

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**Carlsbad Field Office**  
**OCD Artesia**

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

NMNM113944

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
COTTONWOOD 28-33 FED 2BS 6H

2. Name of Operator  
CHISHOLM ENERGY OPERATING, LLC  
Contact: JENNIFER ELROD  
Email: jelrod@chisholmenergy.com

9. API Well No.  
30-015-44649

3a. Address  
801 CHERRY ST., SUITE 1200 - UNIT 20  
FORT WORTH, TX 76102

3b. Phone No. (include area code)  
Ph: 817-953-3728

10. Field and Pool or Exploratory Area  
WELCH; BONE SPRING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 21 T26S R26E Mer NMP SESE 100FSL 1035FEL  
32.020757 N Lat, 104.292614 W Lon

11. County or Parish, State  
EDDY COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BCW

Attached is the Non-Standard Location application filed with the NMOCD for the Cottonwood 28-33 Fed 2BS #6H pursuant Paragraph (1) in Subsection B of 19.15.16.14 NMAC.

GC 5-24-18  
Accepted for record - NMOCD

RECEIVED

MAY 23 2018

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #405934 verified by the BLM Well Information System  
For CHISHOLM ENERGY OPERATING, LLC, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/26/2018 ()

DISTRICT II ARTESIA O.C.D.

Name (Printed/Typed) JENNIFER ELROD

Title SENIOR REGULATORY TECH

Signature (Electronic Submission)

Date 02/27/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_  
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_  
Date \_\_\_\_\_  
ACCEPTED FOR RECORD  
MAY 15 2018

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***



CHISHOLM  
ENERGY

February 21, 2018

Via E-mail to Leonard.Lowe@state.nm.us

New Mexico Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, New Mexico 87505

Attn: Mr. Leonard Lowe

RE : Non-Standard Location (NSL) Application  
Cottonwood 28-33 Fed 2BS 6H  
API #30-015-44649  
Welch; Bone Spring (64010)  
Unit P, Section 21, T26S, R26E  
Eddy County, New Mexico

Mr. Lowe,

Pursuant to 19.15.15.13 NMAC, Chisholm Energy Operating, LLC (Chisholm), respectfully requests administrative approval of a non-standard location (NSL) for referenced well. This well is located 130' FEL of the spacing unit outer boundary in Sections 28 & 33.

Chisholm is the Affected Party to the East and West in the adjoining spacing units of this well. The Affected Party to the North adjoining spacing unit is Chevron. The Southern border of this well is New Mexico/Texas state line. Pursuant Subsection D of 19.15.15.13 NMAC, the affected parties requiring notice are being sent a copy of this application by certified mail, return receipt. A Sundry Submittal of this application will be sent to the Bureau of Land Management as required by Paragraph (1) in Subsection B of 19.15.16.14 NMAC.

Attached are:

- 1) Form C-102 showing the project area of the proposed 006H well, SHL, FTP, LTP, & BHL.
- 2) Plat Surrounding Spacing Unit of well.
- 3) A copy of Affected Parties Notice letter and the documentation of the certified mailings.

Approval of this application will allow Chisholm to recover additional oil and gas reserves from the Welch; Bone Spring (64010) pool that may otherwise not be recovered by the existing and proposed wells, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (817) 864-1104 or Jennifer Elrod at (817) 953-3728.

Sincerely,

Bettie Watson,  
Regulatory Consultant

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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



**ADMINISTRATIVE APPLICATION CHECKLIST**

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

<b>Applicant:</b> Chisholm Energy Operating, LLC	<b>OGRID Number:</b> 372137
<b>Well Name:</b> Cottonwood 28-33 Fed 2BS 00611	<b>API:</b> 03-015-44649
<b>Pool:</b> Welch; Bone Spring	<b>Pool Code:</b> 64010

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

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

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

<b>FOR OCD ONLY</b>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

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

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

Bettie Watson \_\_\_\_\_

Print or Type Name

02-21-2018  
 \_\_\_\_\_  
 Date

817-864-1104  
 \_\_\_\_\_  
 Phone Number

*Bettie Watson*  
 \_\_\_\_\_  
 Signature

bwatson@chisholmenergy.com  
 \_\_\_\_\_  
 e-mail Address

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
Phone (575) 393-8101 Fax: (575) 393-0720

DISTRICT II  
811 S. First St., Artesia, NM 88210  
Phone (575) 748-1283 Fax: (575) 748-0720

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV  
1228 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

Form C-102  
Revised August 1, 2011

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 30-015-44649	Pool Code 64010	Pool Name WELCH; BONE SPRING
Property Code 320688	Property Name COTTONWOOD 28-33 FED 2BS	Well Number 6H
OGRID No. 372137	Operator Name CHISHOLM ENERGY OPERATING, LLC	Elevation 3384'

Surface Location

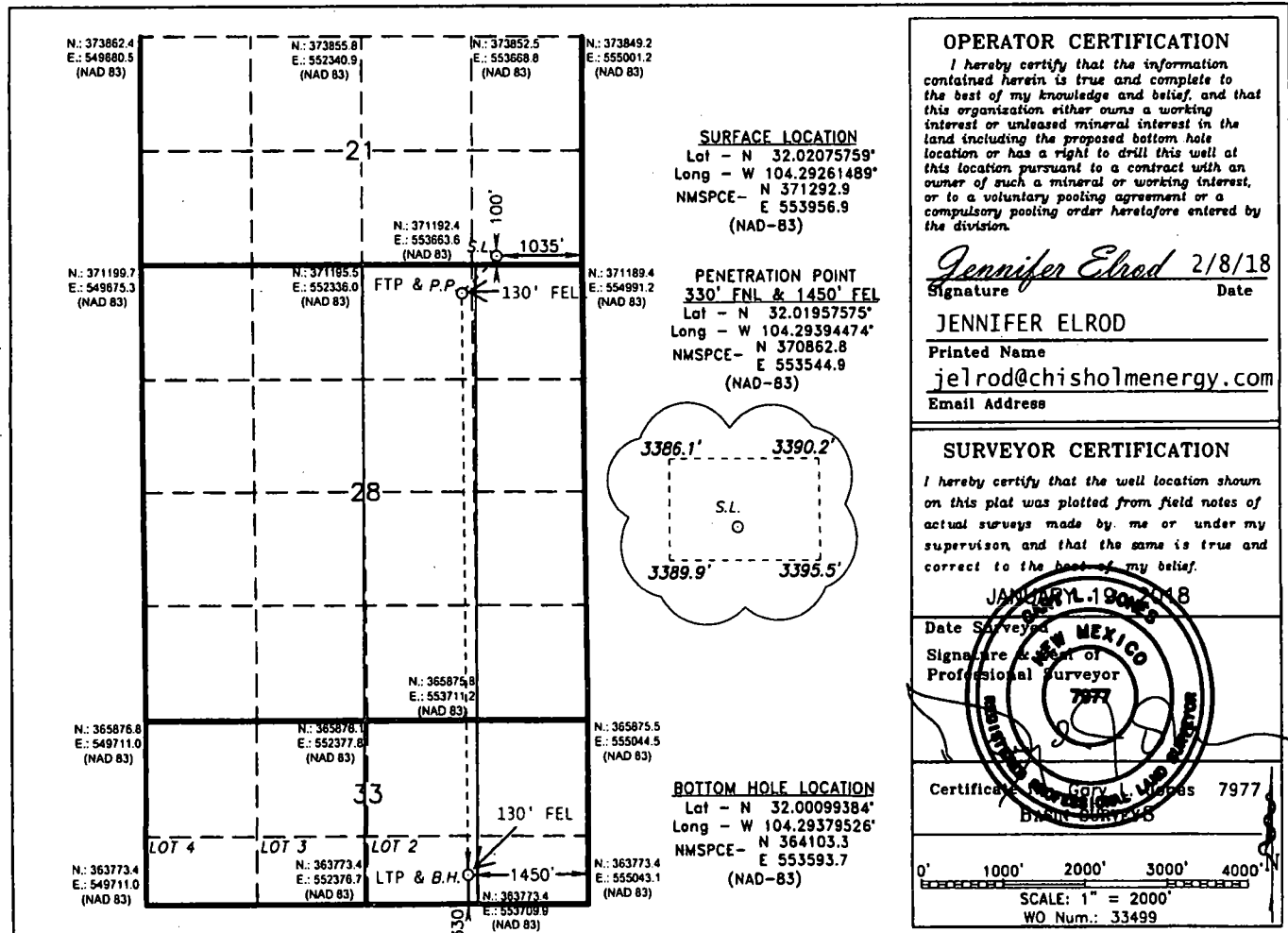
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West Line	County
P	21	26 S	26 E		100	SOUTH	1035	EAST	EDDY

Bottom Hole Location If Different From Surface

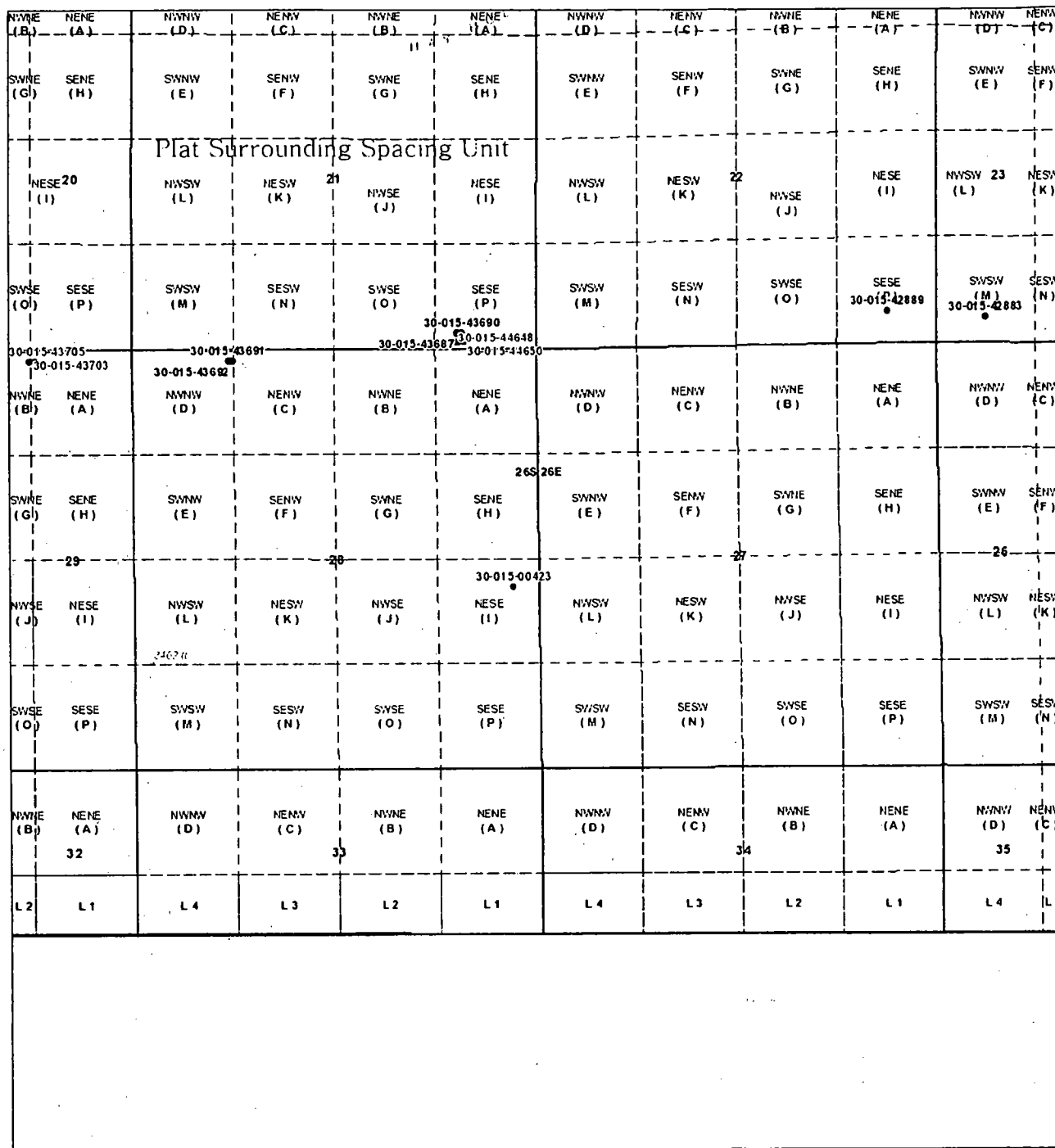
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West Line	County
LOT 1	33	26 S	26 E		330	SOUTH	1450	EAST	EDDY

Dedicated Acres 223.21	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



# OCD Well Locations

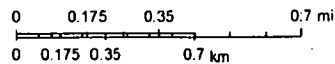


2 / 26 / 2018 5 : 28 : 40 PM

1:18,056

**Well Locations - Large Scale**

- |   |                               |   |                                  |   |   |
|---|-------------------------------|---|----------------------------------|---|---|
| + | Miscellaneous                 | + | Injection, Cancelled             | + | Salt Water Injection, Temporarily Abandoned |
| + | CO2 Active                    | + | Injection, New                   | + | Water, Active                               |
| + | CO2 Cancelled                 | + | Injection, Plugged               | + | Water, Cancelled                            |
| + | CO2 New                       | + | Injection, Temporarily Abandoned | + | Water, New                                  |
| + | CO2, Plugged                  | + | Oil, Active                      | + | Water, Plugged                              |
| + | CO2, Temporarily Abandoned    | + | Oil, Cancelled                   | + | Water, Temporarily Abandoned                |
| + | Gas Active                    | + | Oil, New                         | + | OCD District Offices                        |
| + | Gas, Cancelled, Never Drifted | + | Oil, Plugged                     | + | PLSS Townships                              |
| + | Gas, New                      | + | Oil, Temporarily Abandoned       | + | PLSS Second Division                        |
| + | Gas, Plugged                  | + | Salt Water Injection, Active     | + | PLSS First Division                         |
| + | Gas, Temporarily Abandoned    | + | Salt Water Injection, Cancelled  |   |   |
| + | Injection, Active             | + | Salt Water Injection, New        |   |   |
|   |                               | + | Salt Water Injection, Plugged    |   |   |



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community



CHISHOLM  
ENERGY

February 21, 2018

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO: LISTED ON EXHIBIT A (Affected Parties-Notice Required)

RE: Application of Chisholm Energy Operating, LLC  
for approval of a Non-Standard Location (NSL)  
Cottonwood-28-33 Fed 2BS 6H  
API #30-015-44649  
Welch; Bone Spring (64010)  
Unit P, Section 21, T26S, R26E  
Eddy County, New Mexico

Ladies & Gentlemen:

Chisholm Energy Operating, LLC (Chisholm), has filed an application with the New Mexico Oil Conservation Division seeking approval of non-standard well location (NSL) pursuant to Division Rule 19.15.15.13 for referenced well. A copy of the application is enclosed.

Pursuant Subsection D of 19.15.15.13 NMAC, objections to this application must be filed with the Oil Conservation Division (1220 South St. Francis Dr., Santa Fe, NM 87505) in writing no later than 20 days from the date of this letter. The director of the NMAC may approve the application upon receipt of waivers from all the affected persons or if no affected person has filed an objection within the 20-day period.

To expedite the approval process, I have provided a waiver statement below for your convenience. Please sign and return to my e-mail [bwatson@chisholmenergy.com](mailto:bwatson@chisholmenergy.com) or use the enclosed self-addressed stamped return envelope. If you have any questions, please contact the undersigned at (817) 864-1104 or Jennifer Elrod at (817) 953-3728

Sincerely,

Bettie Watson  
Regulatory Consultant

I have received a copy of the referenced NSL filing. I agree to waive the 20-day protest period required by the regulations as stated above for the referenced commingle filing.

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Company Name: \_\_\_\_\_



EXHIBIT "A"

Application of Chisholm Energy Operating, LLC  
for approval of a Non-Standard Location  
Cottonwood 28-33 Fed 2BS 6H  
Unit P, Section 21, T26S, R26E  
Eddy County, New Mexico

AFFECTED PARTIES

Chevron U.S.A. Inc  
North American Exploration and  
Production Company  
14001 Smith Street  
Houston, Texas 77002  
Attn: Walter Jones,  
Land Team Lead

U.S. Postal Service™  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$ \_\_\_\_\_
- Return Receipt (electronic) \$ \_\_\_\_\_
- Certified Mail Restricted Delivery \$ \_\_\_\_\_
- Adult Signature Required \$ \_\_\_\_\_
- Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage

Total Postage and Fees

*Sent To:* Chevron USA Inc  
North American Expl and Prod Co  
*Street:* Attn: Walter Jones / Land Team Lead  
14001 Smith Street  
*City, St:* Houston, TX 77002

*Mailed*  
*7/27/2018*  
Postmark  
Here *dy*

*\$17.62*

7017 0530 0000 7868 9850

*Cottonwood 28-33*  
*Feb 2018 64*