

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
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.

5. Lease Serial No.
NMNM0540294A

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. PEOC 21 FEDERAL 1
2. Name of Operator CHISHOLM ENERGY OPERATING, LLC Contact: JENNIFER ELROD Email: jelrod@chisholmenergy.com		9. API Well No. 30-015-26394
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 CARLSBAD;MORROW,SOUTH(GAS)
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T23S R26E Mer NMP SWNW		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 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 checked="" 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 recomplate 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.

****SUCCESSOR OF OPERATOR SUNDRY****

AS OF OCTOBER, 2018 MARATHON OIL PERMIAN, LLC TRANSFERRED OPERATORSHIP FOR FEDERAL LEASE NMNM0540294A TO CHISHOLM ENERGY OPERATING, LLC. CHISHOLM ENERGY OPERATING, LLC ACCEPTS THESE LEASES AS WELL AS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS, AND RESTRICTIONS CONCERNING THE OPERATIONS CONDUCTED ON THE LEASED LAND OR PORTION THEREOF DESCRIBED IN THE FEDERAL LEASE LISTED ABOVE. BOND COVERAGE HAS BEEN ACCEPTED UNDER NMB001468.

WELLS BEING TRANSFERRED ARE:
PEOC 21 FEDERAL 1 - 30-015-26394
PHILLY FEDERAL 1 - 30-015-21163
PHILLY FEDERAL 3 - 30-015-32993

RECEIVED

OCT 25 2018

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Electronic Submission #439045 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 10/11/2018 ()

Name (Printed/Typed) JENNIFER ELROD	Title SENIOR REGULATORY TECH
Signature (Electronic Submission)	Date 10/10/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date OCT 15 2018
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 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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 ****

Accepted For Record

NMOCD

10.25.2018

Change of Operator Conditions of Approval

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.
3. Submit updated facility diagrams as per Onshore Order #3
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.

JAM 101518