

NSL-7697

Revised March 23, 2017

PMAM1805636685

RECEIVED: 04/05/2018	REVIEWER: LRL	TYPE: NSV	APP NO: APR 05 2018 PM04:37
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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:** South Boyd Federal Com No. 14H Well**API:** PENDING 015-44881**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

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

April 5, 2018

Date

505-988-4421

Phone Number

agrarkin@hollandhart.com

e-mail Address

April 5, 2018

**VIA HAND DELIVERY**

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

APR 05 2018 PM04:37

**Re: Application of Percussion Petroleum Operating, LLC for administrative approval of an unorthodox well location for its South Boyd Federal Com No. 14H Well in the E/2 E/2 of Section 27, 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 **South Boyd Federal Com No. 14H Well** (API number pending) to be completed in the N. Seven Rivers Glorieta Yeso Pool (Pool Code 97565) underlying Section 27, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. This well will be drilled from a surface location 333 feet from the north line, 630 feet from the east line (Unit A) of Section 34. The upper most perforation will be located 330 feet from the south line, 490 feet from the east line (Unit P) of Section 27 and the lower most perforation will be located 100 feet from the north line, 490 feet from the east line (Unit A) of Section 27. 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 boundary of the project area. ✓

The purpose for the unorthodox location is for engineering reasons and approval 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 **South Boyd Federal Com No. 14H Well** encroaches on the spacing and proration units to the north.

**Exhibit B** is a land plat for Section 27 and the surrounding sections that shows the **South Boyd Federal Com No. 14H 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. A copy of this application has been provided to the Bureau of Land Management—Carlsbad District Office.

Your attention to this application is appreciated.

Sincerely,

Adam G. Rankin

**ATTORNEY FOR PERCUSSION PETROLEUM  
OPERATING, LLC**

cc: Bureau of Land Management—Carlsbad District Office  
620 E. Greene Street  
Carlsbad, NM 88220  
PS3877\_92750901193562000007885678

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) 748-1253 Fax: (575) 748-9720

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1226 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

OIL CONSERVATION DIVISION  
1226 South St. Francis Dr.  
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
	SOUTH BOYD FEDERAL COM	14H
OGRID No.	Operator Name	Elevation
	PERCUSSION PETROLEUM OPERATING, LLC	3508'

Surface Location

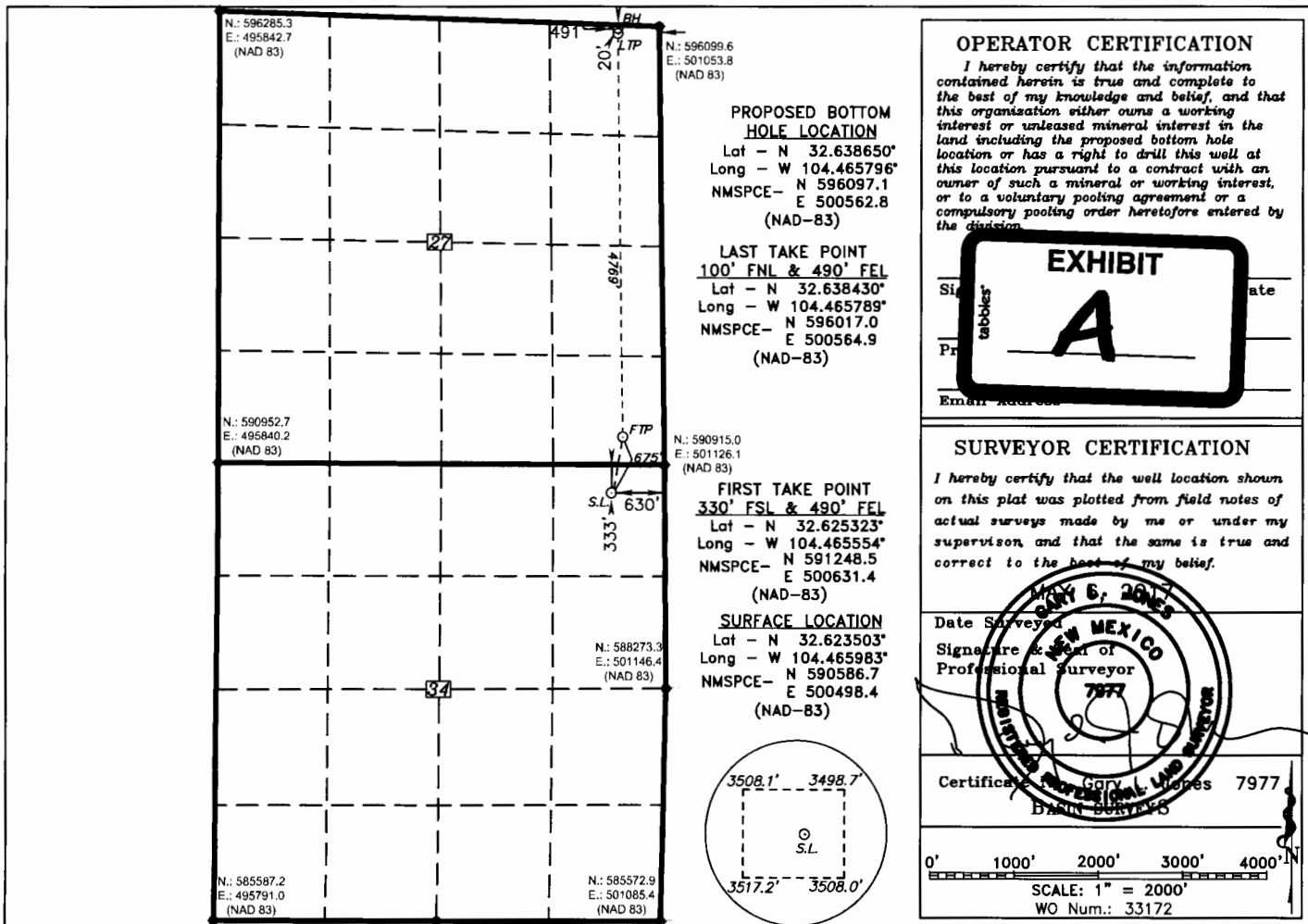
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
A	34	19 S	25 E		333	NORTH	630	EAST	EDDY

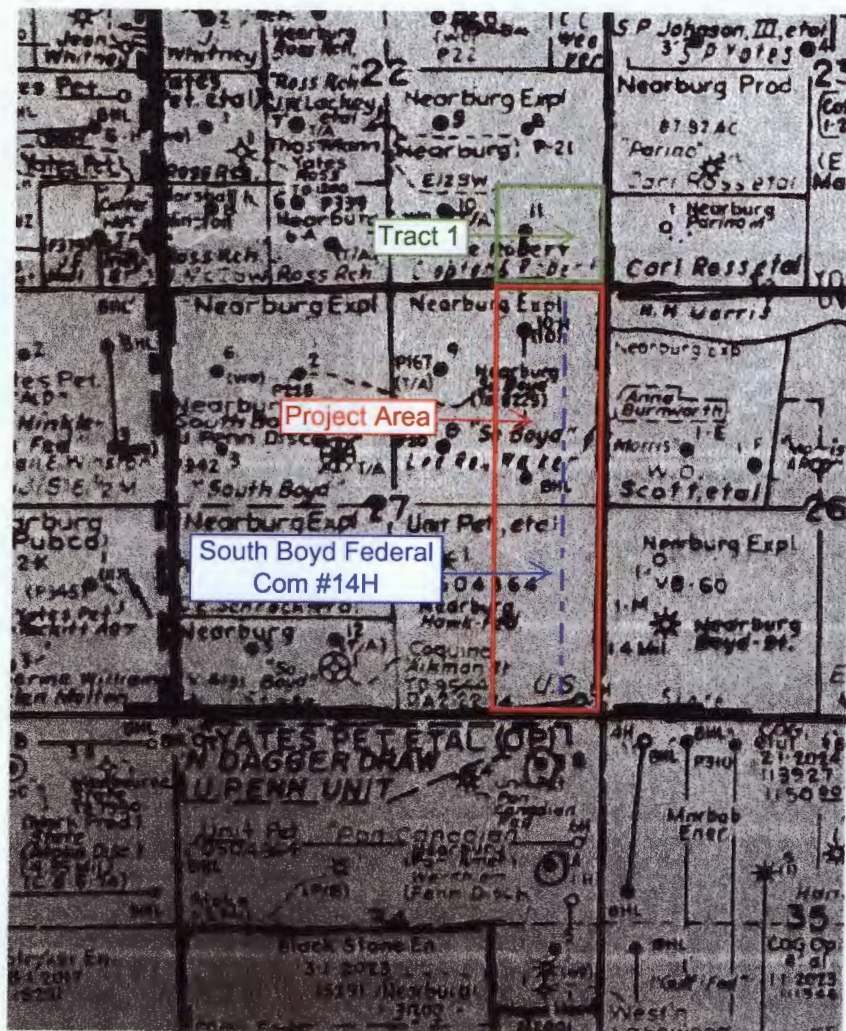
Bottom Hole Location If Different From Surface

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	491	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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





**EXHIBIT C**

**TRACT 1 (B&B 22 #11, SESE Sec 22-19S-25E)**

YATES INDUSTRIES LLC  
104 SOUTH FOURTH STREET  
ARTESIA, NM 88210  
PS3877\_92750901193562000007885678

1 TIMOTHY 6, LLC  
P.O. BOX 30598  
EDMOND, OK 73025  
PS3877\_92750901193562000007885678

MADURO OIL & GAS, LLC  
3102 MAPLE AVENUE, SUITE 400  
DALLAS, TX 75201  
PS3877\_92750901193562000007885678

EOG RESOURCES ASSETS LLC  
1111 BAGBY; SKY LOBBY 2  
HOUSTON, TX 77002-2551  
PS3877\_92750901193562000007885678





## Shipment Confirmation Acceptance Notice

### A. Mailer Action

**Note to Mailer:** The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Percussion Petroleum Operating, LLC - South  
Boyd Federal Com No. 14H Well -  
92750901193562000007885678

Shipment Date: 04/05/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	5
Total	5

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

### B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.  
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0007 8856 78



# Firm Mailing Book For Accountable Mail

Name and Address of Sender	USPS Tracking/Article Number	Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Priority Mail <input type="checkbox"/> Restricted Delivery	Affix Stamp Here <i>(if issued as an international certificate of mailing or for additional copies of this receipt).</i> <b>Postmark with Date of Receipt.</b>
1. Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501	9214 8901 9403 8305 3557 15	Addressee (Name, Street, City, State, & ZIP Code™)  Yales Industries LLC 104 South Fourth Street Artesia NM 88210	Postage 1.63 (Extra Service Fee) 3.45 Handling Charge - if Registered and over \$50,000 in value Actual Value if Registered Insured Value Due Sender if COD ASR Fee ASRD Fee RD Fee RR Fee 1.50 SC Fee SCRD Fee SH Fee
2. 9214 8901 9403 8305 3557 22	1 Timothy 6 LLC PO BOX 30598 Edmond OK 73025		
3. 9214 8901 9403 8305 3557 39	Madrino Oil & Gas LLC 3102 Maple Avenue Suite 400 Dallas TX 75201		
4. 9214 8901 9403 8305 3557 46	EOG Resources Assets LLC 1111 Bagby Sky Lobby 2 Houston TX 77002-2551		Adult Signature Required Adult Signature Restricted Delivery Restricted Delivery Return Receipt Signature Confirmation Special Handling
5. 9214 8901 9403 8305 3557 53	Bureau of Land Management Carlsbad District Office 620 E Greene Street Carlsbad NM 88220		Signature Confirmation



HOLLAND & HART<sup>LLP</sup>



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

April 5, 2018

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

**TO: AFFECTED PARTIES**

**Re: Application of Percussion Petroleum Operating, LLC for administrative approval of an unorthodox well location for its South Boyd Federal Com No. 14H Well in the E/2 E/2 of Section 27, 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.

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

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

Sincerely,

Adam G. Rankin

**ATTORNEY FOR PERCUSSION PETROLEUM  
OPERATING, LLC**

**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. ☐

**From:** [Lowe, Leonard, EMNRD](#)  
**To:** ["Adam Rankin"](#)  
**Cc:** ["Lisa Lemon ."; Mike Bratcher \(mike.bratcher@state.nm.us\); Cordero, Gilbert, EMNRD; "jglover@blm.gov"; "scaffey@blm.gov"; "jstovall@blm.gov"; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Dawson, Scott, EMNRD](#)  
**Subject:** APPROVED NSL-7697, -7698, -7699, -7700\_Percussion Petroleum Operating, LLC\_South Boyd Fed Com Wells. 14H, 15H,16H,17H\_SEC 34 T19S R25E  
**Date:** Friday, May 4, 2018 3:46:00 PM  
**Importance:** High

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Mr. Adam 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-7697**

WELL: South Boyd Federal Com Well No. 14H [API #: 30-015-44881]

**NSL-7698**

WELL: South Boyd Federal Com Well No. 15H [API #: 30-015-44882]

**NSL-7699**

WELL: South Boyd Federal Com Well No. 16H [API #: 30-015-44883]

**NSL-7700**

WELL: South Boyd Federal Com Well No. 17H [API #: 30-015-44884]

**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/>