



May 20, 2020

EMNRD – OCD District I
1625 N. French Drive
Hobbs, NM 88240

Re: Aztec 14-23 Fed Com 3BS #2H – Non-Standard Spacing

To whom it may concern,

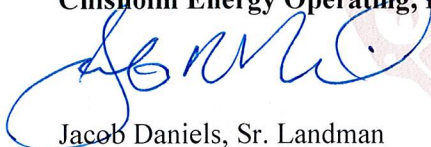
My name is Jacob Daniels and I am a Senior Landman for Chisholm Energy Operating, LLC (“Chisholm”). Chisholm recently drilled the above referenced well, which has a spacing unit consisting of the E/2 W/2 of Sections 14 and 23, T21S, R32E, Lea County, NM. This well encroaches upon the W/2 W/2 spacing unit, as a portion of the wellbore is within the 330’ setback.

The mineral and leasehold ownership of each of the proration units, the E/2 W/2 spacing unit and the W/2 W/2 spacing unit, are identical. Additionally, a Joint Operating Agreement has been executed by all owners that own a working interest in the entire W/2 of Sections 14 and 23, T21S, R32E, Lea County, NM.

Should you need any additional information or documentation from me, please feel free to contact me by email at jdaniels@chisholmenergy.com or by phone at (817)953-0737.

Sincerely,

Chisholm Energy Operating, LLC



Jacob Daniels, Sr. Landman

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
AS DRILLED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-46350	² Pool Code 97921	³ Pool Name WC-025 G-06 S213215A; BONE SPRING
⁴ Property Code	⁵ Property Name AZTEC 14-23 3BS FEDERAL COM	⁶ Well Number 2H
⁷ OGRID No. 372137	⁸ Operator Name CHISHOLM ENERGY OPERATING, LLC	⁹ Elevation 3845'

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
N	11	21S	32E		250	SOUTH	1455	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	23	21S	32E		86	SOUTH	1655	WEST	LEA

¹² Dedicated Acres 320	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.

<p>The diagram shows a well location plat for Section 11, 14, and 23, Township 21S, Range 32E. Key locations and coordinates are marked:</p> <ul style="list-style-type: none"> SHL (Surface Hole Location): 250' FSL, 1455' FWL. Coordinates: LAT 32.486817, LONG -103.649307, NMSPCE-NAD83, N 541510.96, E 752251.67. KOP (Kilometer Offset Point): 276' FSL, 1634' FWL. Coordinates: LAT 32.486888, LONG -103.648726, NAD 83. TOP PERF. (Top of Perforation): 111' FNL, 1626' FWL. Coordinates: LAT 32.485819, LONG -103.64875, NAD 83. TOE PERF. (Toe of Perforation): 631' FSL, 1654' FWL. Coordinates: LAT 32.458821, LONG -103.648711, NAD 83. BHL (Bottom Hole Location): 86' FSL, 1655' FWL. Coordinates: LAT 32.457323, LONG -103.648706, NMSPCE-NAD83, N 530782.15, E 752505.87. <p>Section numbers 11, 14, and 23 are indicated. Township 21S and Range 32E are also marked.</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Jennifer Elrod</i> 12/26/2019 Signature Date</p> <p>JENNIFER ELROD Printed Name</p> <p>JELROD@CHISHOLMENERGY.COM E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>
--	---

Intent ☐ As Drilled ☒

API # 30-025-46350		
Operator Name:	Property Name:	Well Number

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Is this well the defining well for the Horizontal Spacing Unit? ☐ YES

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