

DISTRICT I
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DISTRICT II
811 S. First St., Artesia, NM 88210
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DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
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DISTRICT IV
1226 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

NM OIL CONSERVATION
ARTESIA DISTRICT

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

HOBBS OCD

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Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015- 44882	Pool Code 97565	Pool Name N. SEVEN RIVERS; GLORIETA-YESO
Property Code 320768	Property Name SOUTH BOYD FEDERAL COM	Well Number 15H
GRID No. 371755	Operator Name PERCUSSION PETROLEUM OPERATING, LLC	Elevation 3516'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
A	34	19 S	25 E		360	NORTH	934	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
A	27	19 S	25 E		20	NORTH	653	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code C	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

	<p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32.638664° Long - W 104.466320° NMSPC- N 596102.9 E 500401.1 (NAD-83)</p> <p>LAST TAKE POINT 100' FNL & 653' FEL Lat - N 32.638445° Long - W 104.466319° NMSPC- N 596022.8 E 500401.8 (NAD-83)</p> <p>FIRST TAKE POINT 100' FSL & 653' FEL Lat - N 32.624693° Long - W 104.466072° NMSPC- N 591019.7 E 500471.5 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32.623432° Long - W 104.466971° NMSPC- N 590561.4 E 500194.3 (NAD-83)</p>	<p>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>Brian Wood 10-27-17 Signature Date BRIAN WOOD Printed Name brian@permitswest.com Email Address</p> <p>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>GARY L. WOOD 10-28-2017 Date Surveyed GARY L. WOOD Signature & Seal of Professional Surveyor 7977 Certificate No. Gary L. Wood 7977 BASIC SURVEY</p> <p>0' 1000' 2000' 3000' 4000' SCALE: 1" = 2000' WO Num.: 33173</p>
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Rw 4-13-18

District I
1625 N. French Dr., Hobbs, NM 88240
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

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APR 05 2018
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GAS CAPTURE PLAN

Date: 10-27-17

X Original

Operator & OGRID No.: Percussion Petroleum Operating, LLC (371755)

☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

NM OIL CONSERVATION
ARTESIA DISTRICT

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

APR 09 2018

Well(s)/Production Facility – Name of facility

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The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	SHL (ULSTR)	SHL Footages	Expected MCF/D	Flare or Vent	Comments
South Boyd Federal Com 15H	30-015- 44882	A-34-19s-25e	360' FNL & 934' FEL	100	<30 days	flare until well clean, then connect
South Boyd Federal Com 16H	30-015-	A-34-19s-25e	340' FNL & 934' FEL	100	<30 days	flare until well clean, then connect

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to DCP and will be connected to DCP low/high pressure gathering system located in Eddy County, New Mexico. It will require $\approx 3,866.9'$ of pipeline to connect the facility to low/high pressure gathering system. Operator provides (periodically) to Gas Transporter a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Operator and Gas Transporter have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Gas Transporter Processing Plant located in Sec. 36, T. 19 S., R. 24 E., Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Gas Transporter system at that time. Based on current information, it is Operator's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines