W2 WZ
CHISHOLM ENERGY AGENT, INC.
TOTAL:
0.56658490
0.43436510
1.00095000

#	Name	Address	Attention	Proposal Date	Tracking Number	Green Card Received	Contact	Comments	WI
1	COG OPERATING LLC	One Concho Center 600 W. Illinois Ave. Midland, TX 79701	Attn: Outside Operated Properties	2/9/21	7018 1830 0001 3777 7989		Baylor Mitchell baylor.mitchell@conocophillips.com 432-253-9745	2/22/21-Email from Baylor Mitchell at COP requesting WI/NRI 3/20/21-Sent JOA by request	0.15001406
2	FR ENERGY, LLC	2 Greenway Plaza Houston, TX 77046	Attn: Land Department	2/9/21	7018 1830 0001 3777 8016	2/13/21	Vanessa Peace vpeace@fortunaresourcesllc.com 281-404-4441	2/23/21-Email from Vanessa Peace requesting WI/NRI 3/2/21-Elected to Participate- No JOA 3/2/21-Sent JOA	0.10998969
3	LEGACY RESERVES OPERATING, LP	P.O. Box 207418 Dallas, TX 75320-7418	Attn: Land Department	2/9/21	7018 1830 0001 3777 8023	2/12/21	Michael Owen mowen@legacyservices.com 432-689-5208	2/26/21- Email requesting info, new management may want to trade out 3/3/21- Executed CA regarding shape exchange for trade purposes Multiple trades options in review	0.07311815
4	DEVON ENERGY PRODUCTION, L.P.	333 West Sheridan Oklahoma City, OK 73102-5015	Attn: Land Department	2/9/21	7018 1830 0001 3777 8047	2/11/21	Kirby Foster Hurd kirby.fosterhurd@dmv.com	2/17/21-Email from Kirby Foster Hurd requesting WI/NRI and FO offer, made offer to purchase	0.05999438
5	EOG RESOURCES, INC.	P.O. Box 2267 Midland, TX 79702	Attn: Land Department	2/9/21	7018 1830 0001 3777 8078	2/11/21	Chris Leyendecker chris_leyendecker@egoresources.com 432-686-3673	2/11/21-Email from Chris Leyendecker with multiple questions, curious about JOA, I requested Phil to review 3/22- Would like to trade out, involving Hanson 13 Trade under review by EOG	0.04654058
6	MARATHON OIL PERMIAN, LLC	5555 San Felipe Houston, TX 77056	Attn: Land Department	2/9/21	7018 1830 0001 3777 8054	2/22/21		No response	0.03749648
7	SHACKLEFORD OIL COMPANY	11417 W. County Rd. 33 Midland, TX 79707	Attn: Land Department	3/1/21	7018 1830 0001 3777 7811			4/16-Phone conversation and proposals and notices sent, updated address	0.03499672
8	TAP ROCK RESOURCES, LLC	523 Park Point Drive, Ste. 200 Golden, CO 80401	Attn: Land Department	2/9/21	7018 1830 0001 3777 8108	2/13/21	Erica Hixson ehixson@taprock.com 720-460-3316	2/17/21-Email from Erica Hixson with multiple requests 3/19- Would like to explore a trade 3/29- No great trade options, made offer to purchase	0.03122145
9	MARSHALL & WINSTON, INC.	P.O. Box 50880 Midland, TX 79710	Attn: Land Department	2/9/21	7018 1830 0001 3777 8061	2/11/21	Omar Sanchez osanchez@mar-win.com 432-684-7373	3/3-Verified interest, reviewing further 3/8- Election to participate, no JOA	0.01749836
10	MURCHISON OIL & GAS, LLC.	7250 Dallas Pkwy, Ste. 1400 Plano, TX 75024	Attn: Land Department	2/9/21	7018 1830 0001 3777 8085	2/11/21	Eric S. Buddenbohn ebuddenbohn@dmil.com 469-573-6448	3/24-Elected to Participate, No JOA yet	0.00290035
11	MEC PETROLEUM CORP.	P.O. Box 11265 Midland, TX 79702		2/9/21	7018 1830 0001 3777 7996	2/16/21	Gary Causey gcausey@rocketmail.com 432-686-1059	2/19/21-Email/Phone with Gary Causey requesting WI/NRI, etc. 2/23/21-Email from Gary Causey with questions, requested signed CEH signature pages for JOA	0.00087492
12	TIMOTHY R. MACDONALD	3003 Paleo Point College Station, TX 77845		2/9/21	7018 1830 0001 3777 8009	2/11/21		3/3/21-Non-Consent	0.00075518
13	MAVERICK OIL & GAS CORPORATION	1001 W. Wall Street Midland, TX 79701-3383		2/9/21	7018 1830 0001 3777 8030	2/19/21		No response	0.00025695

5H and 10H- E2 WZ
CHISHOLM ENERGY AGENT, INC.
TOTAL:
0.56657326
0.43434274
1.00091600

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A4
Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800

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

**APPLICATIONS OF CHISHOLM ENERGY
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 21799, 21800

AFFIDAVIT OF JOSH KUHN

Josh Kuhn, of lawful age and being first duly sworn, declares as follows:

1. My name is Josh Kuhn. I work for Chisholm Energy Operating, LLC (“Chisholm”) as a Geologist.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by Chisholm in these cases, and I have conducted a geologic study of the lands in the subject areas.

4. In **Case Nos. 21799 and 21800**, Chisholm is targeting the Bone Spring formation.

5. **Chisholm Exhibit D-1** shows project location maps depicting the sections comprising the proposed standard horizontal spacing units in these cases in relation to the surrounding area. The first map shows the proposed locations for the **Jade 34-3 Fed Com 1BS #9H and #10H wells**, which will target the First Bone Spring interval within the formation. The second map shows the proposed locations for the **Jade 34-3 Fed Com 2BS #5H and #6H wells**, which will target the Second Bone Spring zone within the formation.

6. **Chisholm Exhibit D-2** is a subsea structure map that I prepared on the top of the First Bone Spring Sandstone. Within Sections 34 and 3, dashed lines reflect the approximate paths

of the proposed wellbores within each proposed spacing unit for the Jade 34-3 Fed Com 1BS #9H well and the Jade 34-3 Fed Com 1BS #10H that will target this interval. The contour interval is 50 feet. The structure map shows that the targeted interval is dipping gently to the southeast. The structure appears consistent in this section. I do not observe any faulting, pinchouts, or other geologic hazards to developing a horizontal well.

7. **Chisholm Exhibit D-3** is a subsea structure map that I prepared on the top of the Second Bone Spring Sandstone. Within Sections 34 and 3, dashed lines reflect the approximate paths of the proposed wellbores within each proposed spacing unit for the Jade 34-3 Fed Com 2BS #5H well and the Jade 34-3 Fed Com 2BS #6H well that will target this interval. The contour interval is 50 feet. The structure map shows that the targeted interval is dipping gently to the southeast. The structure appears consistent in this section. I do not observe any faulting, pinchouts, or other geologic hazards to developing a horizontal well.

8. **Chisholm Exhibits D-2** shows the location of four wells that were also used to construct a cross-section, depicted by the blue line from B to B', highlighting the First Bone Spring Sandstone. I consider these wells to be representative of the geology of the area.

9. Similarly, **Chisholm Exhibits D-3** also shows the location of the same four wells that were used to construct a cross-section, depicted by the blue line from A to A', highlighting the Second Bone Spring Sandstone. I consider these wells to be representative of the geology of the area.

10. **Chisholm Exhibit D-4** is a stratigraphic cross section prepared by me for the four representative wells from B to B' highlighting the First Bone Spring Sandstone. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed targeted interval for the wells in the First Bone Spring Sandstone is labeled and depicted with a green shading. The logs in

the cross-section demonstrate that the targeted interval is consistent in thickness, across the entire spacing unit.

11. **Chisholm Exhibit D-5** is a stratigraphic cross section prepared by me for the same four wells from A to A' highlighting the Second Bone Spring Sandstone. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed targeted interval for the wells in the Second Bone Spring Sandstone is labeled and depicted with a green shading. The logs in the cross-section demonstrate that the targeted interval is consistent in thickness, across the entire spacing unit.

12. Based on my geologic study, I have not identified any geologic impediments to drilling horizontal wells in the area.

13. In my opinion, each tract comprising the proposed spacing unit will be productive and contribute more-or-less equally to production from the wellbore.

14. In my opinion, the stand-up orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.

15. In my opinion, the granting of Chisholm application in this case is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

16. **Chisholm Exhibits D-1 through D-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.



JOSH KUHN

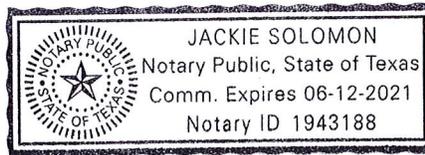
STATE OF TEXAS)
)
COUNTY OF TARRANT)

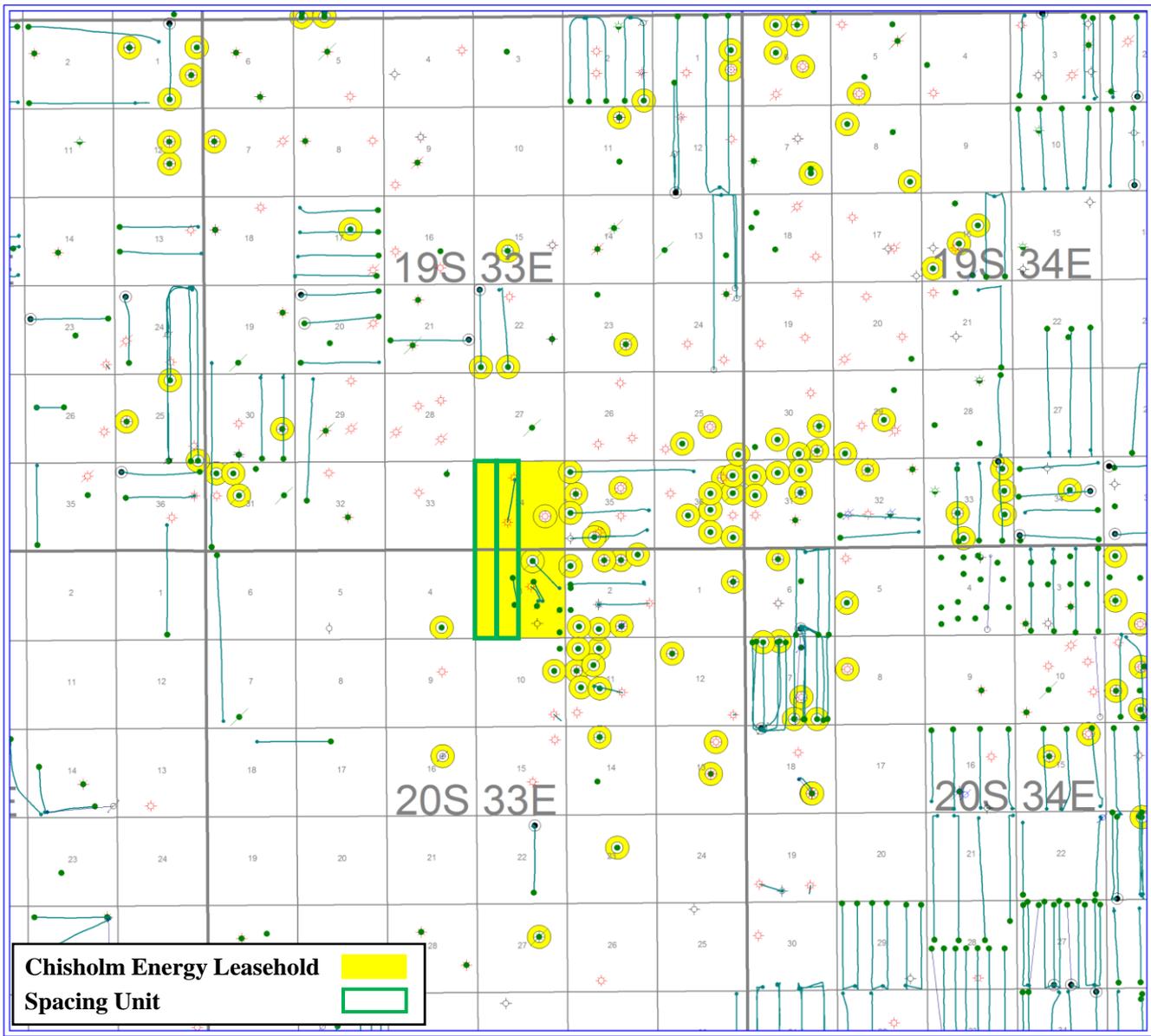
SUBSCRIBED and SWORN to before me this 30th day of April 2021 by Josh Kuhn.



NOTARY PUBLIC

My Commission Expires:





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B1
Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800

Lea County, NM	
Jade Prospect	
S34 / T19S / R33E & S3 / T20S / R33E	
Project Locator Map	
ATTRIBUTE MAP 1ST BONE SPRING SS PRODUCER	
REMARKS Wells > 8,000 ft	
By: Joshua Kuhn	

Chisholm Energy Leasehold

Spacing Unit

N

S

**CHISHOLM
JADE '34' FEDERAL C**



34648

**CHISHOLM
JADE 34 FEDERAL COM**



36820

**CHISHOLM
VIPER '3' FEDERAL**



34543

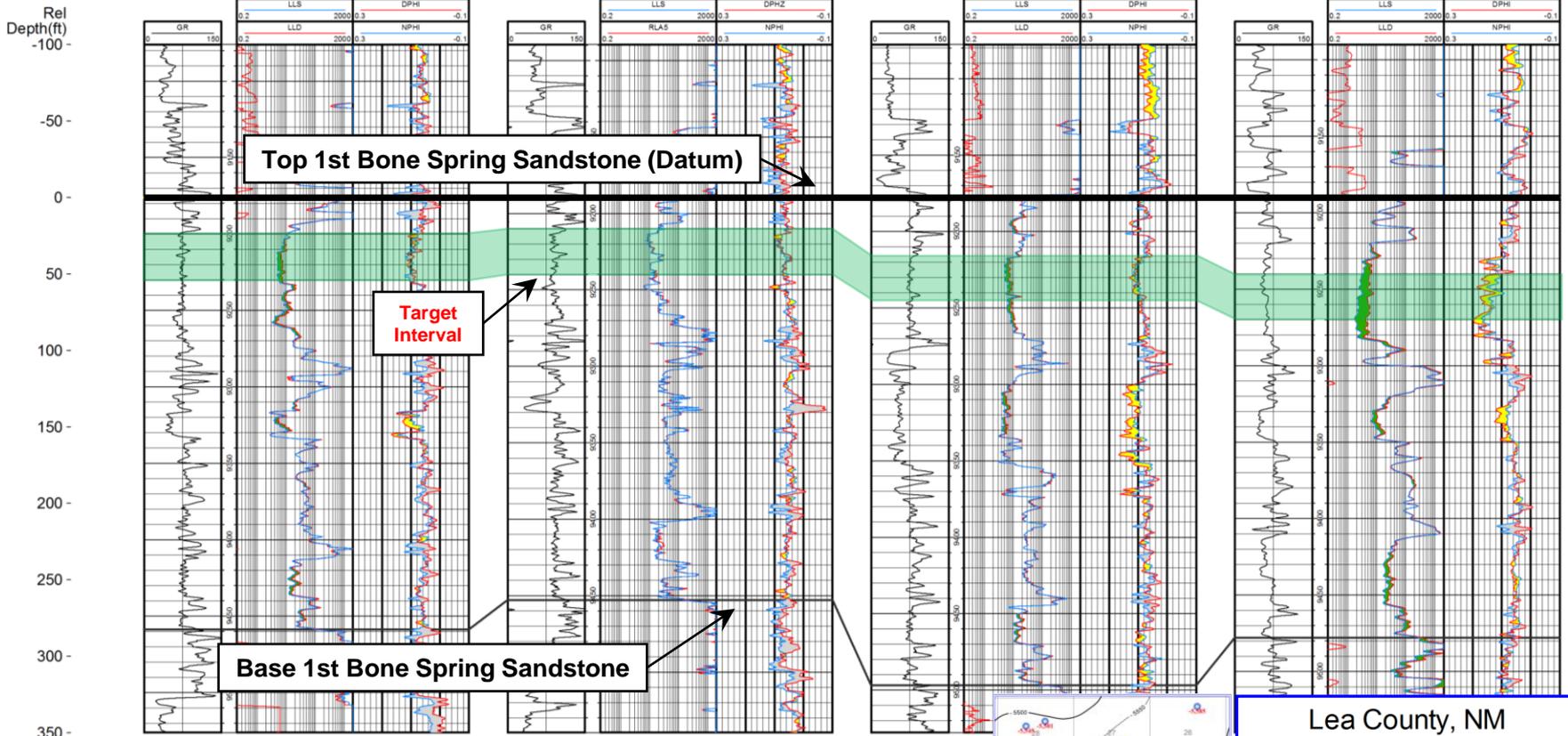
**MITCHELL
SCHARBAUER '4'**



31857

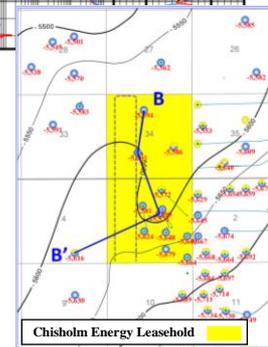
B

B'

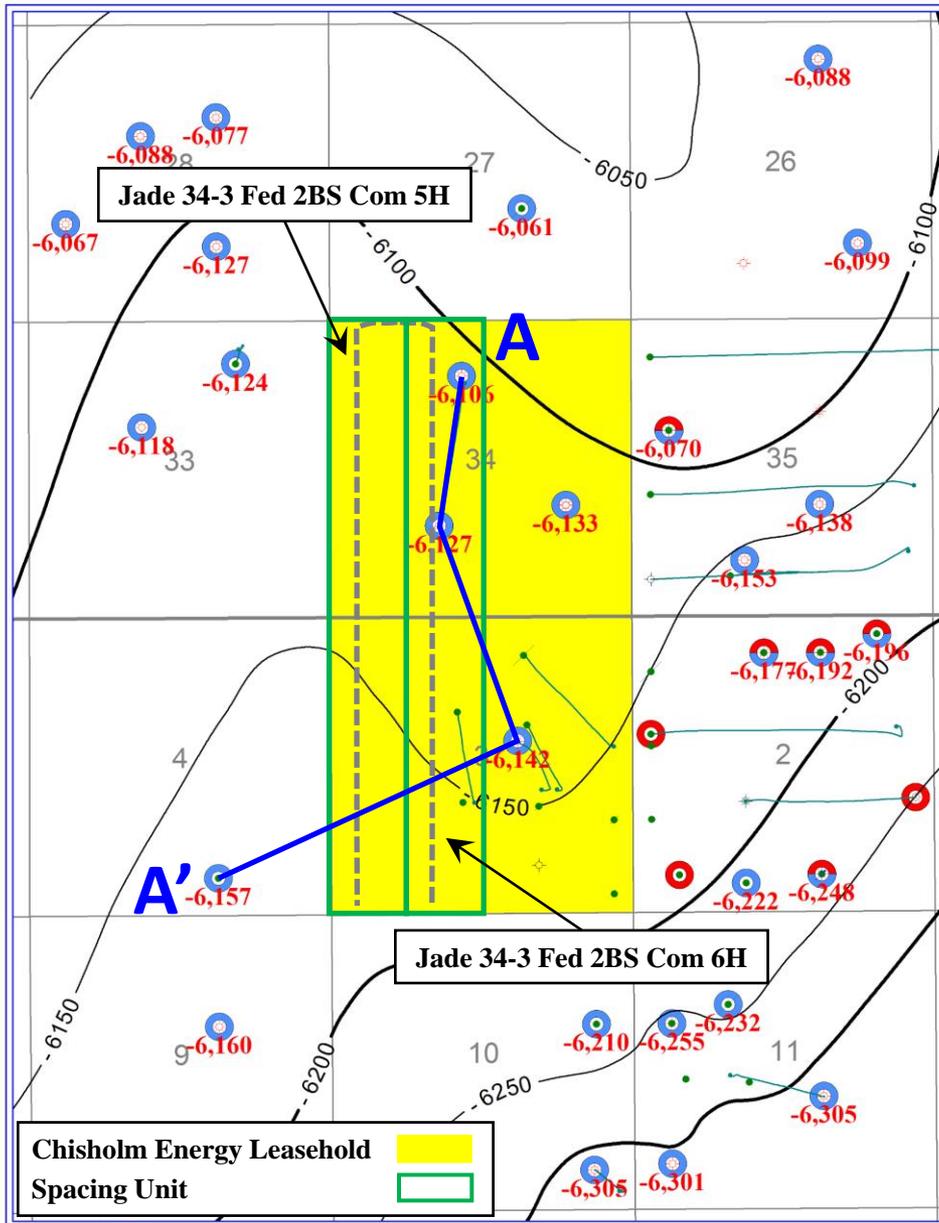


**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B3**

**Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800**



Lea County, NM	
Jade Prospect	
S34 / T19S / R33E & S3 / T20S / R33E	
1st Bone Spring Sandstone	
Stratigraphic Cross Section (B-B')	
Operator	Well Name
● Well Number	API Series
By: Joshua Kuhn	



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B4
 Submitted by: Chisholm Energy Operating, LLC
 Hearing Date: May 06, 2021
 Case Nos. 21799-21800

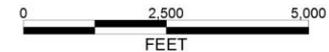
Lea County, NM

Jade Prospect

S34 / T19S / R33E & S3 / T20S / R33E

Top 2nd Bone Spring Sandstone

Subsea Structure Map



- ATTRIBUTE MAP
- 2ND BONE SPRING SS PRODUCER
 - TOP 2ND BONE SPRING SS PICK

REMARKS
 Contour Interval: 50 ft
 Wells > 8,000 ft

By: Joshua Kuhn

N

S

CHISHOLM
JADE '34' FEDERAL C



CHISHOLM
JADE 34 FEDERAL COM



CHISHOLM
VIPER '3' FEDERAL

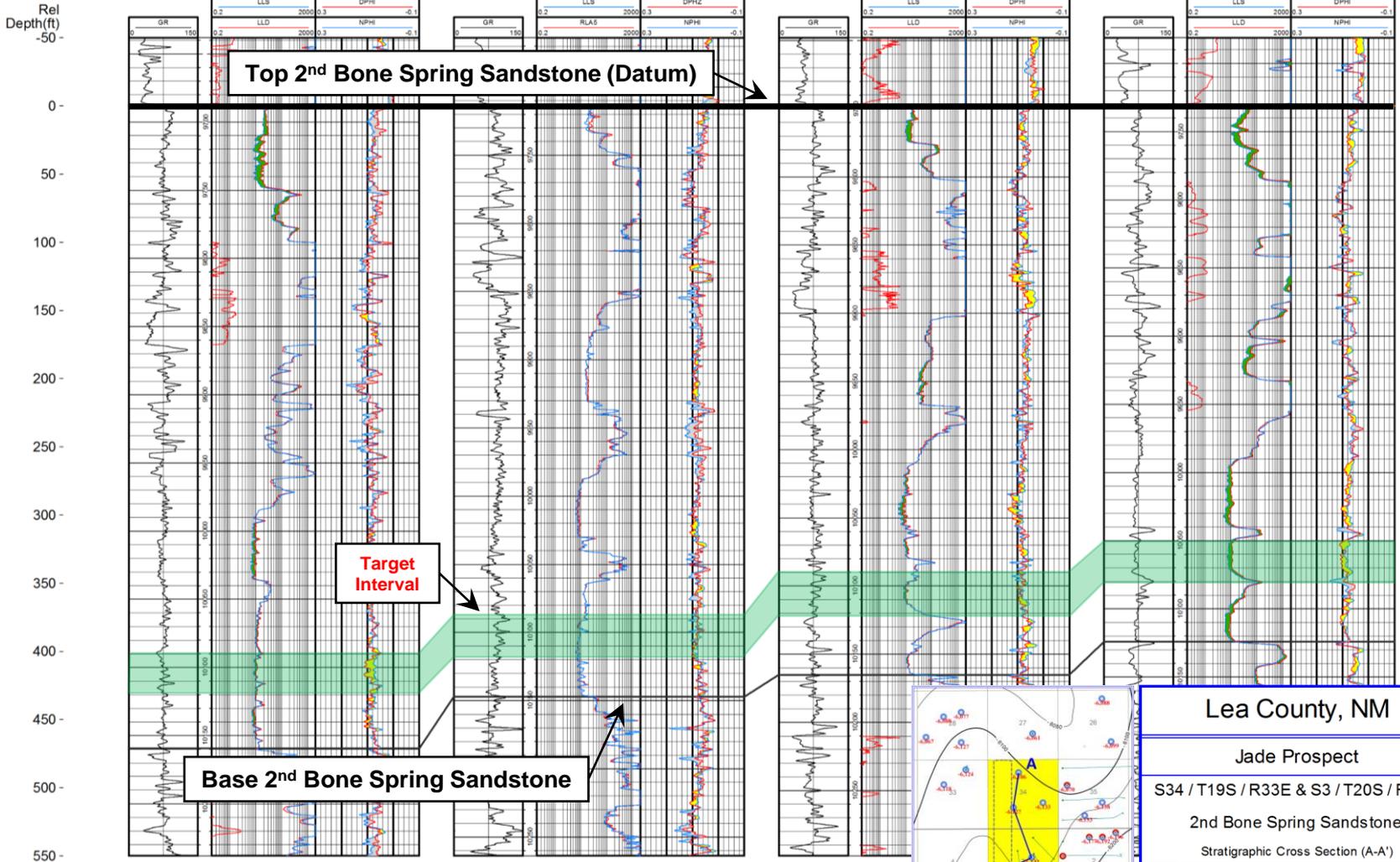


MITCHELL
SCHARBAUER '4'



A

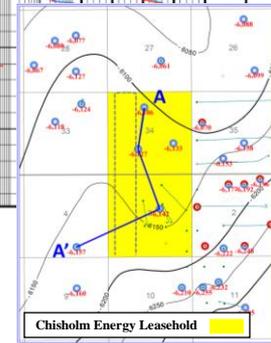
A'



Top 2nd Bone Spring Sandstone (Datum)

Target Interval

Base 2nd Bone Spring Sandstone



Lea County, NM
Jade Prospect
S34 / T19S / R33E & S3 / T20S / R33E
2nd Bone Spring Sandstone
Stratigraphic Cross Section (A-A')
Operator
Well Name
● Well Number
API Series
By: Joshua Kuhn

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B5
 Submitted by: Chisholm Energy Operating, LLC
 Hearing Date: May 06, 2021
 Case Nos. 21799-21800

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21799	APPLICANT'S RESPONSE
Date: May 6, 2021	
Applicant	Chisholm Energy Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Chisholm Energy Operating, LLC (OGRID No. 327137)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CHISHOLM ENERGY OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	EOG Resources, Inc.; Tap Rock Resources; COG Operating LLC
Well Family	Jade 34-3 Fed Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Teas; Bone Spring (Pool Code 58960)
Well Location Setback Rules:	Standard
Spacing Unit Size:	320-acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	Quarter-Quarter sections
Orientation:	North-South
Description: TRS/County	W/2 W/2 of Section 34, Township 19 South, Range 33 East and the W/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-2
Well(s)	BEFORE THE OIL CONSERVATION DIVISION
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Santa Fe, New Mexico Exhibit No. C Submitted by: Chisholm Energy Operating, LLC Hearing Date: May 06, 2021 Case Nos. 21799-21800

Well #1	<p>Jade 34-3 Fed Com 2BS #5H well, API No. 30-025-pending SHL:120' FNL & 1265' FWL (Unit D) of Sec. 34, T19S, R33E BHL:100' FSL & 510' FWL (Unit M) of Sec. 3, T20S, R33E</p> <p>Completion Target: Bone Spring formation Well Orientation:North to South Completion Location expected to be:Standard</p>
Well #2	<p>Jade 34-3 Fed Com 1BS #9H well, API No. 30-025-pending SHL:120' FNL & 1365' FWL (Unit C) of Sec. 34, T19S, R33E BHL:100' FSL & 510' FWL (Unit M) of Sec. 3, T20S, R33E</p> <p>Completion Target: Bone Spring formation Well Orientation:North to South Completion Location expected to be:Standard</p>
Horizontal Well First and Last Take Points	See Exhibit A-1
Completion Target (Formation, TVD and MD)	See Exhibit A-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,500
Production Supervision/Month \$	\$750
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibit A-2
Unlocatable Parties to be Pooled	Exhibit C
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Exhibit A-4
Overhead Rates In Proposal Letter	Exhibit A-3
Cost Estimate to Drill and Complete	Exhibit A-3
Cost Estimate to Equip Well	Exhibit A-3

Cost Estimate for Production Facilities	Exhibit A-3
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2 and Exhibit A-1
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-1 and B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	4-May-21

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

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Date: May 6, 2021	
Applicant	Chisholm Energy Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Chisholm Energy Operating, LLC (OGRID No. 327137)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CHISHOLM ENERGY OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	EOG Resources, Inc.; Tap Rock Resources; COG Operating LLC
Well Family	Jade 34-3 Fed Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Teas; Bone Spring (Pool Code 58960)
Well Location Setback Rules:	Standard
Spacing Unit Size:	320-acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	Quarter-Quarter sections
Orientation:	North-South
Description: TRS/County	W/2 W/2 of Section 34, Township 19 South, Range 33 East and the W/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Well #1	<p>Jade 34-3 Fed Com 2BS #6H well, API No. 30-025-pending SHL:120' FNL & 1295' FWL (Unit D) of Sec. 34, T19S, R33E BHL:100' FSL & 1830' FWL (Unit M) of Sec. 3, T20S, R33E</p> <p>Completion Target: Bone Spring formation Well Orientation:North to South Completion Location expected to be:Standard</p>
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Horizontal Well First and Last Take Points	See Exhibit A-1
Completion Target (Formation, TVD and MD)	See Exhibit A-3
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,500
Production Supervision/Month \$	\$750
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
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Proposed Notice of Hearing	Exhibit D
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Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2 and Exhibit A-1
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-2
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-1 and B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	4-May-21

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

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

CASE NO. 21799

APPLICATION

Chisholm Energy Operating, LLC (“Applicant” or “Chisholm”) (OGRID No. 372137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320.12-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 19 South, Range 33 East, and the W/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, Chisholm states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:

(1) **Jade 34-3 Fed Com 2BS #5H well** to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 34 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 3; and

(2) **Jade 34-3 Fed Com 1BS #9H well** to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 34 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 3.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D**

**Submitted by: Chisholm Energy Operating, LLC
Hearing Date: May 06, 2021
Case Nos. 21799-21800**

3. The completed intervals of the proposed wells will comply with Statewide setbacks for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 8, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR CHISHOLM ENERGY OPERATING, LLC

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

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

CASE NO. 21800

APPLICATION

Chisholm Energy Operating, LLC (“Applicant” or “Chisholm”) (OGRID No. 372137), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320.03-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 19 South, Range 33 East, and the E/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, Chisholm states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells: (1) the **Jade 34-3 Fed Com 2BS #6H well**, and (2) **Jade 34-3 Fed Com 1BS #10H well**, both of which are to be horizontally drilled from a common surface location in the NE/4 NW/4 (Unit C) of Section 34 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 3.
3. The completed intervals of the proposed wells will comply with Statewide setbacks for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

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- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR CHISHOLM ENERGY OPERATING, LLC



Michael H. Feldewert
Phone (505) 988-4421
Fax (505) 983-6043
mfeldewert@hollandhart.com

March 19, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
Jade 34-3 Fed Com 2BS #5H well & Jade 34-3 Fed Com 1BS #9H well

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.

During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on April 8, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

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 online or in person at the Division’s Santa Fe office 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 Luke Shelton at (817) 953-0359, or lshelton@chisholmenergy.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR CHISHOLM ENERGY OPERATING, LLC



March 19, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
Jade 34-3 Fed Com 2BS #6H well & Jade 34-3 Fed Com 1BS #10H well

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.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on April 8, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

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 online or in person at the Division's Santa Fe office 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 Luke Shelton at (817) 953-0359, or lshelton@chisholmenergy.com.

Sincerely,

Michael H. Feldewert

**ATTORNEY FOR CHISHOLM ENERGY OPERATING,
LLC**



Adam G. Rankin
Phone (505) 988-4421
Fax (505) 983-6043
agrarkin@hollandhart.com

April 2, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
Jade 34-3 Fed Com 2BS #5H well & Jade 34-3 Fed Com 1BS #9H well**

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.

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Sincerely,

Adam G. Rankin

ATTORNEY FOR CHISHOLM ENERGY OPERATING, LLC



April 2, 2021

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CERTIFIED RECEIPT REQUESTED

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Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
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Sincerely,

Adam G. Rankin

**ATTORNEY FOR CHISHOLM ENERGY OPERATING,
LLC**



Adam G. Rankin
Phone (505) 988-4421
Fax (505) 983-6043
agrarkin@hollandhart.com

April 20, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
Jade 34-3 Fed Com 2BS #5H well & Jade 34-3 Fed Com 1BS #9H well**

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.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on May 06, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

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 online or in person at the Division's Santa Fe office 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.

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Sincerely,

Adam G. Rankin

**ATTORNEY FOR CHISHOLM ENERGY OPERATING,
LLC**



April 20, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Chisholm Energy Operating LLC for compulsory pooling, Lea County, New Mexico.
Jade 34-3 Fed Com 2BS #6H well & Jade 34-3 Fed Com 1BS #10H well

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Sincerely,

Adam G. Rankin

**ATTORNEY FOR CHISHOLM ENERGY OPERATING,
LLC**

Chisholm - Jade 5H, 9H, 6H, 10H
Case Nos. 21799 21800 Postal Delivery Report 3-19

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765898552994	W. B. Strange, Moncia Haufler, And Cheri Futch, Co-Trustees Of The Charles E. Strange 1976 Trust No. 1	PO Box 3066	Ocala	FL	34478-3066	Your item was delivered at 4:47 pm on March 29, 2021 in OCALA, FL 34478.
9414811898765898552376	SES Investments, Ltd.	PO Box 10886	Midland	TX	79702-7886	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765898552024	Jareed Partner, Ltd.	PO Box 51451	Midland	TX	79710-1451	Your item was delivered at 10:38 am on March 30, 2021 in MIDLAND, TX 79705.
9414811898765898552413	Paul R. Barwis	PO Box 230	Midland	TX	79702-0230	Your item was delivered at 12:15 pm on March 30, 2021 in MIDLAND, TX 79701.
9414811898765898552437	Kingdom Investments, Limited	2101 Cedar Springs Rd Ste 600	Dallas	TX	75201-1591	Your item was delivered to the front desk, reception area, or mail room at 10:36 am on March 23, 2021 in DALLAS, TX 75201.
9414811898765898552505	Kimbell Royalty Holdings, LLC	777 Taylor St Ste 810	Fort Worth	TX	76102-4936	Your item was delivered to the front desk, reception area, or mail room at 12:19 pm on March 24, 2021 in FORT WORTH, TX 76102.
9414811898765898552536	Michael J. Petraitis	PO Box 10886	Midland	TX	79702-7886	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765898550228	Darren Printz	223 W Wall St Ste 900	Midland	TX	79701-4567	Your item was delivered to an individual at the address at 2:19 pm on March 26, 2021 in MIDLAND, TX 79701.
9414811898765898550242	Penwell Employee Royalty Pool	200 N Loraine St Ste 1550	Midland	TX	79701-4765	Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
9414811898765898550273	Cornerstone Family Trust Dated June 9, 2006 John Kyle Thoma, Trustee	PO Box 558	Peyton	CO	80831-0558	Your item was delivered at 11:13 am on March 27, 2021 in PEYTON, CO 80831.
9414811898765898550860	Crownrock Minerals, LP	PO Box 51933	Midland	TX	79710-1933	Your item was picked up at the post office at 12:13 pm on March 26, 2021 in MIDLAND, TX 79710.
9414811898765898552932	Wing Resources IV, LLC	2100 McKinney Ave Ste 1540	Dallas	TX	75201-2140	Your item was delivered to the front desk, reception area, or mail room at 11:47 am on March 23, 2021 in DALLAS, TX 75201.
9414811898765898550846	Rave Energy, Inc. D/B/A/Gep III	PO Box 3087	Houston	TX	77253-3087	Your item was delivered at 3:51 pm on April 7, 2021 in HOUSTON, TX 77002.
9414811898765898550877	J.D. Murchison Interests, Inc.	7250 Dallas Pkwy Ste 1400 Legacy Tower One	Plano	TX	75024-5002	Your item was delivered to the front desk, reception area, or mail room at 12:04 pm on March 25, 2021 in PLANO, TX 75024.
9414811898765898550723	Rusk Capital Management, LLC	7600 W Tidwell Rd Ste 800	Houston	TX	77040-6718	Your item was delivered to an individual at the address at 1:46 pm on March 24, 2021 in HOUSTON, TX 77040.
9414811898765898550785	The Taurus Royalty, LLC	PO Box 1477	Little Elm	TX	75068-1477	Your item was delivered at 8:35 am on March 25, 2021 in LITTLE ELM, TX 75068.
9414811898765898550952	Rave Energy, Inc.	PO Box 3087	Houston	TX	77253-3087	Your item was delivered at 3:51 pm on April 7, 2021 in HOUSTON, TX 77002.

Chisholm - Jade 5H, 9H, 6H, 10H
Case Nos. 21799 21800 Postal Delivery Report 3-19

9414811898765898550990	George Vaught, Jr.	PO Box 13557	Denver	CO	80201-3557	Your item was delivered at 2:46 pm on March 24, 2021 in DENVER, CO 80202.
9414811898765898552628	Mark T. Manning	2500 Beech St	Bakersfield	CA	93301-2614	Your item was delivered to an individual at the address at 9:41 am on March 23, 2021 in BAKERSFIELD, CA 93301.
9414811898765898552642	Nearburg Producing Company Fbo Nearburg Producing Company Employee Fund	PO Box 823085	Dallas	TX	75382-3085	Your item was delivered at 1:06 pm on March 24, 2021 in DALLAS, TX 75231.
9414811898765898552116	Burlington Resources Oil & Gas Company LP	PO Box 22295 Network Place	Chicago	IL	60673-0001	Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
9414811898765898552123	Map2004-Ok	PO Box 268988	Oklahoma City	OK	73126-8988	Your item was delivered at 5:05 am on March 24, 2021 in OKLAHOMA CITY, OK 73125.
9414811898765898552185	Teckla Oil Co., LLC	PO Box 3066	Ocala	FL	34478-3066	Your item was delivered at 4:47 pm on March 29, 2021 in OCALA, FL 34478.
9414811898765898552352	Nearburg Exploration Company, LLC	PO Box 823085	Dallas	TX	75382-3085	Your item was delivered at 1:06 pm on March 24, 2021 in DALLAS, TX 75231.
9414811898765898552390	John K. Manning	PO Box 1376	Las Cruces	NM	88004-1376	Your item was delivered at 12:36 pm on March 31, 2021 in LAS CRUCES, NM 88001.

Chisholm - Jade 5H-6H, 9H-10H
Case Nos. 21799-21800 additional parties 4-2 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765890721787	COG Operating / Conoco Phillips	600 W Illinois Ave One Concho Center	Midland	TX	79701-4882	Your item was delivered at 8:41 am on April 12, 2021 in MIDLAND, TX 79701.
9414811898765890721947	Murchison Oil & Gas, LLC.	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	Your item was delivered to the front desk, reception area, or mail room at 12:26 pm on April 6, 2021 in PLANO, TX 75024.
9414811898765890721985	MEC Petroleum Corp.	PO Box 11265	Midland	TX	79702-8265	Your item was delivered at 9:04 am on April 19, 2021 in MIDLAND, TX 79701.
9414811898765890721930	Timothy R. MacDonald	3003 Paleo Pt	College Station	TX	77845-6153	Your item was delivered to an individual at the address at 12:14 pm on April 9, 2021 in COLLEGE STATION, TX 77845.
9414811898765890721978	Maverick Oil & Gas Corporation	1001 W Wall St	Midland	TX	79701-6637	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765890721732	FR Energy, LLC	2 Greenway Plz	Houston	TX	77046-0297	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on April 8, 2021 at 11:17 am.
9414811898765890721770	Legacy Reserves Operating, LP	PO Box 207418	Dallas	TX	75320-7418	Your item was delivered at 1:21 am on April 6, 2021 in DALLAS, TX 75260.
9414811898765890721916	Devon Energy Production, L.P.	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was delivered at 7:46 am on April 8, 2021 in OKLAHOMA CITY, OK 73102.
9414811898765890721954	EOG Resources, Inc.	PO Box 2267	Midland	TX	79702-2267	Your item was picked up at a postal facility at 7:39 am on April 9, 2021 in MIDLAND, TX 79701.
9414811898765890721961	Marathon Oil Permian, LLC	5555 San Felipe St	Houston	TX	77056-2701	Your item was delivered to the front desk, reception area, or mail room at 2:49 pm on April 8, 2021 in HOUSTON, TX 77056.
9414811898765890721923	Shackleford Oil Company	203 W Wall St Ste 200	Midland	TX	79701-4510	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765890721909	Tap Rock Resources, LLC	523 Park Point Dr Ste 200	Golden	CO	80401-9387	Your item has been delivered to an agent for final delivery in GOLDEN, CO 80401 on April 5, 2021 at 1:04 pm.
9414811898765890721992	Marshall & Winston, Inc.	PO Box 50880	Midland	TX	79710-0880	Your item was picked up at the post office at 10:43 am on April 13, 2021 in MIDLAND, TX 79710.

Chisholm - Jade - notice list Shackleford
Case Nos. 21799-21800 4-21-21 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765896453378	Shackleford Oil Company, Attn Land Department	11417 W County Road 33	Midland	TX	79707-9027	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

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
April 13, 2021
and ending with the issue dated
April 13, 2021.



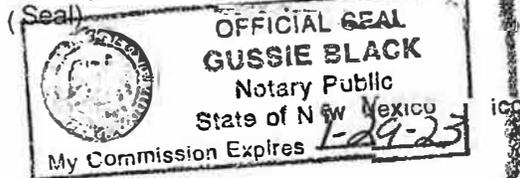
Publisher

Sworn and subscribed to before me this
13th day of April 2021.



Business Manager

My commission expires
January 29, 2023



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
April 13, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday April 22, 2021, beginning at 8:15 a.m.** To participate in the electronic hearing, the docket with instructions may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than April 11, 2021.

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

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

To: All pooled parties, including: COG Operating LLC/ConocoPhillips; FR Energy, LLC; Legacy Reserves Operating, LP; Devon Energy Production, L.P.; EOG Resources, Inc.; Marathon Oil Permian, LLC; Shackleford Oil Company; Tap Rock Resources, LLC; Marshall & Winston, Inc.; Murchison Oil & Gas, LLC.; MEC Petroleum Corp.; Timothy R. MacDonald, his hers and devisees; and Maverick Oil & Gas Corporation.

Case No. 21799: Application of Chisholm Energy Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320.2-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 19 South, Range 33 East, and the W/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the following initial wells:

(1) Jade 34-3 Fed Com 2BS #5H well to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 34 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 3; and
(2) Jade 34-3 Fed Com 1BS #9H well to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 34 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 3.

The completed interval of the proposed well will comply with Statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 20 miles south of Maljamar, New Mexico.
#36403

67100754

00253105

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

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F

Submitted by: Chisholm Energy Operating,
LLC Hearing Date: May 06, 2021
Case Nos. 21799-21800

Affidavit of Publication

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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
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Publisher

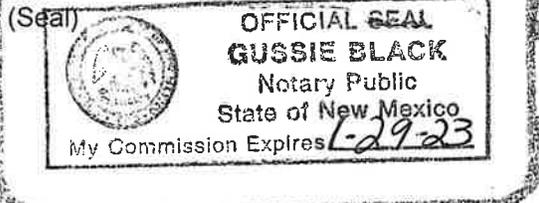
Sworn and subscribed to before me this
13th day of April 2021.



Business Manager

My commission expires

January 29, 2023



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LEGAL NOTICE

April 13, 2021

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To: All pooled parties, including: COG Operating LLC/ConocoPhillips; FR Energy, LLC; Legacy Reserves Operating, LP; Devon Energy Production, L.P.; EOG Resources, Inc.; Marathon Oil Permian, LLC; Shackleford Oil Company; Tap Rock Resources, LLC; Marshall & Winston, Inc.; Murchison Oil & Gas, LLC.; MEC Petroleum Corp.; Timothy R. MacDonald, his hers and devisees; and Maverick Oil & Gas Corporation.

Case No. 21800: Application of Chisholm Energy Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320.03-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 19 South, Range 33 East, and the E/2 W/2 of Section 3, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the **Jade 34-3 Fed Com 2BS #6H well**, and (2) **Jade 34-3 Fed Com 1BS #10H well**, both of which are to be horizontally drilled from a common surface location in the NE/4 NW/4 (Unit C) of Section 34 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 3. The completed interval of the proposed well will comply with Statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 20 miles south of Maljamar, New Mexico.
#36404

67100754

00253107

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