

Additional Information

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Form C-102

Energy, Minerals, and Natural Resources Department

Revised October 12, 2005

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

State Lease - 4 copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.

Fee Lease - 3 copies

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-38163	² Pool Code 11795	³ Pool Name Cemetery j/eso
⁴ Property Code 8396	⁵ Property Name HUBER "3" FED	
⁷ OGRID No. 015742	⁸ Operator Name NEARBURG PRODUCING	⁶ Well Number 3H
		⁹ Elevation 3490'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	3	20 SOUTH	25 EAST, N.M.P.M.		330'	NORTH	660'	EAST	EDDY

¹¹Bottom 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
P	3	20 SOUTH	25 EAST, N.M.P.M.		330'	SOUTH	660'	EAST	EDDY
¹² Dedicated Acres 160.54	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁷ OPERATOR CERTIFICATION

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.

Signature: *Sarah Jordan* Date: 6/17/10
Printed Name: Sarah Jordan

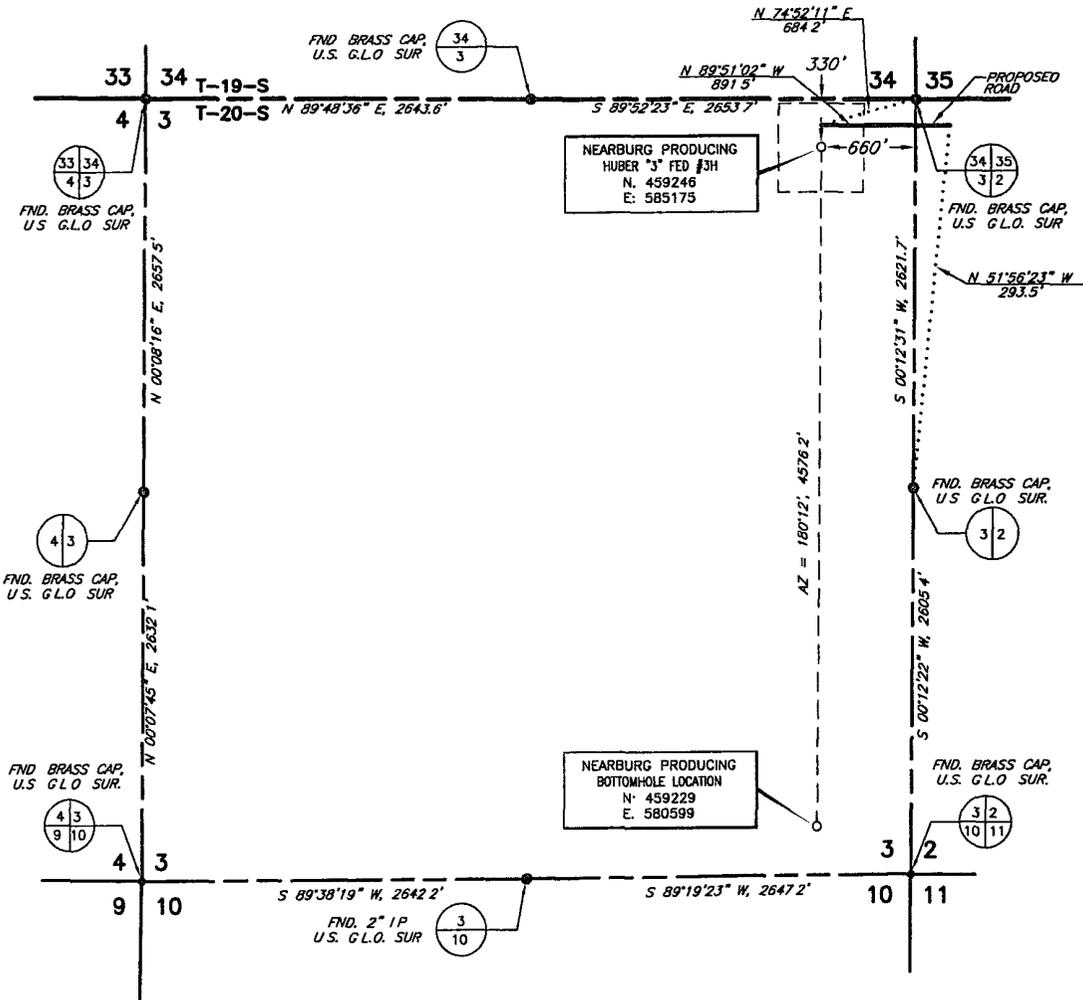
¹⁸ SURVEYOR CERTIFICATION

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.

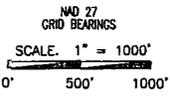
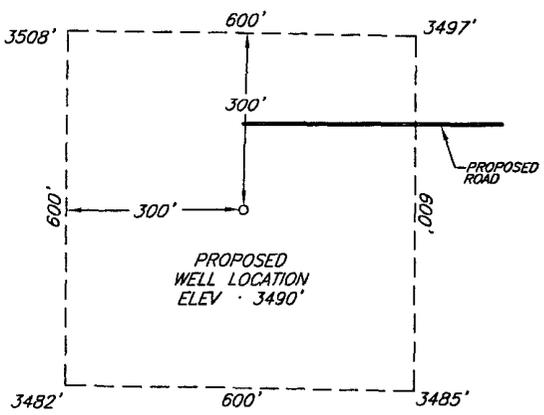
Date of Survey: JUNE 1, 2010
Signature and Seal of Professional Surveyor: *Micheal Blake Brown*

Certificate Number: Micheal Blake Brown P.S. #18329
JOB #156445 / 75 SW E.U.O.

PLAT SHOWING PROPOSED WELL LOCATION IN
SECTION 3, T-20-S, R-25-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



DETAIL VIEW
1" = 250'



MICHAEL BLAKE BROWN, A PROFESSIONAL SURVEYOR IN THE STATE OF NEW MEXICO AND AUTHORIZED AGENT OF TOPOGRAPHIC LAND SURVEYORS, HEREBY CERTIFY THIS PLAT TO BE A TRUE REPRESENTATION OF A SURVEY PERFORMED IN THE FIELD UNDER MY SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THIS PLAT AND FIELD SURVEY UPON WHICH IT IS BASED MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO. (RULE 500.6 EASEMENT SURVEYING)

[Signature]

BEARINGS AND COORDINATES
BASED ON NEW MEXICO STATE
STATE PLANE GRID - EAST
ZONE, NAD 27

DATE OF FIELD WORK: JUNE 1, 2010

MICHAEL BLAKE BROWN, P.S. NO. 18329

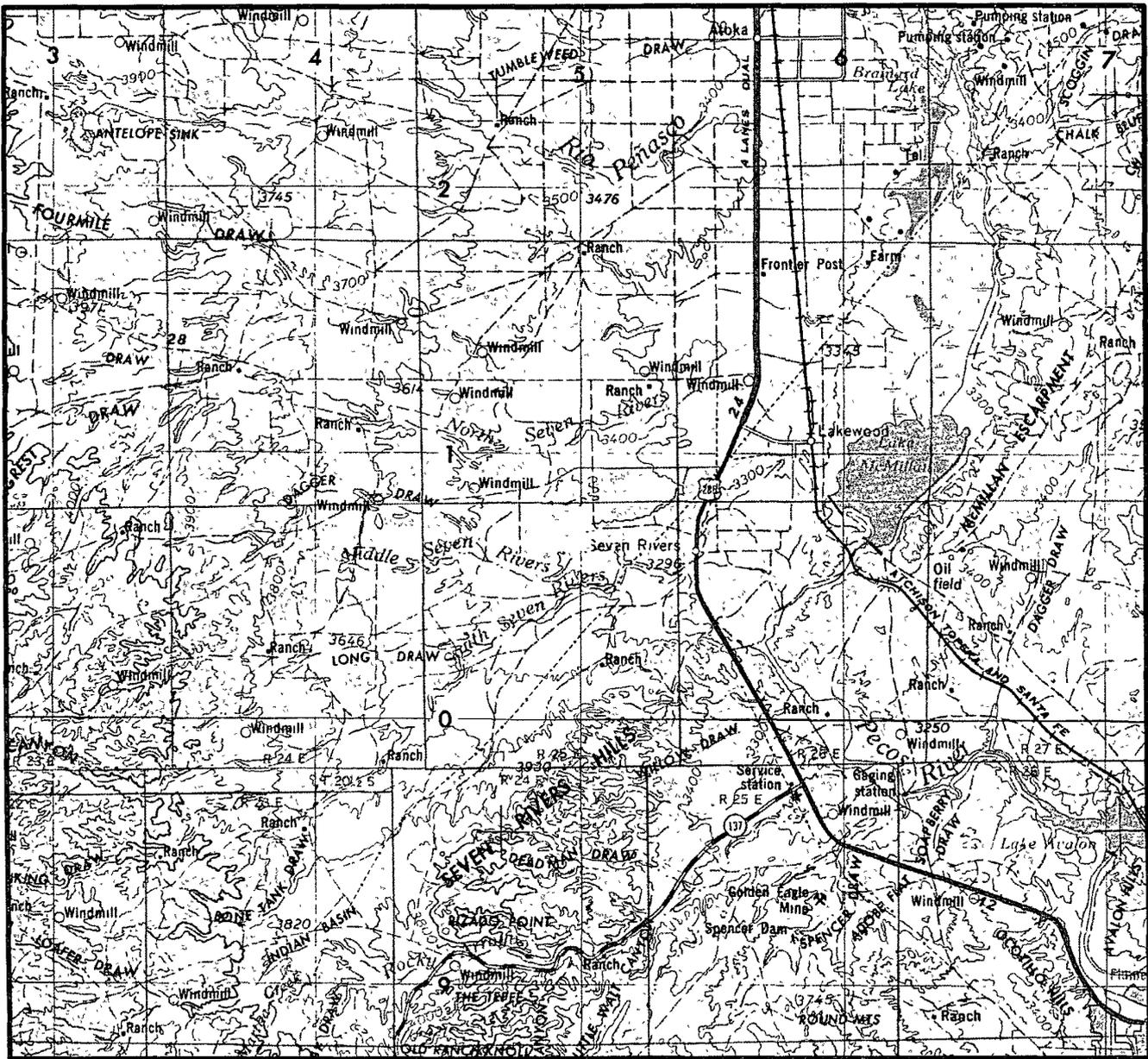
NEARBURG PRODUCING

NO	REVISION	DATE	BY
SURVEYED BY: B.W.			
DRAWN BY: E.U.O.			
APPROVED BY: M.B.B.			

SURVEYING AND MAPPING BY
TOPOGRAPHIC LAND SURVEYORS
MIDLAND, TEXAS

SCALE: 1" = 1000'
DATE: JUNE 1, 2010
JOB NO.: 156446-F
QUAD NO. 75SW
SHEET: 1 OF 1

VICINITY MAP



SECTION 3 TWP 20-S RGE 25-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 330' FNL & 660' FEL

OPERATOR NEARBURG PRODUCING

LEASE HUBER 3 FED #3H

DISTANCE & DIRECTION FROM JCT. OF HWY. 285 & CO.

RD. 23, GO WEST 3.0 MILES ON CO. RD. 23, THENCE

SOUTH 1.0 MILES ON LEASE ROAD TO A POINT ±1000'

EAST OF THE LOCATION.

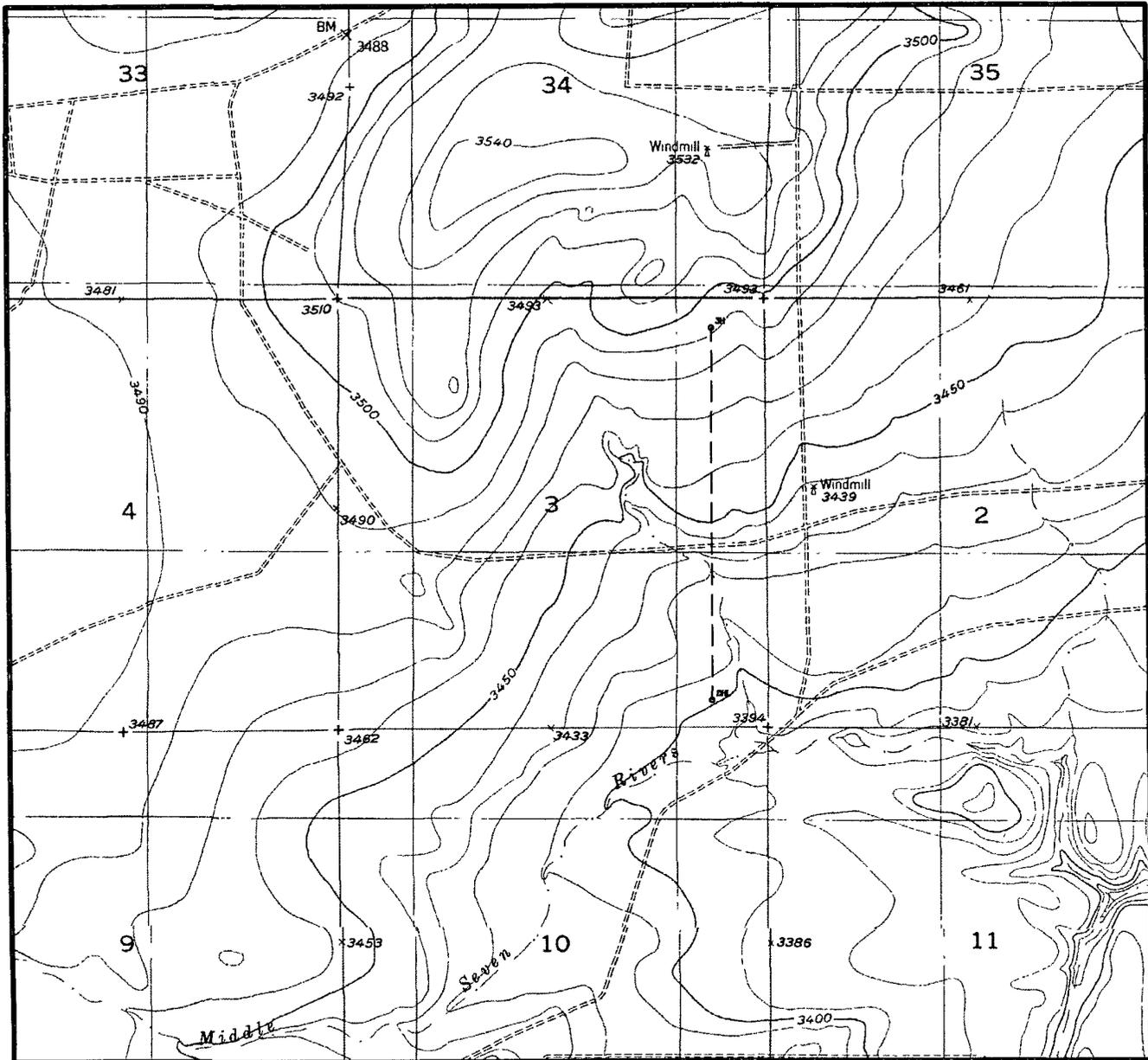


TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 3 TWP 20-S RGE 25-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 330' FNL & 660' FEL

ELEVATION 3490'

OPERATOR NEARBURG PRODUCING CO.

LEASE HUBER 3 FED #3H

U.S.G.S. TOPOGRAPHIC MAP

SEVEN RIVERS, NEW MEXICO

SCALED LAT. LAT.: N 32°36'31.25"

LONG. LONG.: W 104°27'56.45"



TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

State of New Mexico

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C
Revised October 12,
Submit to Appropriate District C
State Lease - 4 C
Fee Lease - 3 C

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REP

API Number 30-015-39022	Pool Code 11795 97565	Well Name N. Seven Rivers	Well Name Glorieta
Property Code 8396	Property Name HUBER 3 FEDERAL		Well Number 4H
OGRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY		Elevation 3491'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	3	20-S	25-E		330	NORTH	1880	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
0	3	20S	25E		330	South	1880	East	Eddy

Dedicated Acres 160.54	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

<p>LOT 4</p>	<p>LOT 3</p>	<p>LOT 2</p>	<p>LOT 1</p>
<p>S.L. O — 1220' — ● #3H</p> <p>← 1880' →</p>			
<p>DETAIL</p> <p>3491.8' 3513.0'</p> <p>600'</p> <p>3489.5' 3489.5'</p>			
<p>GRID AZ. - 180° 12' 16"</p> <p>HORZ. DIST. - 4590.3'</p>			
<p>GEODETTIC COORDINATES NAD 27 NME. SURFACE LOCATION Y=585178.2 N X=458025.2 E</p> <p>LAT.=32.608685° N LONG.=104.469646° W</p>			
<p>BOTTOM HOLE LOCATION Y=580589.2 N X=458008.8 E</p>			
<p>B.H. O — 1880' —</p> <p>↑ 330'</p>			

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 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Terri Stathem 4/5/11
Signature Date

Terri Stathem
Printed Name

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.

MARCH 1, 2011

Date Surveyed LA REV: 3/17/11

Signature & Seal of Professional Surveyor

Ronald T. Eidson 3/17/2011
NEW MEXICO
13,0678

Certificate No. GARY, C. EIDSON 12641
RONALD T. EIDSON 3239

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210
DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

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 July 16, 2010
Submit to Appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39177	Pool Code 97565	Pool Name N. Seven Rivers; Glor-Yeso
Property Code 8396	Property Name HUBER FEDERAL	
OGRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY	
	Well Number 5H	Elevation 3443'

Surface Location

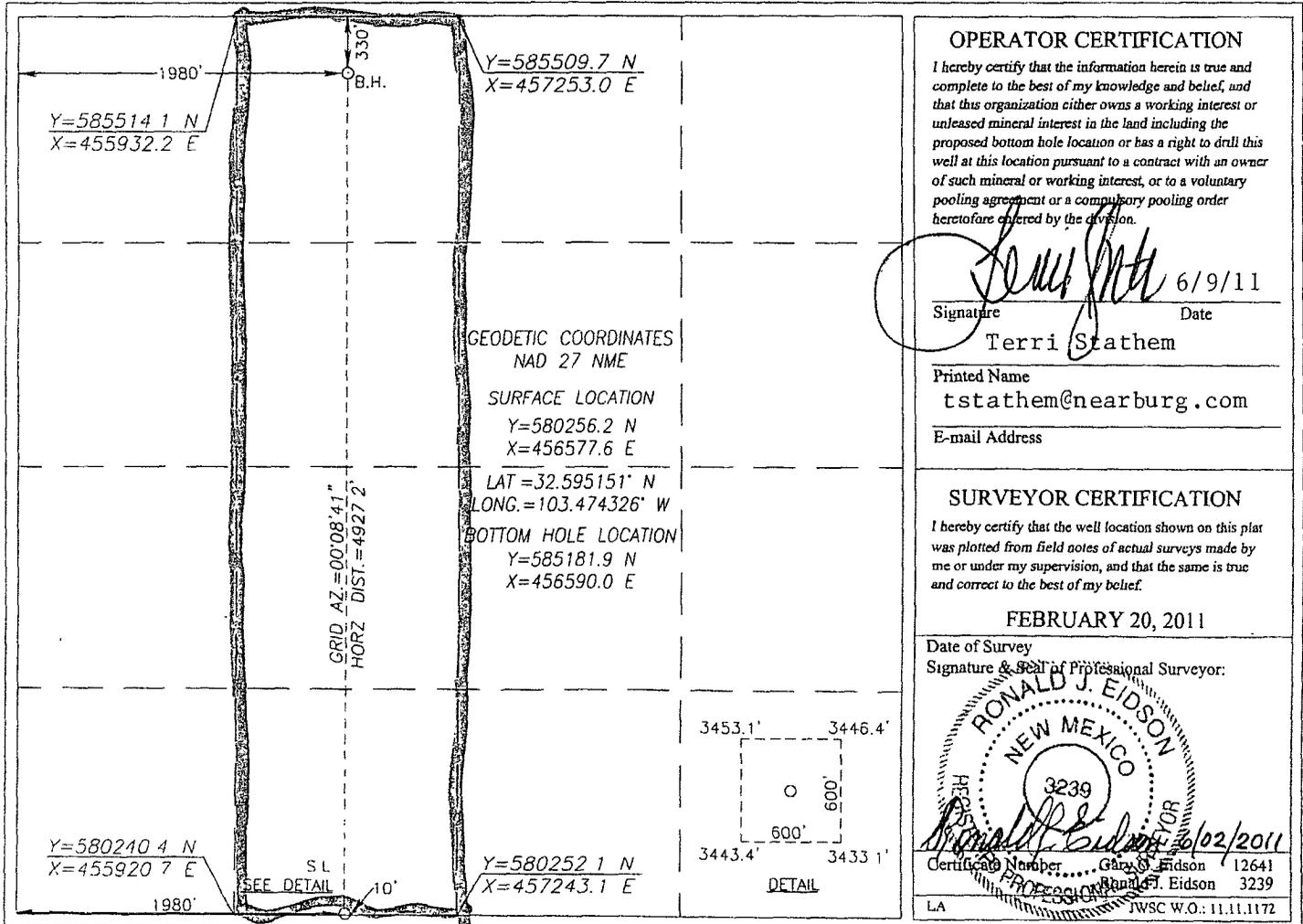
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	3	20-S	25-E		10	SOUTH	1980	WEST	EDDY

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
C	3	20-S	25-E		330	NORTH	1980	WEST	EDDY

Dedicated Acres 160.61	Joint or Infill	Consolidation Code	Order No.
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1625 N. FRENCH DR., HOBBS, NM 88240

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11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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Revised July 16, 2010
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-DIS-89765	Pool Code 97565	Pool Name N. Seven Rivers; Glor-Yeso
Property Code 8396	Property Name HUBER FEDERAL	Well Number 6H
OGRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3463'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	20-S	25-E		180	SOUTH	330	WEST	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
D	3	20-S	25-E		330	NORTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.64			

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Y=585514.1 N
X=455932.2 E

Y=585518.4 N
X=454611.4 E

GRID AZ - 04° 05' 42" HORIZ DIST. - 4788.4'

GEODETIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y=580411.5 N
X=454928.5 E

LAT = 32.595571° N
LONG. = 104.479681° W

BOTTOM HOLE LOCATION
Y=585186.3 N
X=455270.4 E

Y=580228.6 N
X=454598.2 E

Y=580240.4 N
X=455920.7 E

DETAIL

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 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Terri Stathem 9/22/11
Signature Date
Terri Stathem
Printed Name
tstathem@nearburg.com
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

MAY 26, 2011

Date of Survey
Signature & Seal of Professional Surveyor:
RONALD J. EIDSON
NEW MEXICO
3239
Certification Number: Garret Eidson 12641
Professional Surveyor Ronald J. Eidson 3239
LA JWSC W.O.: 11.11.1171

Exhibit E
Nearburg Producing Company
Huber Federal #6H

SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

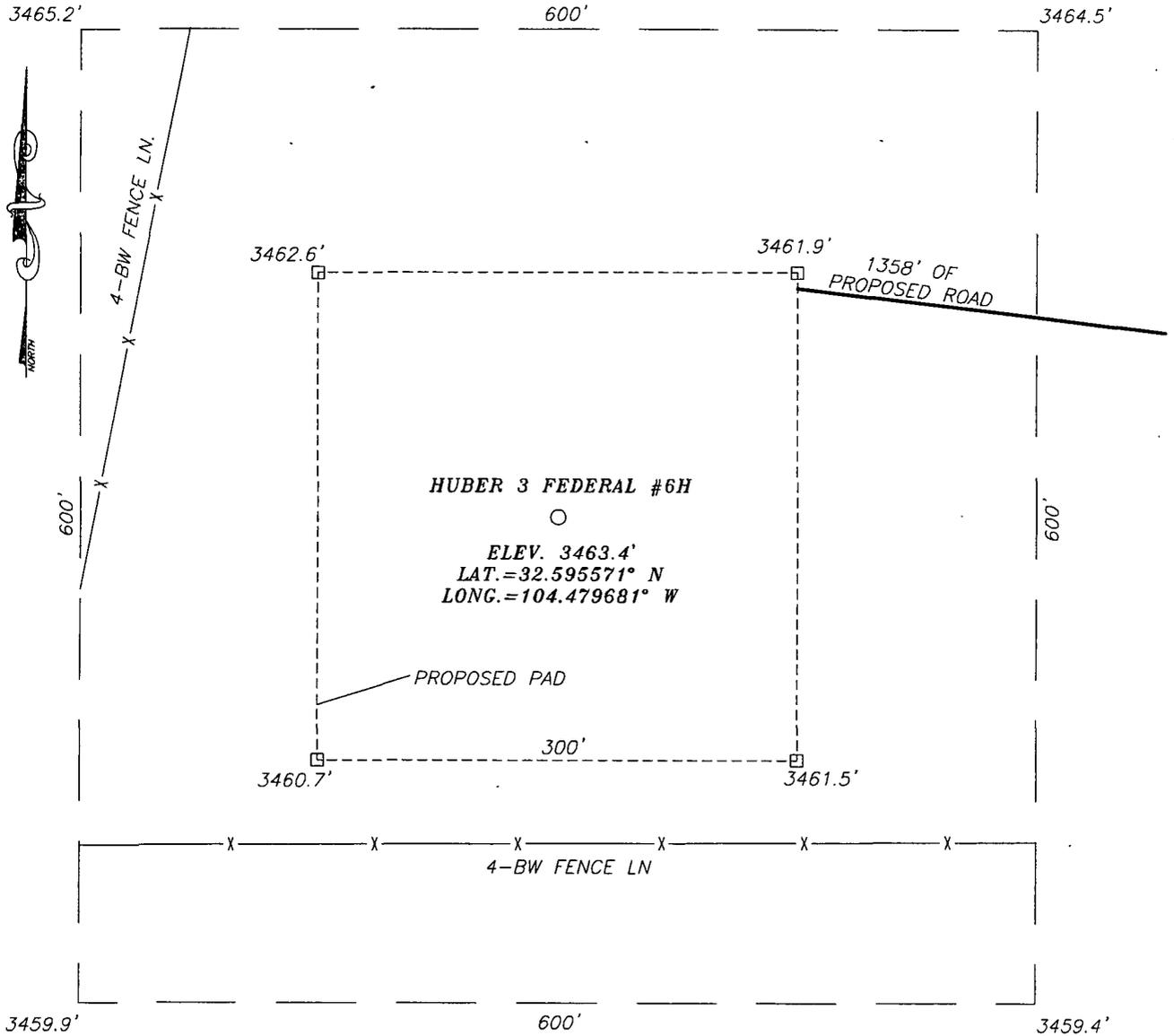
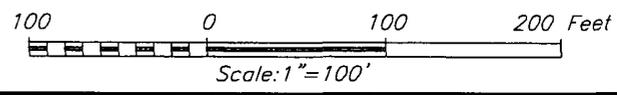


Exhibit A
Nearburg Producing Company
Huber Federal #6H

DIRECTIONS TO LOCATION

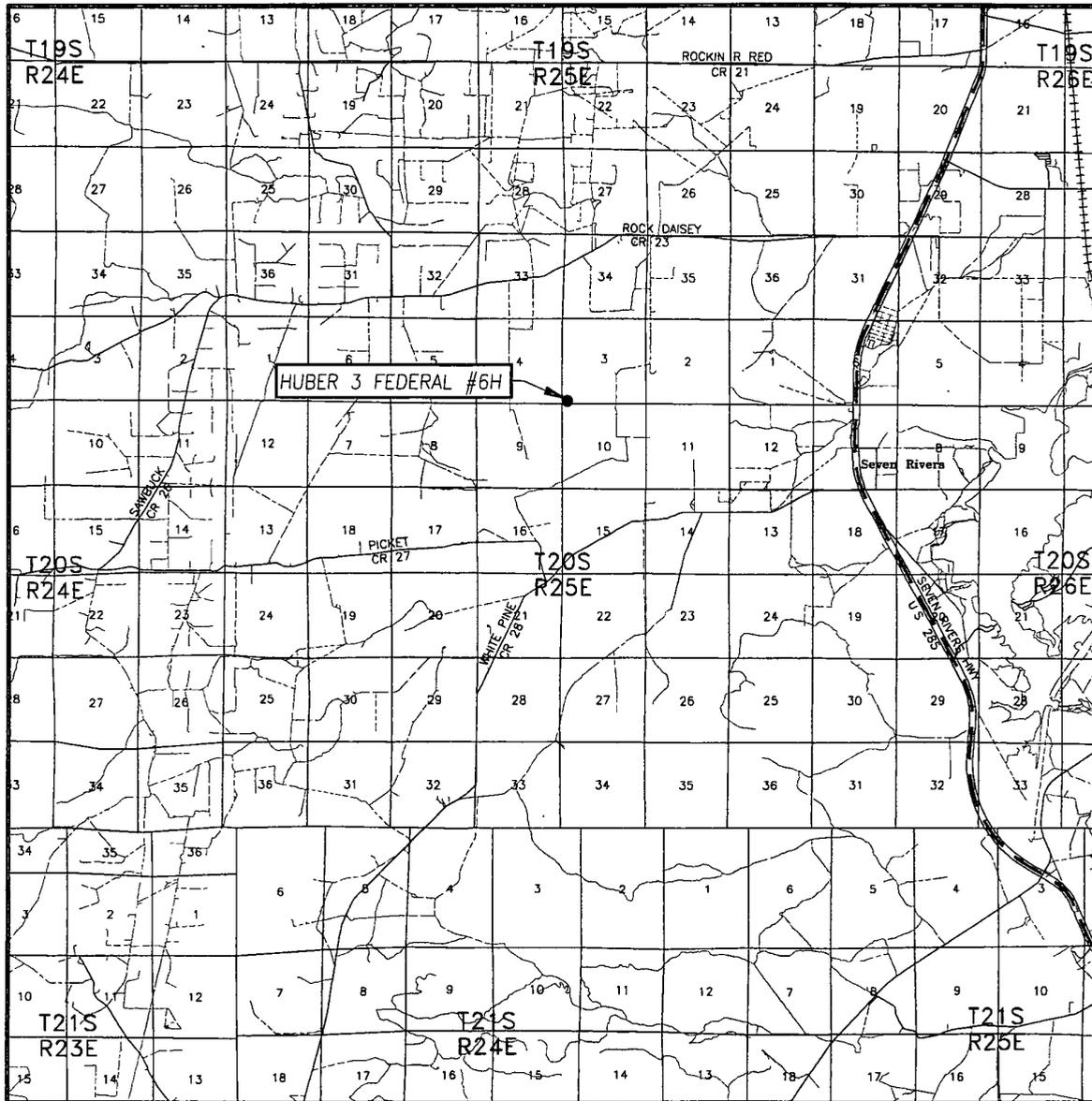
FROM THE INTERSECTION OF HIGHWAY 285 AND COUNTY ROAD 23 (ROCK DAISY ROAD), GO WEST ON CO RD. #23 APPROX. 2.9 MILES. GO SOUTH FOR APPROX. 1.6 MILES; THEN WEST 0.5 MILES, THEN SOUTH 0.4 MILES TO A PROPOSED ROAD SURVEY. FOLLOW ROAD SURVEY WEST APPROX. 2972 FEET TO THIS LOCATION.




PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

NEARBURG PRODUCING COMPANY			
HUBER 3 FEDERAL #6H WELL LOCATED 180 FEET FROM THE SOUTH LINE AND 330 FEET FROM THE WEST LINE OF SECTION 3, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO			
Survey Date: 5/25/11	Sheet 1 of 1 Sheets		
W.O. Number. 11.11.1171	Dr By. LA	Rev 1-N/A	
Date. 6/1/11	11111171	Scale: 1"=100'	

VICINITY MAP



SCALE: 1" = 2 MILES

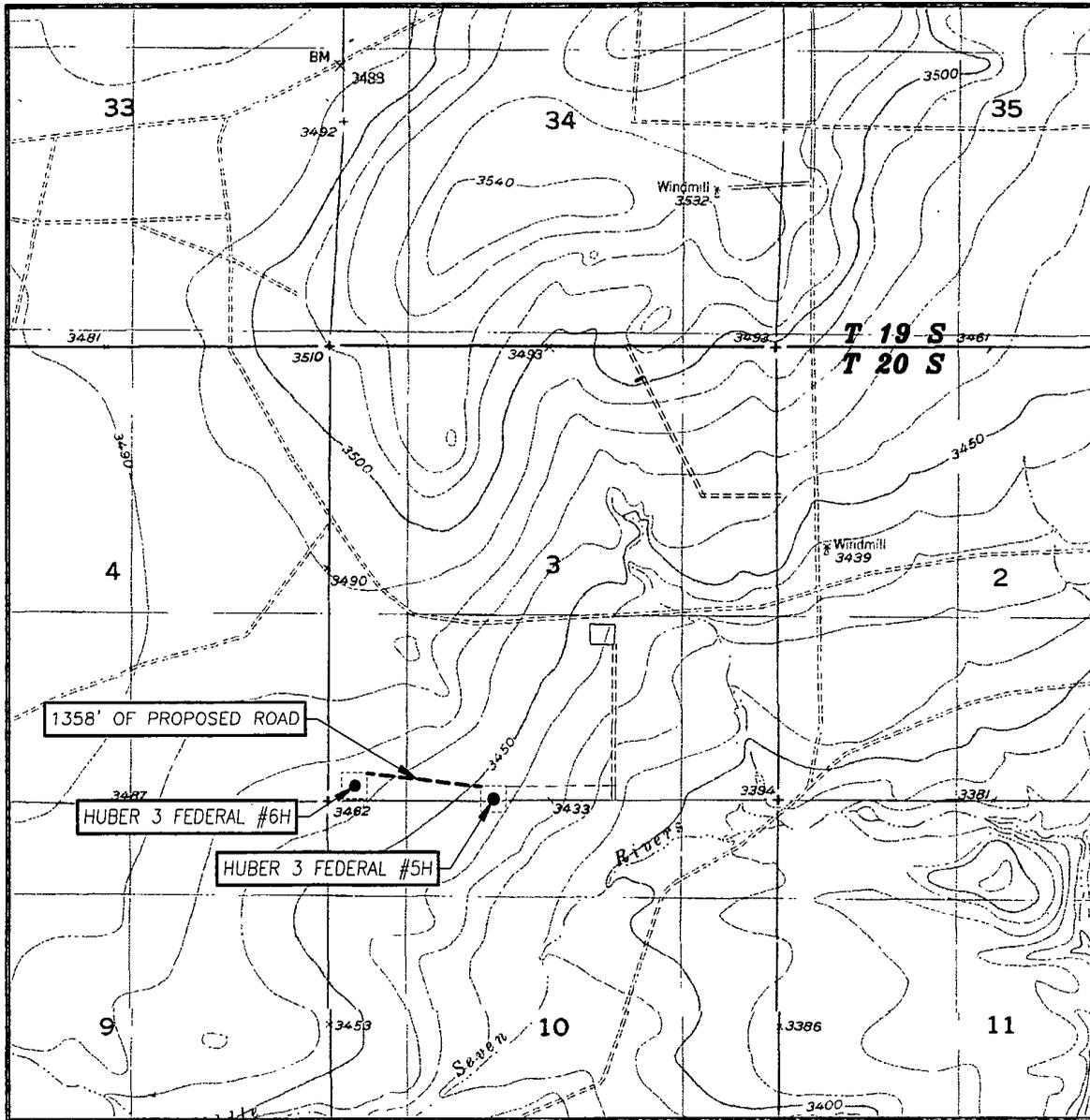
SEC. 3 TWP. 20-S RGE. 25-E
 SURVEY _____ N.M.P.M. _____
 COUNTY EDDY STATE NEW MEXICO
 DESCRIPTION 180' FSL & 330' FWL
 ELEVATION 3463'
 OPERATOR NEARBURG PRODUCING COMPANY
 LEASE HUBER 3 FEDERAL

Exhibit C
Nearburg Producing Company
Huber Federal #6H



PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 383-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
SEVEN RIVERS, NM

SEC. 3 TWP. 20-S RGE. 25-E

SURVEY N.M.P.M

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 180' FSL & 330' FWL

ELEVATION 3463'

OPERATOR NEARBURG PRODUCING COMPANY

LEASE HUBER 3 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
SEVEN RIVERS, NM

Exhibit D
Nearburg Producing Company
Huber Federal #6H



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240
Phone (575) 393-0181 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1289 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1226 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3400 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

*PI Number 30-015- 44706	Pool Code 97565	Pool Name N. SEVEN RIVERS; GLORIETA-YESO
Property Code 317243	Property Name HUBER FEDERAL	Well Number 7H
OGRID No. 371755	Operator Name PERCUSSION PETROLEUM OPERATING, LLC	Elevation 3514'

Surface Location

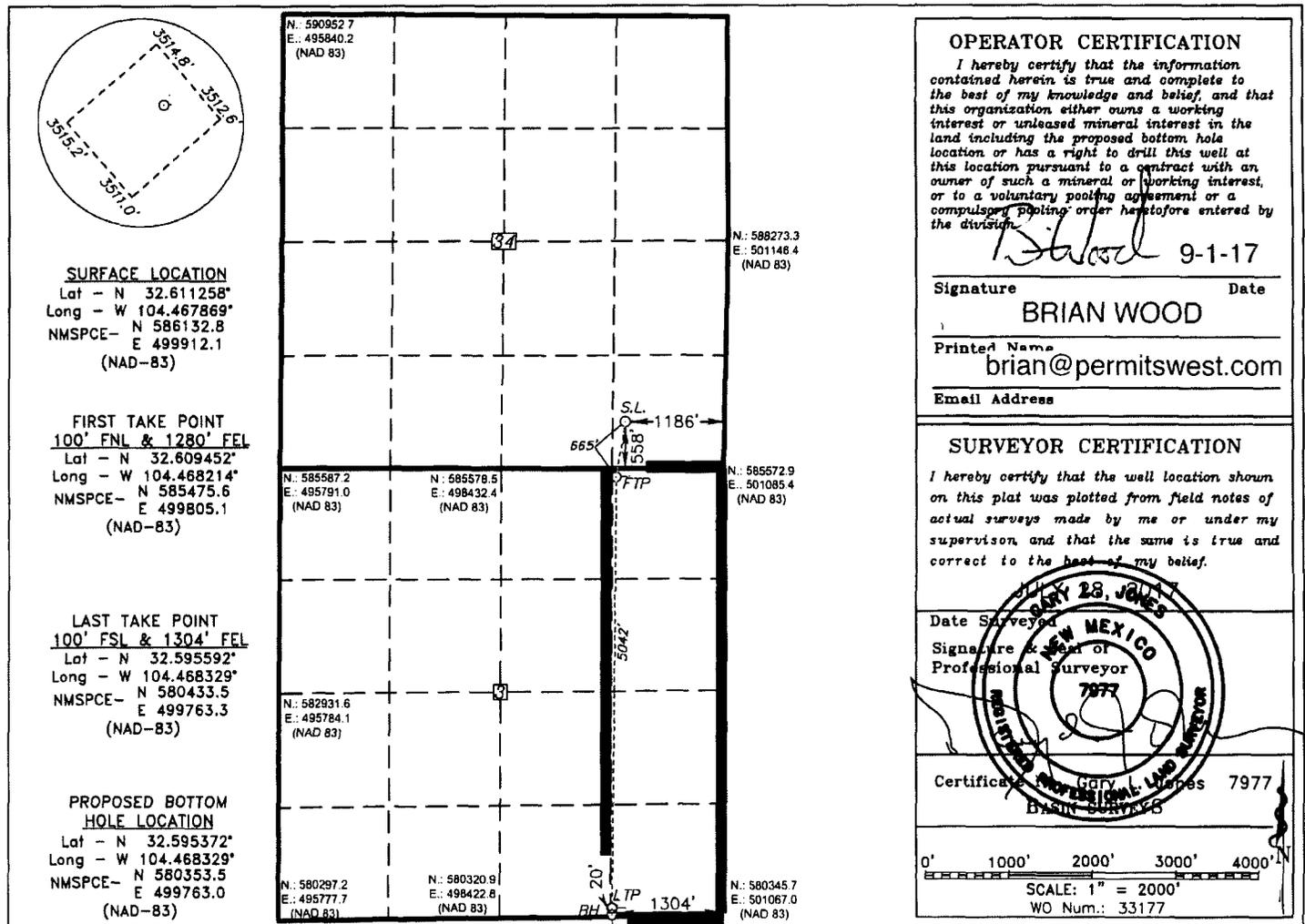
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
P	34	19 S	25 E		558	SOUTH	1186	EAST	EDDY

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
P	3	20 S	25 E		20	SOUTH	1304	EAST	EDDY

Dedicated Acres 160.54	Joint or Infill	Consolidation Code	Order No.
---------------------------	-----------------	--------------------	-----------

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Rev 2-19-18

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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1000 Rio Brazos Road, Aztec, NM 87410
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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

GAS CAPTURE PLAN

Date: 9-1-17

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, recomplete to new zone, re-frac) activity.

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).

Well(s)/Production Facility – Name of facility

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	Flared or Vented	Comments
Huber Federal 7H	30-015- <i>44706</i>	P-34-19s-25e	558' FSL & 1186' 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 ≈1412.8' 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

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
Phone (575) 393-8181 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 Rd., Aztec, NM 87410
Phone (505) 354-8178 Fax: (505) 354-8170

DISTRICT IV
1226 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3460 Fax: (505) 478-3462

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 30-015 - 44707	Pool Code 97565	Pool Name N. SEVEN RIVERS; GLORIETA-YESO
Property Code 317243	Property Name HUBER FEDERAL	Well Number 8H
OGRID No. 371755	Operator Name PERCUSSION PETROLEUM OPERATING, LLC	Elevation 3514'

Surface Location

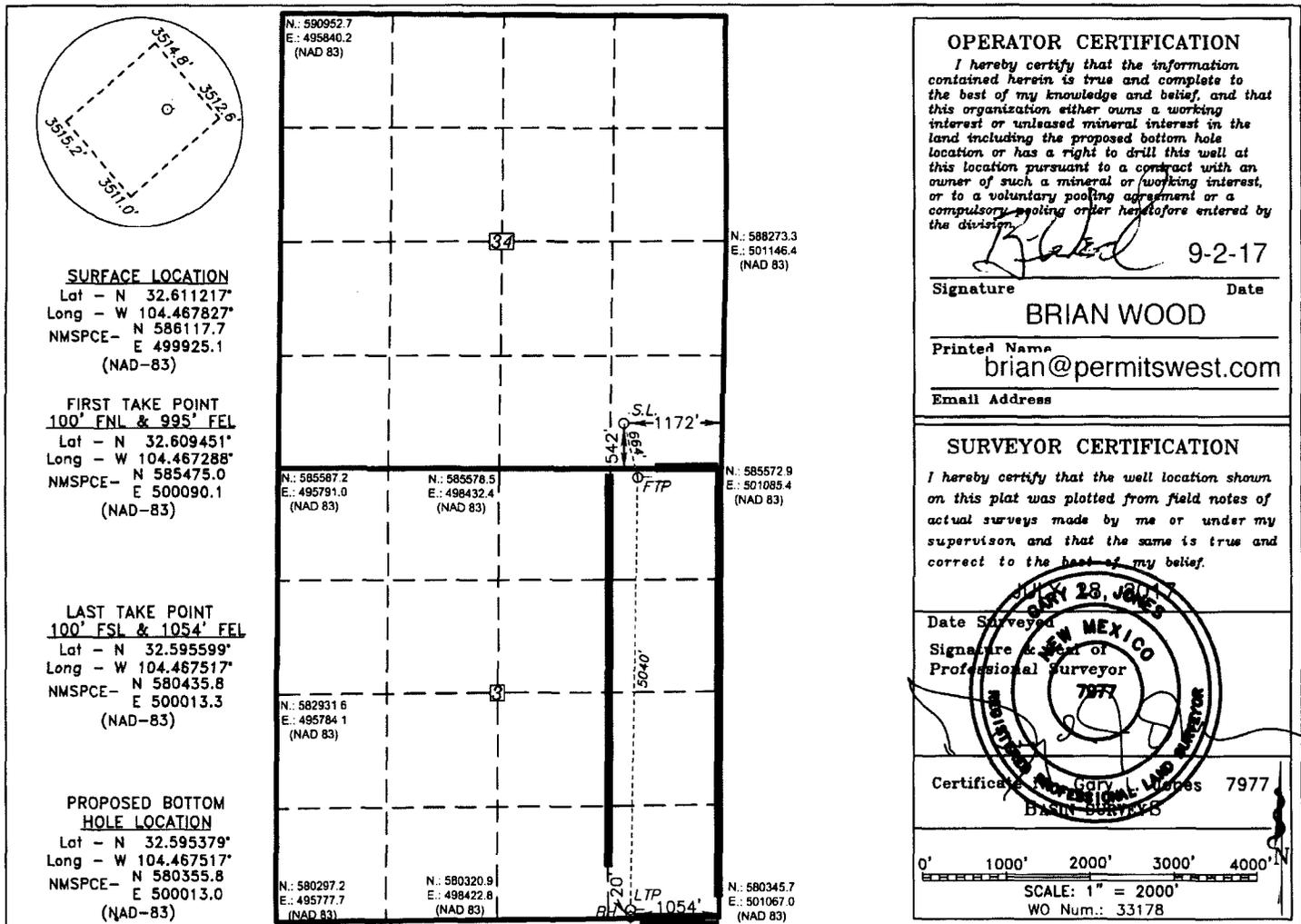
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
P	34	19 S	25 E		542	SOUTH	1172	EAST	EDDY

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
P	3	20 S	25 E		20	SOUTH	1054	EAST	EDDY

Dedicated Acres 160.54	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



Rev 2-19-18

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District Office

GAS CAPTURE PLAN

Date: 9-2-17

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, recomplete to new zone, re-frac) activity.

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).

Well(s)/Production Facility – Name of facility

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	Flared or Vented	Comments
Huber Federal 8H	30-015- 44707	P-34-19s-25e	542' FSL & 1172' 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 ≈1412.8' 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

RECEIVED

Federal Les. No. _____ All distances must be from the outer boundaries of the Section.

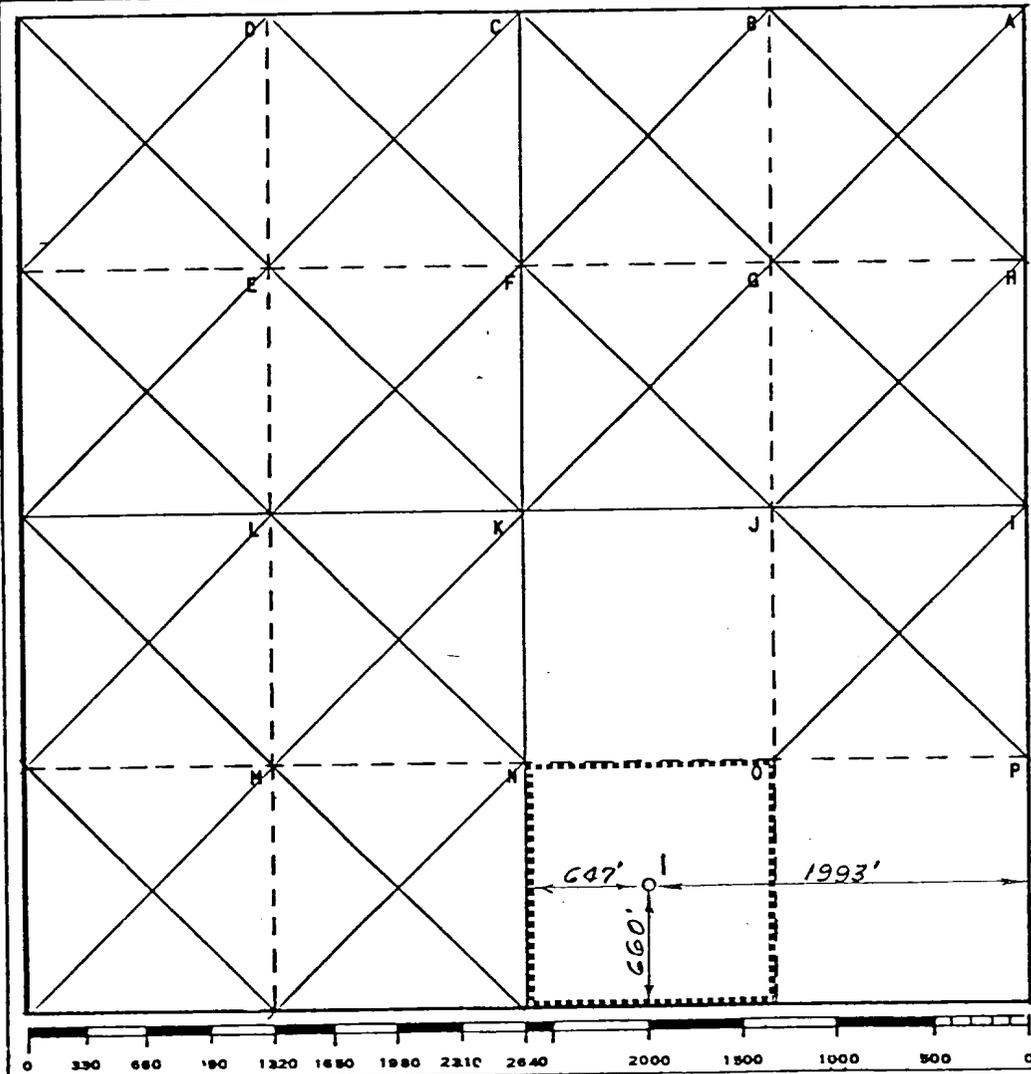
Operator Exxon Corporation		Lease Lakewood Federal		Well No. AUG 11 1982 1
Unit Letter 0	Section 34	Township 19 S	Range 25 E	County Eddy O. C. D.
Actual Footage Location of Well: 660 feet from the South line and 1993 feet from the East line				ARTESIA, OFFICE
Ground Level Elev: 3509	Producing Formation Yeso/Glorjeta	Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Melba Knippling

Position
UNIT HEAD

Company Exxon Corporation
 Box 1600 Midland, Texas

Date
7-14-82

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 knowledge and belief.

Date Surveyed
7-13-82

Registered Professional Engineer and/or Land Surveyor
 H. S. Mesterfeld

Certificate No.
1382

5.7 Miles W/SW of Lakewood, New Mexico

C.E. Sec. File No. W-A-7766-A

Lakewood Federal 1**3001524231**

	Oil(BBLS)	Gas(MCF)	Water(BBLS)
Dec-18	0	0	0
Jan-19	0	0	0
Feb-19	0	0	0
Mar-19	0	0	0
Apr-19	0	0	0
May-19	0	0	0

Huber 3 Federal 03H**3001538163**

	Oil(BBLS)	Gas(MCF)	Water(BBLS)
Dec-18	1469	993	6285
Jan-19	905	1031	6565
Feb-19	420	526	6033
Mar-19	218	261	3319
Apr-19	582	758	7115
May-19	1295	1648	5756

Huber 3 Federal 04H**3001539022**

Oil(BBLS)	Gas(MCF)	Water(BBLS)	
771	2488	6241	Dec-18
528	1763	4809	Jan-19
459	1081	2048	Feb-19
724	532	2402	Mar-19
1185	3728	8990	Apr-19
850	1951	7211	May-19

Huber 3 Federal 05H**3001539177**

	Oil(BBLS)	Gas(MCF)	Water(BBLS)
Dec-18	750	1137	1328
Jan-19	1080	1832	2178
Feb-19	670	1501	1999
Mar-19	809	2016	2599
Apr-19	866	1631	2211
May-19	900	1604	2527

Huber 3 Federal 06H**3001539765**

Oil(BBLS)	Gas(MCF)	Water(BBLS)	
762	1448	1445	Dec-18
968	1969	2369	Jan-19
430	1255	1831	Feb-19
513	1919	2620	Mar-19
587	1659	2383	Apr-19
601	1604	2677	May-19

Huber 3 Federal 07H**3001544706**

	Oil(BBLS)	Gas(MCF)	Water(BBLS)
Dec-18	14274	6902	40599
Jan-19	16330	10810	42909
Feb-19	12208	7717	37713
Mar-19	10979	6985	37276
Apr-19	9597	4469	30736
May-19	10197	5813	25076

Huber 3 Federal 08H**3001544707**

Oil(BBLS)	Gas(MCF)	Water(BBLS)	
9191	15009	10424	Dec-18
6187	14991	8548	Jan-19
8375	26793	10591	Feb-19
9531	26693	10823	Mar-19
6675	15529	6998	Apr-19
2373	5024	3100	May-19

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.
NMNM31200

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. LAKEWOOD FEDERAL 1
2. Name of Operator SPUR ENERGY PARTNERS		9. API Well No. 30-015-24231
3a. Address 920 MEMORIAL CITY WAY SUITE 1000 HOUSTON, TX 77024		10. Field and Pool or Exploratory Area N 7RVRS; GLORIETA-YESO
3b. Phone No. (include area code) Ph: 505-466-8120		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T19S R25E Mer NMP SWSE 660FSL 1993FEL		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 checked="" 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 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	
	<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 recomplete 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.

Sour Energy Partners LLC would like to request off-lease storage and measurement of both oil and gas at Huber 3 Federal 3 Facility. In addition, Spur Energy Partners LLC would like to request oil and gas surface commingling at Huber 3 Federal 3 Facility. Please see the list below of wells coming into this facility:

- Huber 3 Federal 03H (30-015-38163) L1, Sec. 3, T20S, R25E
- Huber 3 Federal 04H (30-015-39022) L2, Sec. 3, T20S, R25E
- Huber 3 Federal 05H (30-015-39177) SESW, Sec. 3, T20S, R25E
- Huber 3 Federal 06H (30-015-39765) SWSW, Sec. 3, T20S, R25E
- Huber 3 Federal 07H (30-015-44706) SESE, Sec. 34, T19S, R25E
- Huber 3 Federal 08H (30-015-44707) SESE, Sec. 34, T19S, R25E

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

**Electronic Submission #473186 verified by the BLM Well Information System
For SPUR ENERGY PARTNERS, sent to the Carlsbad**

Name (Printed/Typed) CORY WALK	Title CONSULTANT
Signature (Electronic Submission)	Date 07/12/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
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 _____

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.

Additional data for EC transaction #473186 that would not fit on the form

32. Additional remarks, continued

Lakewood Federal 1 (30-015- 24231) SWSE, Sec. 34, T19S, R25E

See attached detailed commingling information, diagram, and map.

McMillan, Michael, EMNRD

From: McMillan, Michael, EMNRD
Sent: Monday, August 5, 2019 11:27 AM
To: 'Cory Walk'
Subject: RE: Spur Energy - Lakewood Federal 1 surface commingle

Thanks

Mike

Michael McMillan
1220 South St. Francis
Santa Fe, New Mexico
505-476-3448
Michael.mcmillan@state.nm.us

From: Cory Walk <cory@permitswest.com>
Sent: Monday, August 5, 2019 11:26 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: Re: Spur Energy - Lakewood Federal 1 surface commingle

No, the Lakewood Federal lease only consists of 120 acres.
E/2 SE/4 and the SW/4 SE/4.

Thanks,

On Mon, Aug 5, 2019 at 11:15 AM McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us> wrote:

Cory:
IS the NE/4 a part of the Lakewood Federal lease?

Restated does the Lakewood lease consist of the E/2 E/2 and the W/2 SE/4 of Section 34?

Mike

Michael McMillan
1220 South St. Francis
Santa Fe, New Mexico
505-476-3448

Michael.mcmillan@state.nm.us

From: Cory Walk <cory@permitswest.com>
Sent: Monday, August 5, 2019 11:09 AM
To: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: Spur Energy - Lakewood Federal 1 surface commingle

Hi Michael,

The purpose of this surface commingle request is to add the production from the Lakewood Federal 1 well and any potential future wells (which will be requested via sundry at a later date) producing from lease # NMNM-031200 located in SWSE and E2SE4, Section 34, T19S, R25E, Eddy County, NM to the Huber 3 battery. The Huber 3 battery currently services six (6) Huber wells producing from lease # NMNM-014758. Please let me know if you have any additional questions.

Thank you,

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Cory Walk

Natural Resources Specialist/Geologist

Permits West
37 Verano Loop
Santa Fe, NM 87508

Office: 505-466-8120

Mobile: 760-445-4409

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