

**Denied/Rejected**

Revised March 23, 2017

RECEIVED: <b>01/14/22</b>	REVIEWER: <b>LRL</b>	TYPE: <b>SD</b>	APP NO: <b>pLEL2201458205</b>
---------------------------	----------------------	-----------------	-------------------------------

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:** IACX Production LLC**OGRID Number:** 329877**Well Name:** NIGHT OWL AFA STATE COM #002**API:** 30-005-63395**Pool:** PECOS SLOPE;ABO (GAS)**Pool Code:** 82730

**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.**

Tony Hines

Print or Type Name

Signature

January 14, 2022

Date

214-649-9104

Phone Number

tonyhines@iacx.com

e-mail Address



January 14, 2022

Adrienne Sandoval, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

RE: *Application of IACX Production LLC for Administrative Approval of the Simultaneous Dedication of the North-East Quarter of Section 22, Township 9 South, Range 26 East, N.M.P.M. Chaves County, New Mexico to its proposed Night Owl AFA State Com #002 and the existing Night Owl AFG State Com #001.*

Dear Ms. Sandoval,

IACX Production LLC, OGRID 329877, ("IACX"), is the operator of a 160-acre spacing unit in the Pecos Slope; Abo Pool (**Pool Code 82730**) comprised of the North-East Quarter of Section 22, Township 9 South, Range 26 East, N.M.P.M., Chaves County, New Mexico. This spacing unit is dedicated to IACX's Night Owl AFG State Com #001 which has been vertically drilled and produces from the Pecos Slope Abo formation.

IACX seeks administrative approval of the simultaneous dedication of this 160-acre spacing unit to the two gas wells:

- A. the **Night Owl AFG State Com #001 (API No. 30-005-62590)** vertically drilled from a surface location 1650 feet from the North line and 1980 feet from the East line of said Section 2; and
- B. the proposed **Night Owl AFA State Com #002 (API No. 30-005-63395)** vertically drilled from a surface location 1,980 feet from the North line and 660 feet from the East line of said Section 2.

The proposed Night Owl AFA State Com #002 was drilled at a standard location in the Foor Ranch; Pre Permian (Gas) Pool (**Pool Code 76730**) pursuant to Section 19.15.15.10 NMAC. IACX now intends to plug back the Foor Ranch; Pre Permian (Gas) Pool (**Pool Code 76730**) in the Night Owl AFA State Com #002 and recomplete the Night Owl AFA State Com #002 to the Abo Pool (**Pool Code 82730**). IACX proposes to recomplete this well in compliance with Section 19.15.15.11 NMAC.

Attached hereto as **Exhibit A** is a copy of a plat for this well that shows the proposed surface location of the well. An updated C-102 has been previously submitted to the New Mexico OCD.

**Exhibit B** is a map of offset operators around the spacing unit in Section 2, T9N-R26E. IACX is the operator of all offsetting spacing units surrounding the Night Owl AFG State Com #001

Spacing Unit located in the North-East Quarter, Section 22, T9N-R26E.

IACX is the only offsetting operator; therefore, no affected persons have been given notice as is not required under 19.15.15.11 NMAC and 19.15.2.7 NMAC.

The simultaneous dedication of the North-East Quarter of said Section 22, T9N-R26E to IACX's Night Owl AFG State Com #001 with the proposed recompletion of the Night Owl AFA State Com #002 will afford IACX the opportunity to efficiently produce the Abo formation under this spacing unit. IACX's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Please feel free to contact me directly at (972) 310-8775 or [kevinmcqueen@iacx.com](mailto:kevinmcqueen@iacx.com) with any questions or should you require and additional information.

Sincerely,

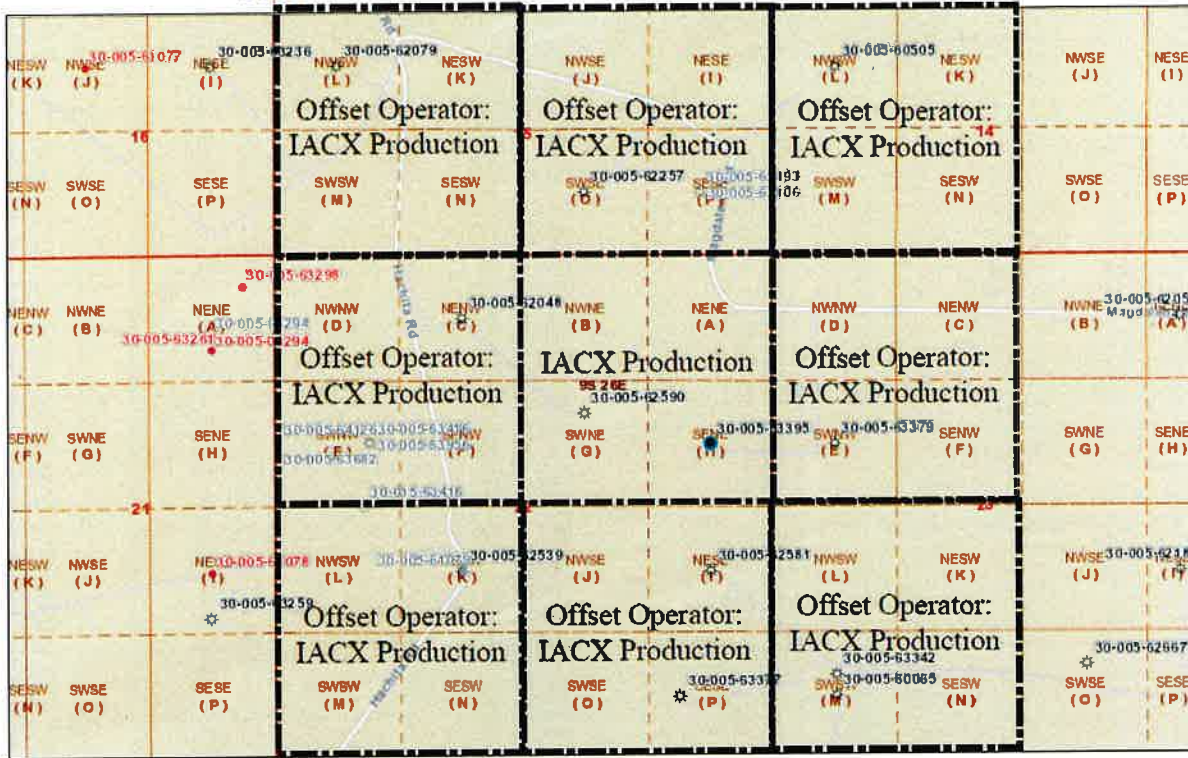
Kevin D. McQueen, CPL  
Director - Land

# EXHIBIT "A"

16		1650'	1490'	<p><b>17 OPERATOR CERTIFICATION</b></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 released 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 oil state.</p> <p>Signature: <u>[Signature]</u> Date: <u>10/12/2021</u></p> <p>Keith Hutchens Printed Name</p> <p>keithhutchens@lincxproduction.com E-mail Address</p>
		<p>1980'</p> <p>Night Owl "AFA" State Com #1</p>	<p>1660'</p> <p>Night Owl "AFA" State Com #2</p>	
				<p><b>18 SURVEYOR CERTIFICATION</b></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>

# EXHIBIT "B"

Section 22, T9S-R26E, NMPM, Chaves County, NM  
IACX Production LLC - Night Owl AFA State Com #002



Night Owl AFA State Com #002 (API: 30-005-63395)

Section 22, Township 9 South, Range 26 East, N.M.P.M. Chaves County, New Mexico



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 Drazos 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 and Natural Resources**  
**Oil Conservation Division**  
**1220 South St. Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
 Revised July 18, 2013

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address IACX Production, LLC 5001 LBJ Freeway, Suite 300 Dallas, TX 75244		<sup>2</sup> OGRID Number 329877
		<sup>3</sup> API Number 30-005-63395
<sup>4</sup> Property Code 328005	<sup>5</sup> Property Name Night Owl AFA State Com	<sup>6</sup> Well No. 2

**<sup>7</sup> Surface Location**

UL - Lot H	Section 22	Township 9S	Range 26E	Lot Idn	Feet from 1980	N/S Line North	Feet From 660	E/W Line East	County Chaves
---------------	---------------	----------------	--------------	---------	-------------------	-------------------	------------------	------------------	------------------

**<sup>8</sup> Proposed Bottom Hole Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
----------	---------	----------	-------	---------	-----------	----------	-----------	----------	--------

**<sup>9</sup> Pool Information**

Pool Name Pecos Slope; Abo (Gas)	Pool Code 82730
-------------------------------------	--------------------

**Additional Well Information**

<sup>11</sup> Work Type P	<sup>12</sup> Well Type G	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type State	<sup>15</sup> Ground Level Elevation 3,776'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 5,600'	<sup>18</sup> Formation Wolfcamp	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

**<sup>21</sup> Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12.25"	8.625"	24	1,121'	1110 (in place)	0
Prod	7.875"	5.5"	15.5	6,414'	550 (in place)	3,800'

**Casing/Cement Program: Additional Comments**

--

**<sup>22</sup> Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Manual BOP	3000 psi	3000 psi	Whichever company is available

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐ if applicable.

Signature:

Printed name: Keith Hutchens

Title: Production Supervisor

E-mail Address: keithhutchens@iacxproduction.com

Date: 10/12/2021

Phone: 575-416-3240

**OIL CONSERVATION DIVISION**

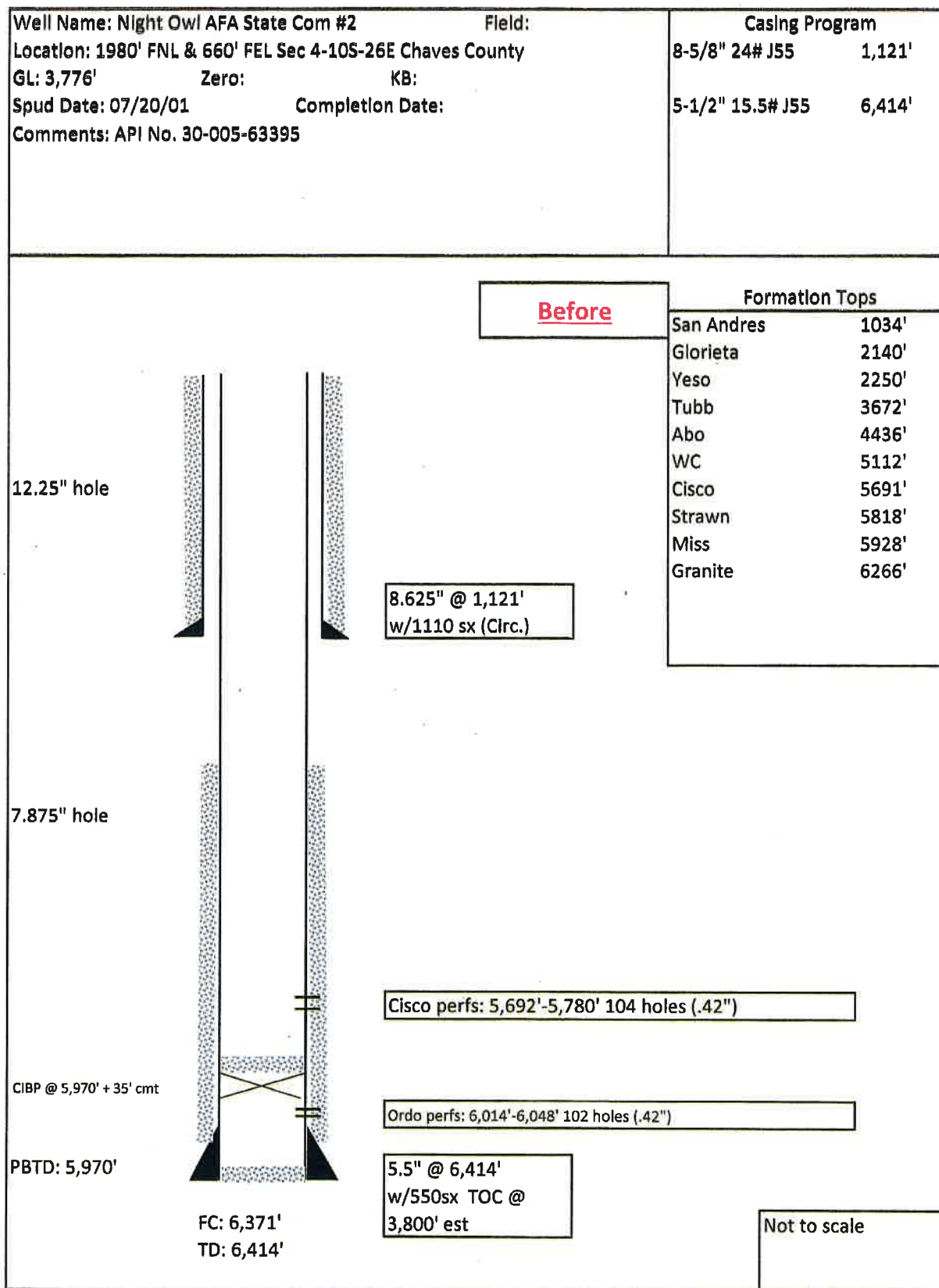
Approved By:

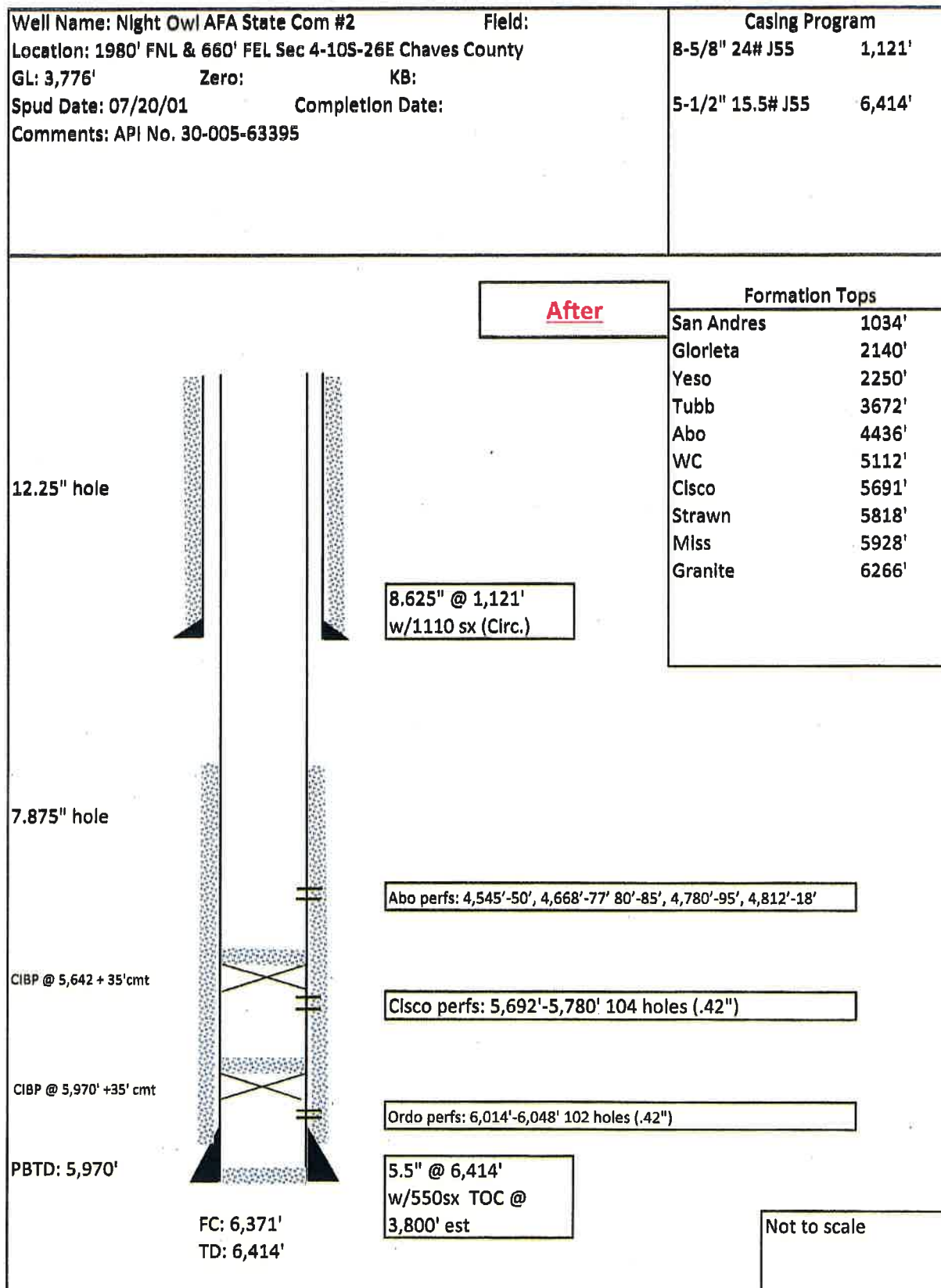
Title:

Approved Date:

Expiration Date:

Conditions of Approval Attached







District I  
1635 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 87503  
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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-005-63395	<sup>2</sup> Pool Code 82730	<sup>3</sup> Pool Name Pecos Slope Abo (Gns)
<sup>4</sup> Property Code 328005	<sup>5</sup> Property Name Night Owl AFA State Com	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 329877	<sup>8</sup> Operator Name IACX Production, LLC.	<sup>9</sup> Elevation 3,783'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	22	9S	26E		1980	North	660	East	Chaves

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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><b><sup>17</sup> OPERATOR CERTIFICATION</b></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>Signature: <i>[Signature]</i> Date: 10/12/2021</p> <p>Keith Hutchens Printed Name</p> <p>kelthutchens@iacxproduction.com E-mail Address</p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></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>

State of New Mexico  
Energy, Minerals and Natural Resources Department

Submit Electronically  
Via E-permitting

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

## NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

### Section 1 – Plan Description

Effective May 25, 2021

**I. Operator:** IACX Production, LLC. **OGRID:** 329877 **Date:** 11/9/2021

**II. Type:** ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: \_\_\_\_\_

**III. Well(s):** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Night Owl AFA State #2	30-005-63395	H-22-9S-26E	1980' PNL 660' FEL	0	428	0

**IV. Central Delivery Point Name:** Night Owl AFA State #2 [See 19.15.27.9(D)(1) NMAC]

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
<u>Night Owl AFA State #2</u>	<u>30-005-63395</u>			<u>11/23/2021</u>	<u>12/15/2021</u>	<u>12/20/2021</u>

**VI. Separation Equipment:** ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

**VII. Operational Practices:** ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

**VIII. Best Management Practices:** ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

**Section 2 – Enhanced Plan**  
**EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☐ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

**IX. Anticipated Natural Gas Production:**

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

**X. Natural Gas Gathering System (NGGS):**

Operator	System	ULSTR of Tie-In	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

**XI. Map.** ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

**XII. Line Capacity.** The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

**XIII. Line Pressure.** Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

**XIV. Confidentiality:** ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

**Section 3 - Certifications****Effective May 25, 2021**

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

*If Operator checks this box, Operator will select one of the following:*

**Well Shut-In.** ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

**Venting and Flaring Plan.** ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

**Section 4 - Notices**

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

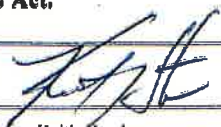
(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.



I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Keith Hutchens
Title: Production Supervisor
E-mail Address: keithhutchens@lscxproduction.com
Date: 11/10/2021
Phone: 575-416-3240
<b>OIL CONSERVATION DIVISION</b> (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:



## IACX Production LLC

### Natural Gas Management Plan – Attachment

VI. IACX Production, LLC. production tank batteries include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool in conjunction with the total number of wells planned to or existing within the facility. Separation equipment is upgraded prior to well being drilled or completed, if determined to be undersized or needed. The separation equipment is designed and built according to the relevant industry specifications (API specification 12J and ASME Sec VIII Div I). Other recognized industry publications such as the Gas Processors Suppliers Association (GPSA) are referenced when designing separation equipment to optimize gas capture.

VII. IACX Production LLC will take the following actions to comply with the regulations listed in 19.15.27.8:

A. IACX Production will maximize the recovery of natural gas by minimizing waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. IACX Production will ensure that our wells will be connected to a natural gas gathering system with sufficient capacity to transport natural gas.

B. All drilling operations will be equipped with a rig flare at least 100 feet from the nearest surface hole location. Rig flare will be utilized to combust any natural gas that is brought to surface during normal operations. In the case of emergency, flaring volumes will be reported appropriately.

C. During completion operations any natural gas brought to surface will be flared rather than vented, where technically feasible. Immediately following completion operations, wells will flow to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. If natural gas does not meet gathering pipeline specifications, IACX Production will flare for 60 days or until natural gas meets the pipeline specifications. IACX Production will ensure flare is properly sized and is equipped with an automatic igniter or continuous pilot. Gas samples will be taken twice per week and natural gas will be routed into a gathering system as soon as the pipeline specifications are met.

D. Natural gas will not be flared with the exception of 19.15.27.8(D)(1-4). If there is no adequate takeaway for the separator gas, wells will be shut-in until that natural gas gathering system is available with exception of emergency or malfunction situations. Volumes will be reported appropriately.

E. IACX Production will comply with performance standards pursuant to 19.15.27.8(E)(1-8). All equipment will be designed and sized to handle maximum pressures to minimize waste. Storage tanks constructed after May 25, 2021 will be equipped with an automatic gauging system that reduces venting of natural gas. Flare stacks installed or replaced after May 25, 2021 will be equipped with an automatic ignitor or continuous pilot. IACX Production will conduct AVO inspections as described in 19.15.27.8(E)(5)(a) with frequencies specified in 19.15.27.8(E)(5)(b) and (c). All emergencies or malfunctions will be resolved as quickly and safely as possible to minimize waste.

F. The volume of natural gas that is vented or flared as the result of an emergency or malfunction during drilling and/or completion operations will be estimated and reported accordingly. The volume of natural gas that is vented, flared or beneficially used during production operations, will be measured and reported accordingly. IACX Production will install equipment to measure the volume of natural gas

flared from existing piping or a flowline piped from equipment such as high-pressure separators, heater treaters, or VRUs associated with a well or facility associated with a well authorized by an APD after May 25, 2021 that has an average daily production of less than 60,000 cubic feet of natural gas. If metering is not practicable due to circumstances such as low flow rate or low pressure venting or flaring, IACX Production will estimate the volume of flared or vented natural gas. Measuring equipment will conform to industry standards and will not be equipped with a manifold

VIII. For maintenance activities involving production equipment and compression, venting will be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production equipment, the associated producing wells will be shut-in to eliminate venting. For maintenance of VRUs, all natural gas normally routed to the VRU will be routed to flare.

**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 Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 61781

**CONDITIONS**

Operator: IACX Production LLC 5001 LBJ Freeway, Suite 300 Dallas, TX 75244	OGRID: 329877
	Action Number: 61781
	Action Type: [C-101] Drilling Non-Federal/Indian (APD)

**CONDITIONS**

Created By	Condition	Condition Date
kpickford	Will require approval of an administrative order for simultaneous dedication prior to putting the new pool into production. (these are submitted on the multi-use administrative order form via e-mail).	11/29/2021
kpickford	WOC & tag	11/30/2021
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	11/30/2021

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

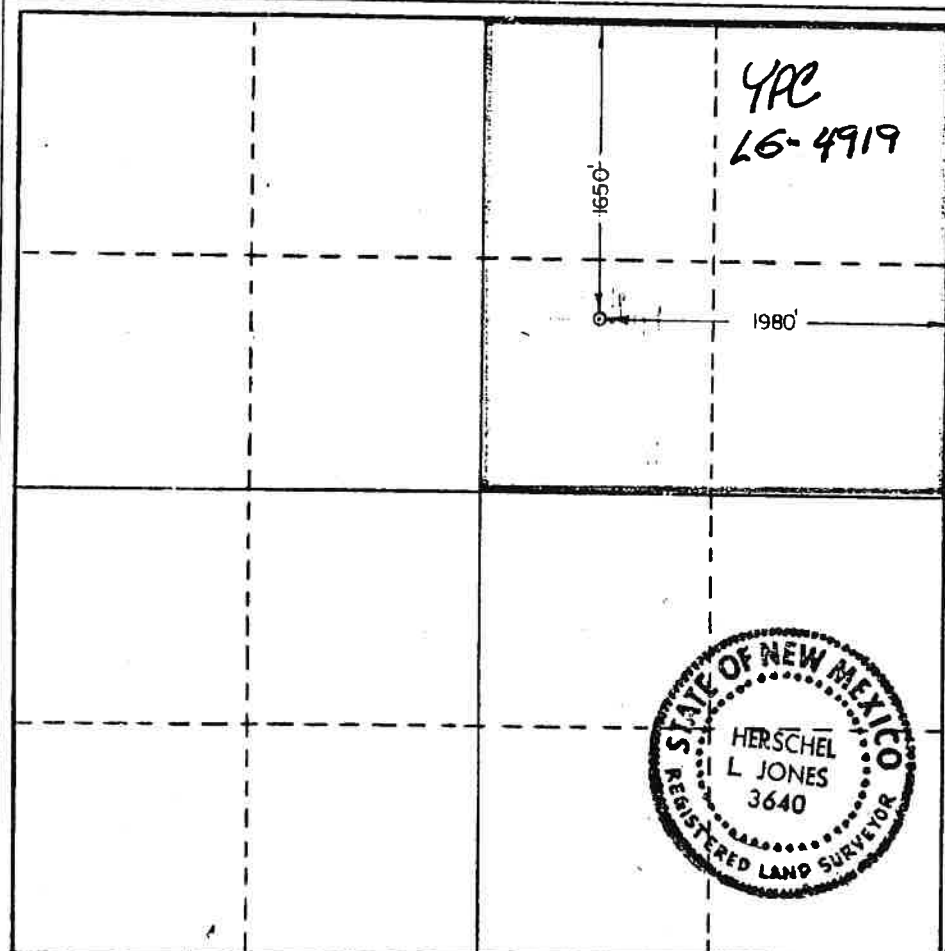
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>NIGHT OWL "AFG" State Com.</b>		Well No. <b>1</b>
Unit Letter <b>"G"</b>	Section <b>22</b>	Township <b>9 South</b>	Range <b>26 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well:					
<b>1650</b> feet from the <b>North</b> line and		<b>1980</b> feet from the <b>East</b> line			
Ground Level Elev. <b>3775.2</b>	Producing Formation <b>ABO</b>	Pool <b>S. Pecos Slope ABO</b>	Dedicated Acreage: <b>160</b> 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 **Communitization**

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.

*Cy Cowan*  
Name

Cy Cowan

Position

Regulatory Agent

Company

Yates Petroleum Corporation

Date

February 17, 1988

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

February 16, 1988

Registered Professional Engineer and/or Land Surveyor

*Herschel L Jones*  
Certificate No.

3640

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-005-63395	<sup>2</sup> Pool Code 82730	<sup>3</sup> Pool Name Pecos Slope; Abo (Gas)
<sup>4</sup> Property Code 328005	<sup>5</sup> Property Name Night Owl AFA State Com	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 329877	<sup>8</sup> Operator Name IACX Production, LLC.	<sup>9</sup> Elevation 3,783'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	22	9S	26E		1980	North	660	East	Chaves

<sup>11</sup> 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

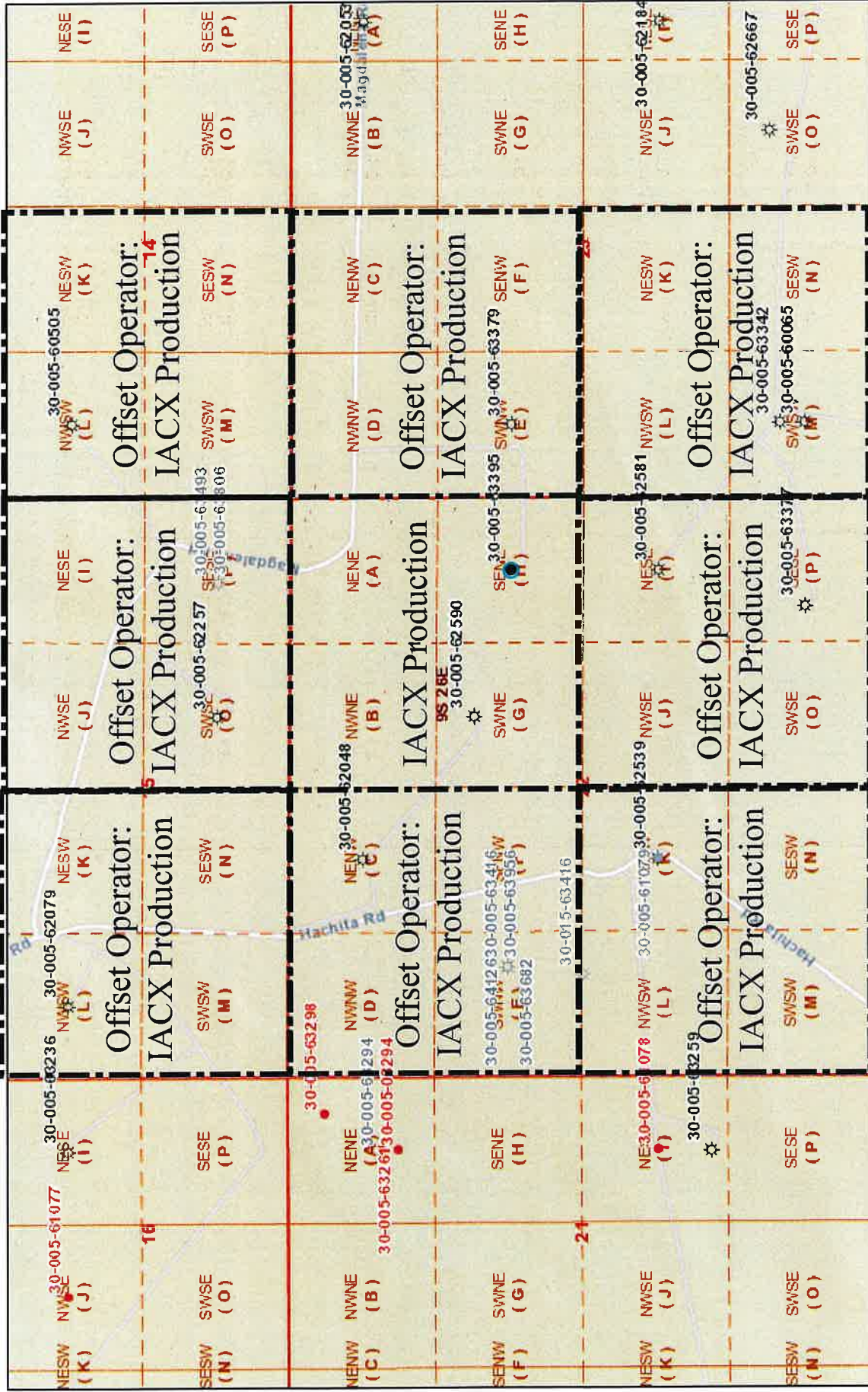
<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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.

<sup>16</sup> 	<sup>17</sup> 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 10/12/2021 Date Keith Hutchens Printed Name keithhutchens@iacxproduction.com E-mail Address
	<sup>18</sup> 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 Signature and Seal of Professional Surveyor:  Certificate Number



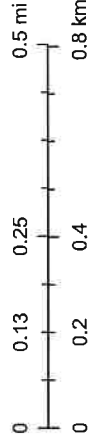
Section 22, T9S-R26E, NMPM, Chaves County, NM  
IACX Production LLC - Night Owl AFA State Com #002



1/14/2022, 11:38:18 AM

- Wells - Large Scale
- Gas, Canceled
  - Gas, New
  - Gas, Plugged
  - CO2, Active
  - CO2, Canceled
  - CO2, New
  - CO2, Plugged
  - CO2, Temporarily Abandoned
  - Gas, Active

1:18,056



Oil Conservation Division of the New Mexico Energy, Minerals and Natural