

NSL-7830

Revised March 23, 2017

RECEIVED: 2/14/19	REVIEWER: LRL	TYPE: NSL	APP NO: PLEL1905040018
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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:** Goodman 8H Well **API:** PENDING 30-015-PENDING  
**Pool:** 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 holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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

*Adam Rankin*  
 \_\_\_\_\_  
 Signature

February 14, 2019  
 \_\_\_\_\_  
 Date

505-988-4421  
 \_\_\_\_\_  
 Phone Number

agrarkin@hollandhart.com  
 \_\_\_\_\_  
 e-mail Address

February 14, 2018

**VIA HAND DELIVERY**

Gabriel Wade  
Acting 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 Percussion Petroleum Operating, LLC for administrative approval of an unorthodox well location for its Goodman 8H Well in the S/2 SE/4 of Section 22 and the S/2 SW/4 of Section 23, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.**

Dear Mr. Wade:

Percussion Petroleum Operating, LLC (“Percussion”) (OGRID No. 371755) seeks administrative approval of an unorthodox well location for its **Goodman 8H Well** (API is pending) to be completed within a 160-acre horizontal well spacing unit in the N. Seven Rivers; Glorieta Yeso Pool (Pool Code 97565) underlying the S/2 SE/4 of Section 22 and the S/2 SW/4 of Section 23, Township 19 South, Range 25 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 175 feet from the south line and 2,060 feet from the west line (Unit N) of Section 22. The first take point will be located 50 feet from the south line and 2,524.5 feet from the east line (Unit O) of Section 22 and the last take point will be 50 feet from the south line and 2,553.5 feet from the west line (Unit N) of Section 23. Since this acreage is governed by the Division’s statewide rules, the completed interval for this well will be unorthodox because it is approximately 50 feet from the southern boundary of the spacing unit. 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.

**Exhibit A** is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Goodman 8H Well** encroaches on the tracts to the southwest, south, and southeast.

**Exhibit B** is a land plat for Sections 22 and 23 and the surrounding sections that shows the proposed **Goodman 8H Well** horizontal well spacing unit in relation to adjoining tracts.



The ownership of the mineral estate is diverse because the overriding royalty interest owners and lessors are not identical between the subject spacing unit and the tracts which are being encroached upon. Percussion therefore requires approval of a non-standard location. However, ownership of the working interest in the subject spacing unit and the affected tracts is identical. Percussion's affiliate entity, St. Devote, owns 100 percent of the working interest in the subject spacing unit and in the affected tracts. Accordingly, there are no affected persons under 19.15.4.12(A)(2) NMAC. **Exhibit C** is a statement from a landman confirming that Percussion's affiliate entity owns 100 percent of the working interest in the subject spacing unit and the affected tracts.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam G. Rankin".

Adam G. Rankin

**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>GOODMAN</b>	Well Number <b>8H</b>
OGRID No.	Operator Name <b>PERCUSSION PETROLEUM OPERATING, LLC</b>	Elevation <b>3461'</b>

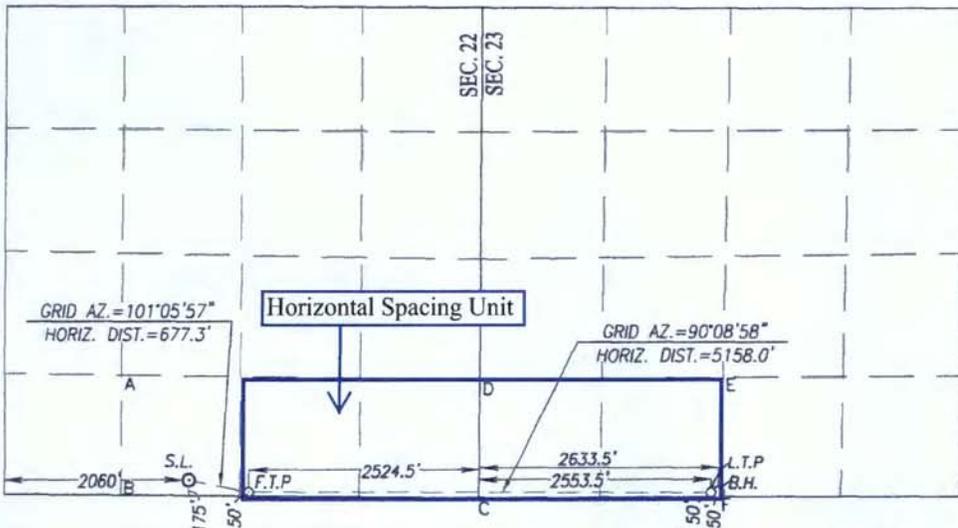
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	22	19-S	25-E		175	SOUTH	2060	WEST	EDDY

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
N	23	19-S	25-E		50	SOUTH	2633.5	WEST	EDDY

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



GEODETIC COORDINATES  
NAD 27 NME  
SURFACE LOCATION  
Y= 596374.8 N  
X= 456722.5 E  
LAT.=32.639458° N  
LONG.=104.473925° W

FIRST TAKE POINT  
NAD 27 NME  
Y= 596244.5 N  
X= 457387.0 E  
LAT.=32.639102° N  
LONG.=104.471766° W

LAST TAKE POINT  
NAD 27 NME  
Y= 596230.8 N  
X= 462463.5 E  
LAT.=32.639082° N  
LONG.=104.455274° W

BOTTOM HOLE LOCATION  
NAD 27 NME  
Y= 596231.0 N  
X= 462543.6 E  
LAT.=32.639083° N  
LONG.=104.455014° W

GEODETIC COORDINATES  
NAD 83 NME  
SURFACE LOCATION  
Y= 596435.8 N  
X= 497900.9 E  
LAT.=32.639571° N  
LONG.=104.474445° W

FIRST TAKE POINT  
NAD 83 NME  
Y= 596305.4 N  
X= 498565.4 E  
LAT.=32.639215° N  
LONG.=104.472286° W

LAST TAKE POINT  
NAD 83 NME  
Y= 596291.8 N  
X= 503642.1 E  
LAT.=32.639195° N  
LONG.=104.455793° W

BOTTOM HOLE LOCATION  
NAD 83 NME  
Y= 596292.0 N  
X= 503722.2 E  
LAT.=32.639196° N  
LONG.=104.455533° W

CORNER COORDINATES TABLE  
NAD 27 NME

A - Y= 597532.9 N, X= 455974.2 E  
B - Y= 596205.8 N, X= 455975.1 E  
C - Y= 596174.3 N, X= 459910.7 E  
D - Y= 597482.1 N, X= 459910.8 E  
E - Y= 597501.7 N, X= 462584.6 E  
F - Y= 596181.0 N, X= 462562.7 E

CORNER COORDINATES TABLE  
NAD 83 NME

A - Y= 597593.9 N, X= 497152.7 E  
B - Y= 596266.7 N, X= 497153.6 E  
C - Y= 596235.3 N, X= 501089.2 E  
D - Y= 597543.2 N, X= 501089.3 E  
E - Y= 597562.8 N, X= 503763.2 E  
F - Y= 596242.0 N, X= 503741.3 E

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.



SURVEYOR CERTIFICATION

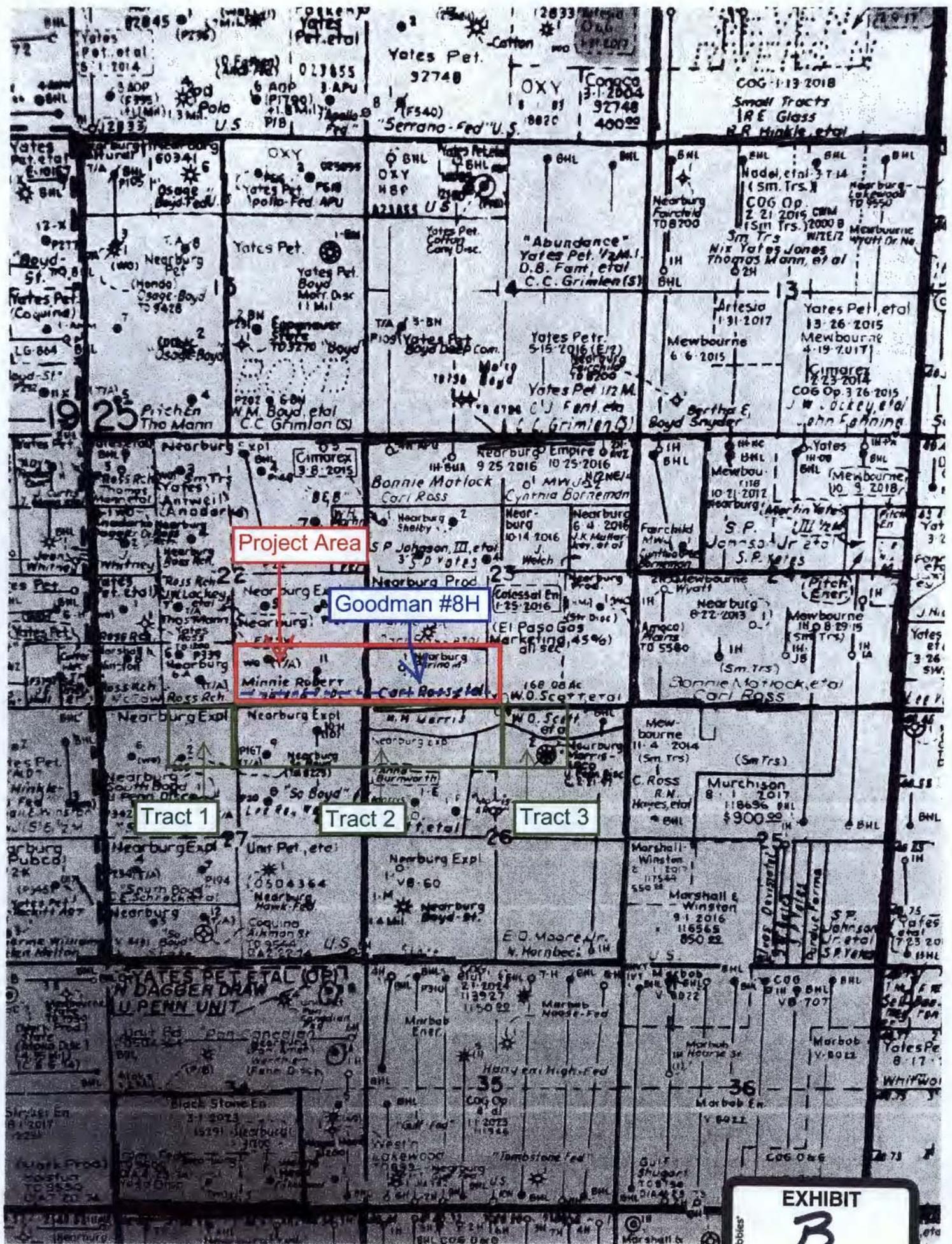
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 3, 2019

Date of Survey  
Signature of Seal of Professional Surveyor:



Certificate Number: 1010152019  
Ronald J. Eidson 12641  
3239



Project Area

Goodman #8H

Minnie Robery

Tract 1

Tract 2

Tract 3

EXHIBIT  
**B**



**Percussion Petroleum, LLC**

919 Milam Street Suite 2475  
Houston, TX 77002

February 13, 2019

Landman Statement

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

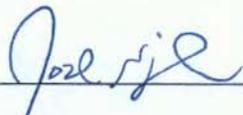
Re: Application of Percussion Petroleum Operating, LLC for administrative approval on an unorthodox well location for its Goodman 8H Well in the S/2SE/4 of Section 22 and the S/2 SW/4 of Section 23, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico

To Whom It May Concern:

Percussion Petroleum Operating, LLC is the operator of the horizontal well spacing unit in the S/2 SE/4 of Section 22 and the S/2 SW/4 of Section 23 with 100% of the working interest therein committed to a voluntary agreement. St. Devote is a subsidiary of Percussion Petroleum Operating, LLC. St. Devote owns 100% of the working interest in the offsetting tracts in the NE/4 NW/4 and the N/2 NE/4 of Sec 27-R19S-R25E, and the N/2 NW/4 and the NW/4 NE/4 of Sec 26-T19S-R25E, in Eddy County, New Mexico.

Sincerely,

Percussion Petroleum Operating, LLC

By:   
Josh Grisham

V.P. Land

Percussion Petroleum, LLC  
919 Milam Street, Suite 2475  
Houston, TX 77002  
713-518-1331



## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Tuesday, February 26, 2019 5:18 PM  
**To:** 'Adam Rankin'  
**Cc:** Mike Bratcher (mike.bratcher@state.nm.us); Cordero, Gilbert, EMNRD; Murphy, Kathleen A, EMNRD; Warnell, Terry G, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'  
**Subject:** NSL-7830\_Percussion Petroleum Operating, LLC\_Goodman Well No. 008H\_SEC 22 19S 25E  
**Importance:** High

Mr. Adam Rankin,

The following administrative order has been issued and will soon be available on the Division's web site:  
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

### **NSL-7830**

Percussion Petroleum Operating, LLC

API #: 30-015-PENDING

WELL: Goodman Well No. 008H

### **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/>