

RECEIVED: <u>2/22/18</u>	REVIEWER: <u>LRL</u>	TYPE: <u>NSL</u>	APP NO: <u>PLEL 1805748590</u>
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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

**Applicant:** Percussion Petroleum Operating, LLC**OGRID Number:** 371755**Well Name:** Morris Boyd State Com No. 4H Well**API:** pending 015-44741**Pool:** N. Seven Rivers Glorieta Yeso Pool**Pool Code:** 97565

**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**

FEB 22 2018 PM 02:45

NSL - 7664

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 holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**

Notice Complete

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.**

Adam G. Rankin

Print or Type Name

Signature

February 22, 2018

Date

505-988-4421

Phone Number

agrarkin@hollandhart.com

e-mail Address

February 22, 2018

**VIA HAND DELIVERY**

FEB 22 2018 PM02:46

Heather Riley  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Dr.  
Santa Fe, New Mexico 87505

**Re: Application of Percussion Petroleum Operating, LLC for administrative approval of an unorthodox well location for its Morris Boyd State Com No. 4H Well in the E/2 W/2 of Section 26, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.**

Dear Ms. Riley:

Percussion Petroleum Operating, LLC ("Percussion") (OGRID 371755) seeks administrative approval of an unorthodox location for its **Morris Boyd State Com No. 4H Well** (API number pending) to be completed in the N. Seven Rivers Glorieta Yeso Pool (Pool Code 97565) underlying Section 26, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. This well will be drilled from a surface location 555 feet from the south line, 1580 feet from the west line (Unit N) of Section 23. The upper most perforation will be located 100 feet from the north line, 1460 feet from the west line (Unit C) of Section 26 and the lower most perforation will be 330 feet from the south line, 1460 feet from the west line (Unit N) of Section 26. Since this acreage is governed by the Division's statewide rules which provide for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it encroaches on the northern, western, northwestern, and southwestern boundaries of the project area.

The S/2 SW/4 of Section 23 will be developed by the Goodman 22 Nos. 5H and 7H wells (currently permitted). Approval of the unorthodox completed interval will allow Percussion to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

HOLLAND & HART<sup>LLP</sup>



**Exhibit A** is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Morris Boyd State Com No. 4H Well** encroaches on the spacing and proration units to the north, west, northwest, and southwest.

**Exhibit B** is a land plat for Section 26 and the surrounding sections that shows the **Morris Boyd State Com No. 4H Well** in relation to the adjoining units and existing wells.

**Exhibit C** is a list of the parties affected by Percussion's request for an unorthodox location. Each of these parties has been provided a copy of this application and all attachments by certified mail, and has been advised that if they have an objection it must be filed in writing with the Division within 20 days from the date the Division receives this application.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam G. Rankin", written in a cursive style.

Adam G. Rankin  
**ATTORNEY FOR PERCUSSION PETROLEUM  
OPERATING, LLC**

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, New Mexico 87505**

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
Property Code	Property Name <b>MORRIS BOYD STATE COM</b>	Well Number <b>4H</b>
OGRID No.	Operator Name <b>PERCUSSION PETROLEUM OPERATING, LLC</b>	Elevation <b>3431'</b>

Surface Location

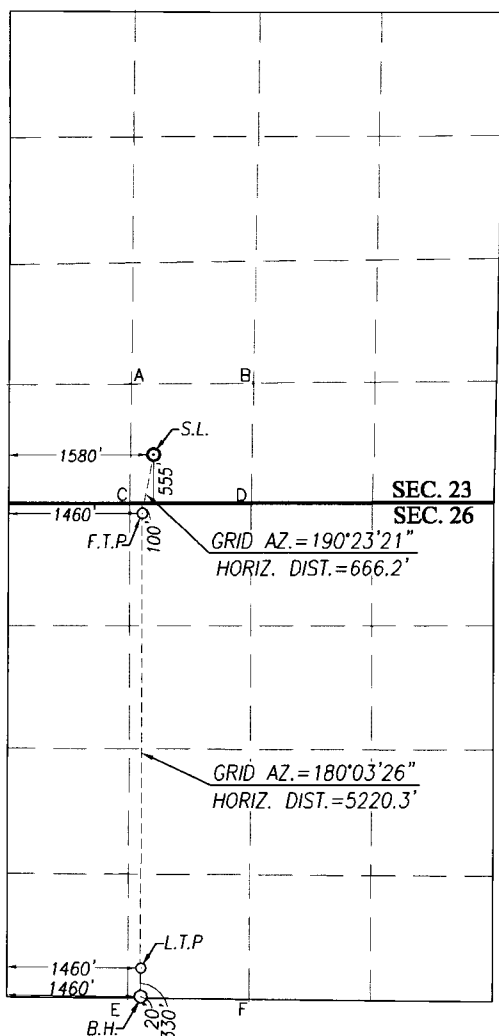
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>N</b>	<b>23</b>	<b>19-S</b>	<b>25-E</b>		<b>555</b>	<b>SOUTH</b>	<b>1580</b>	<b>WEST</b>	<b>EDDY</b>

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
<b>N</b>	<b>26</b>	<b>19-S</b>	<b>25-E</b>		<b>20</b>	<b>SOUTH</b>	<b>1460</b>	<b>WEST</b>	<b>EDDY</b>

Dedicated Acres	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**



SCALE: 1"=2000'

<b>GEODETIC COORDINATES</b> NAD 83 NME SURFACE LOCATION Y= 596794.2 N X= 502668.8 E LAT.=32.640573° N LONG.=104.458957° W FIRST TAKE POINT NAD 83 NME Y= 596139.0 N X= 502548.7 E LAT.=32.638772° N LONG.=104.459345° W	<b>GEODETIC COORDINATES</b> NAD 27 NME SURFACE LOCATION Y= 596733.1 N X= 461490.3 E LAT.=32.640460° N LONG.=104.458438° W FIRST TAKE POINT NAD 27 NME Y= 596078.0 N X= 461370.2 E LAT.=32.638658° N LONG.=104.458825° W
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CORNER COORDINATES TABLE

NAD 27 NME

A - Y= 597491.9 N, X= 461249.0 E
B - Y= 597501.7 N, X= 462584.6 E
C - Y= 496177.7 N, X= 461236.7 E
D - Y= 596181.0 N, X= 462562.7 E
E - Y= 590840.5 N, X= 461230.8 E
F - Y= 590827.7 N, X= 462556.3 E

CORNER COORDINATES TABLE

NAD 83 NME

A - Y= 597553.0 N, X= 502427.5 E
B - Y= 597562.8 N, X= 503763.2 E
C - Y= 596238.7 N, X= 502415.2 E
D - Y= 596242.0 N, X= 503741.3 E
E - Y= 590901.3 N, X= 502409.4 E
F - Y= 590888.6 N, X= 503734.9 E

LAST TAKE POINT

NAD 83 NME  
Y= 591230.0 N  
X= 502543.8 E  
LAT.=32.625278° N  
LONG.=104.459341° W  
BOTTOM HOLE LOCATION  
NAD 83 NME  
Y= 590920.0 N  
X= 502543.5 E  
LAT.=32.624426° N  
LONG.=104.459341° W

LAST TAKE POINT

NAD 27 NME  
Y= 591169.1 N  
X= 461365.2 E  
LAT.=32.625165° N  
LONG.=104.458822° W  
BOTTOM HOLE LOCATION  
NAD 27 NME  
Y= 590859.2 N  
X= 461364.9 E  
LAT.=32.624313° N  
LONG.=104.458822° W

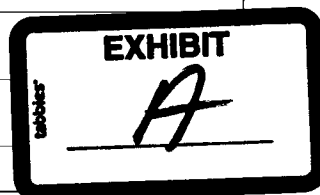
**OPERATOR CERTIFICATION**

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unEDDYed 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Printed Name

E-mail Address



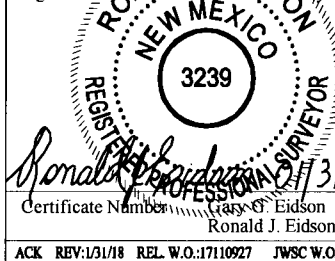
**SURVEYOR CERTIFICATION**

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.

JANUARY 17, 2018

Date of Survey

Signature of Professional Surveyor:



Certificate Number

Ronald J. Eidson 12641  
Ronald J. Eidson 3239

ACK REV:1/31/18 REL. W.O.:17110927 JWSC W.O.: 18.11.0064



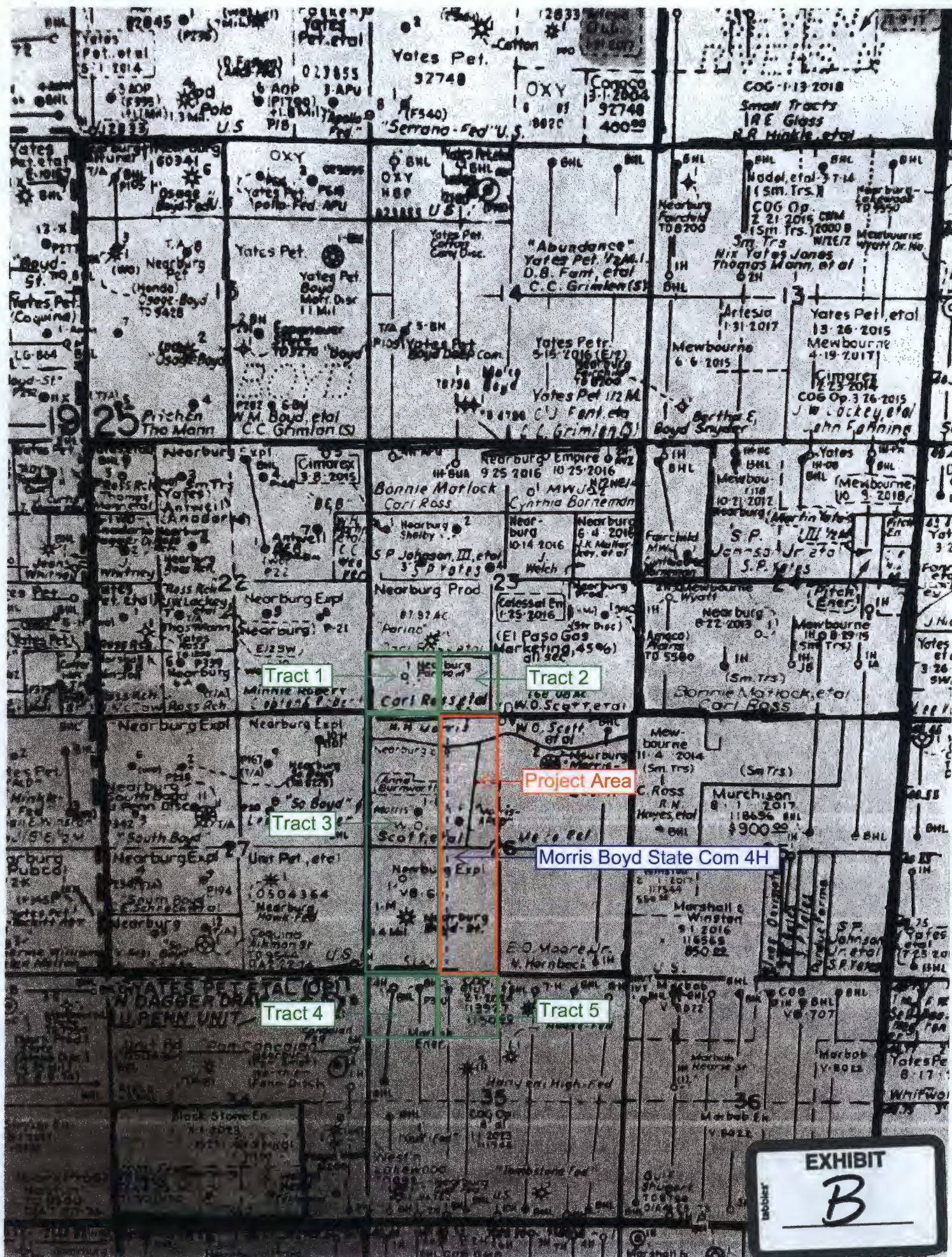


EXHIBIT  
**B**



**EXHIBIT C**

**TRACT 1 (Parino 23M Fee #001, SWSW Sec 23-19S-25E)**

**TRACT 2 (SESW Sec 23-19S-25E)**

**TRACT 3 (Boyd 26L State #001, NWSW Sec 23-19S-25E and W2NW4, SWSW Sec 23-19S-25E)**

**ST. DEVOTE**

**919 MILAM, SUITE 2475**

**HOUSTON, TX 77002**

**9214890194038304494309**

**TRACT 4 (Noose Federal #4H, NWNW)**

**TRACT 5 (Noose Federal #9H, NENW)**

**COG OPERATING, LLC**

**600 WEST ILLINOIS AVENUE**

**MIDLAND, TX 79701**

**9241890194039304494354**



HOLLAND & HART LLP



**Adam G. Rankin**  
**Phone** (505) 954-7294  
**Fax** (505) 983-6043  
AGRankin@hollandhart.com

February 22, 2018

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

**TO: ST. DEVOTE**  
**919 MILAM, SUITE 2475**  
**HOUSTON, TX 77002**

**Re: Application of Percussion Petroleum Operating, LLC for administrative approval of an unorthodox well location for its Morris Boyd State Com No. 4H Well in the E/2 W/2 of Section 26, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.**

Ladies and Gentleman:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

Division Rules provide that an application may be approved sooner if the applicant obtains waivers from affected parties. Percussion respectfully requests a waiver of objection to the enclosed application, referenced above. We respectfully request you that you sign this letter and return it by e-mail delivery to [josh@percussionpetroleum.com](mailto:josh@percussionpetroleum.com) as soon as possible.

If you have any questions about this application, please contact the following:

Josh Grisham  
Percussion Petroleum Operating, LLC  
(713) 589-2337  
[josh@percussionpetroleum.com](mailto:josh@percussionpetroleum.com)

Sincerely,

Adam G. Rankin  
**ATTORNEY FOR PERCUSSION PETROLEUM  
OPERATING, LLC**

ST. DEVOTE agrees to waive objection to Percussion Petroleum Operating, LLC's administrative application for an unorthodox well location for its **Morris Boyd State Com No. 4H Well**.

**By:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Name & Title**

**Holland & Hart LLP**

**Phone** [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☎

HOLLAND & HART LLP



**Adam G. Rankin**  
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[josh@percussionpetroleum.com](mailto:josh@percussionpetroleum.com)

Sincerely,

Adam G. Rankin  
**ATTORNEY FOR PERCUSSION PETROLEUM  
OPERATING, LLC**

COG Operating, LLC agrees to waive objection to Percussion Petroleum Operating, LLC's administrative application for an unorthodox well location for its **Morris Boyd State Com No. 4H Well**.

**By:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Name & Title**

**Holland & Hart LLP**

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐



HOLLAND & HART LLP



**Adam G. Rankin**  
Phone (505) 954-7294  
Fax (505) 983-6043  
AGRankin@hollandhart.com

February 22, 2018

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

**TO: ST. DEVOTE**  
**919 MILAM, SUITE 2475**  
**HOUSTON, TX 77002**

**Re: Application of Percussion Petroleum Operating, LLC for administrative approval of an unorthodox well location for its Morris Boyd State Com No. 4H Well in the E/2 W/2 of Section 26, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.**

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Josh Grisham  
Percussion Petroleum Operating, LLC  
(713) 589-2337  
[josh@percussionpetroleum.com](mailto:josh@percussionpetroleum.com)

Sincerely,

Adam G. Rankin  
ATTORNEY FOR PERCUSSION PETROLEUM  
OPERATING, LLC

ST. DEVOTE agrees to waive objection to Percussion Petroleum Operating, LLC's administrative application for an unorthodox well location for its **Morris Boyd State Com No. 4H Well**.

By: COO Date: 3-8-18  
Name & Title

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☏

## **Lowe, Leonard, EMNRD**

---

**From:** Adam Rankin <AGRankin@hollandhart.com>  
**Sent:** Friday, March 9, 2018 11:39 AM  
**To:** Lowe, Leonard, EMNRD  
**Cc:** McMillan, Michael, EMNRD; Jones, William V, EMNRD; Joanna Garcia  
**Subject:** RE: Percussion Morris-Boyd State Com No. 4H Well NSL - waiver letter  
**Attachments:** St Devote NSL Waiver - Executed 3-8-18.pdf

In order to provide the Division a complete file and basis for issuing an administrative order, attached is an executed waiver from St. Devote's chief operating officer, waiving objection to the unorthodox location of the Morris-Boyd 4H well.

Please let me know if you have any questions regarding this application or the waivers.

All best and have a great weekend.

Adam

**From:** Adam Rankin  
**Sent:** Tuesday, March 6, 2018 10:34 PM  
**To:** Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>  
**Cc:** 'McMillan, Michael, EMNRD' <Michael.McMillan@state.nm.us>; William V. Jones (WilliamV.Jones@state.nm.us) <WilliamV.Jones@state.nm.us>; Joanna Garcia <JGarcia@hollandhart.com>  
**Subject:** Percussion Morris-Boyd State Com No. 4H Well NSL - waiver letter

Leonard,

Attached is a signed and executed letter from COG waiving objection to the unorthodox location of Percussion's Morris-Boyd State Com No. 4H well. The only other notice party is St. Devote which is the entity that owns Percussion's leasehold interest, i.e. it is an affiliate of Percussion's. Accordingly, this NSL application is ripe for approval.

Please let me know if you have any questions or require additional substantiation regarding St. Devote's affiliation with Percussion.

Very best,  
Adam

**Adam G. Rankin**  
Holland & Hart LLP  
110 North Guadalupe Suite 1  
P.O. Box 2208  
Santa Fe, NM 87504  
Office: (505) 988-4421  
Direct: (505) 954-7294  
Cell: (505) 570-0377  
Fax (505) 983-6043  
E-mail: [agrarkin@hollandhart.com](mailto:agrarkin@hollandhart.com)  
[Download vCard](#)

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** ["Adam Rankin"](#)  
**Cc:** [Lisa Lemon](#); [Martin, Ed](#); [Holm, Anchor E.](#); [Mike Bratcher \(mike.bratcher@state.nm.us\)](#); [Cordero, Gilbert, EMNRD](#); [Jones, William V, EMNRD](#); [McMillan, Michael, EMNRD](#); [Goetze, Phillip, EMNRD](#); [Dawson, Scott, EMNRD](#)  
**Subject:** Approved NSL-7662, 7663, 7664, 7665\_Percussion Petroleum Operating, LLC\_MORRIS BOYD STATE COM WELL NO. (2H, 3H, 4H, 5H)\_ SEC 26 19S 25E  
**Date:** Friday, April 13, 2018 12:10:00 PM  
**Importance:** High

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Mr. Adam G. Rankin,

The following administrative orders have been issued and will soon be available on the Division's web site.

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

**Applicant: Percussion Petroleum Operating, LLC [371755]**

**NSL-7662**, WELL: Morris Boyd State Com Well No. 2H, [API #: 30-015-44670]

**NSL-7663**, WELL: Morris Boyd State Com Well No. 3H, [API #: 30-015-44732]

**NSL-7664**, WELL: Morris Boyd State Com Well No. 4H, [API #: 30-015-44741]

**NSL-7665**, WELL: Morris Boyd State Com Well No. 5H, [API #: 30-015-44748]

**Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>