

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
NMNM69578

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SHEEP DIP 20 FEDERAL COM 1

9. API Well No.
30-015-26530

10. Field and Pool or Exploratory Area
CARLSBAD;MORROW,SOUTH(GAS)

11. County or Parish, State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address **801 CHERRY STREET, SUITE 1200 - UNIT 20 FORT WORTH, TX 76102**
3b. Phone No. (include area code) **Ph: 817-953-3728**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 20 T23S R26E Mer NMP NESE 1980FSL 660FEL

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	Successor of Operator
	<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.

CHANGE OF OPERATOR EFFECTIVE JANUARY 31, 2018

FROM: RESOURCE ROCK SERVICES, LLC (372144)
917 FRANKLIN STREET, SUITE 600
HOUSTON, TX 77002

TO: CHISHOLM ENERGY OPERATING, LLC (372137)
801 CHERRY STREET, SUITE 1200-UNIT 20
FORT WORTH, TX 76102

SC 4-4-18
Accepted for record - NMOCD

SEE ATTACHED FOR
NM OIL CONSERVATION CONDITIONS OF APPROVAL
ARTESIA DISTRICT
APR 03 2018
RECEIVED

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #402829 verified by the BLM Well Information System For CHISHOLM ENERGY OPERATING, LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 02/01/2018 ()

Name (Printed/Typed) **JENNIFER ELROD** Title **SENIOR REGULATORY TECH**
Signature (Electronic Submission) Date **01/31/2018**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
APPROVED
MAR 26 2018
BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

Approved By _____ Title _____ Date _____
Office _____

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 ****

Additional data for EC transaction #402829 that would not fit on the form

32. Additional remarks, continued

BOND COVERAGE: BLM NEW MEXICO STATEWIDE BOND NO. NMB001468

PER NTL89, CHISHOLM ENERGY OPERATING, LLC ACCEPTS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS, AND RESTRICTIONS CONCERNING OPERATIONS CONDUCTED ON THE LEASED LAND OR PORTION THEREOF.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene St
Carlsbad, NM 88220
Ph: (575) 234-5972

Conditions of Approval for Change of Operator

1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
2. Submit for approval of water disposal method within 60 days, if changes have been made from previously approved disposal method.
3. Review facility diagram on file, and submit updated facility diagrams, as per Onshore Order #3 within 60 day.
4. This agency shall be notified of any spill or discharge as required by NTL-3A.
5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
7. Subject to like approval by NMOCD.
8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.