

DISTRICT I  
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DISTRICT II  
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DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 354-8178 Fax: (505) 354-1710

DISTRICT IV  
1228 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 478-3480 Fax: (505) 478-3482

NM OIL CONSERVATION  
ARTESIA DISTRICT  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
1226 South St. Francis Dr.  
Santa Fe, New Mexico 87505

HOBBS OCD  
APR 05 2018  
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Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-015- 44882</b>	Pool Code <b>97565</b>	Pool Name <b>N. SEVEN RIVERS; GLORIETA-YESO</b>
Property Code <b>320768</b>	Property Name <b>SOUTH BOYD FEDERAL COM</b>	Well Number <b>15H</b>
OGRID No. <b>371755</b>	Operator Name <b>PERCUSSION PETROLEUM OPERATING, LLC</b>	Elevation <b>3516'</b>

Surface Location

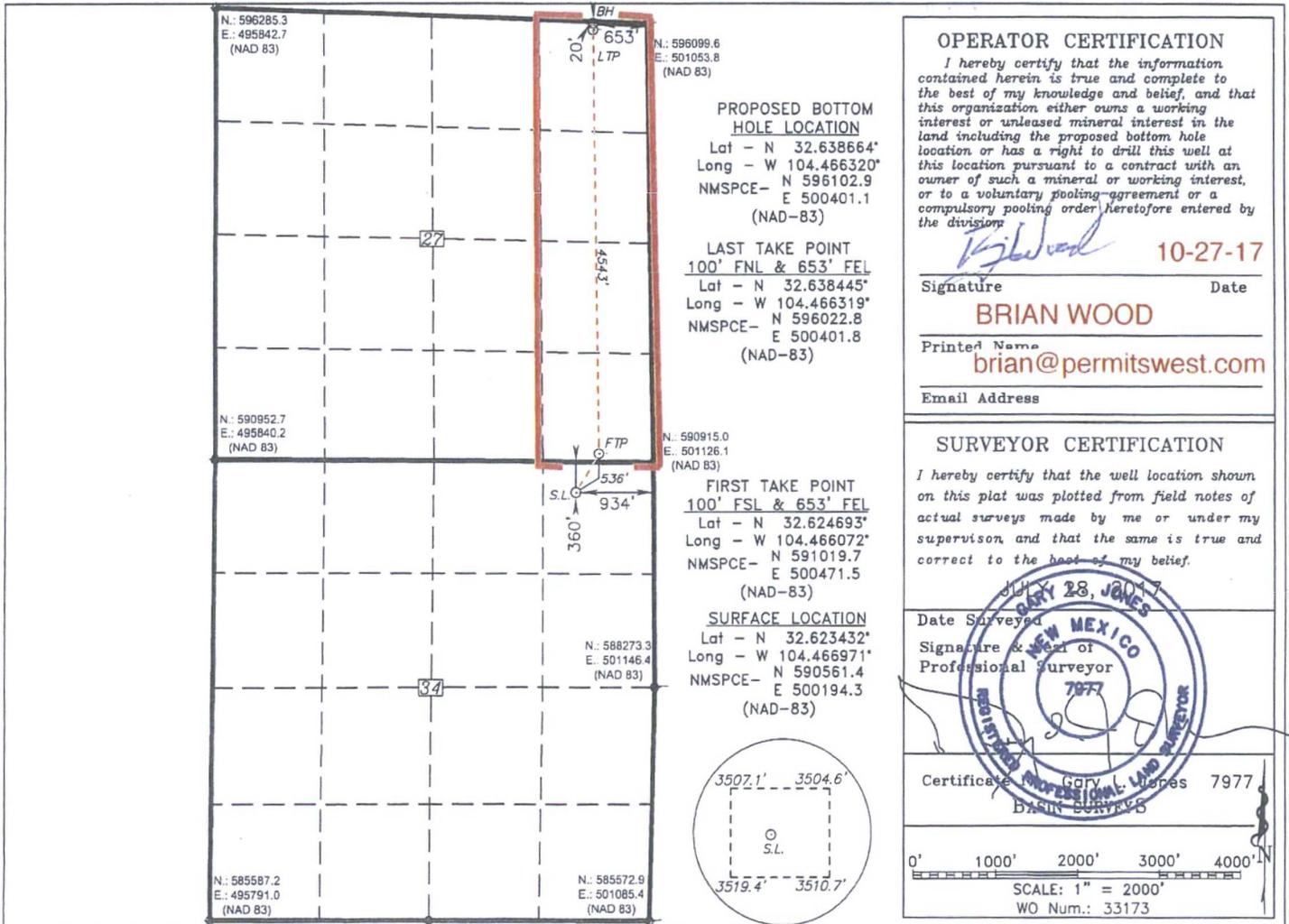
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
A	34	19 S	25 E		360	NORTH	934	EAST	EDDY

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	653	EAST	EDDY

Dedicated Acres <b>160</b>	Joint or Infill	Consolidation Code <b>C</b>	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



RW 4-13-18

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87418  
District IV  
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

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**APR 05 2018**  
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**GAS CAPTURE PLAN**

Date: 10-27-17

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

**NM OIL CONSERVATION**  
**ARTESIA DISTRICT**

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).

**APR 09 2018**

**Well(s)/Production Facility – Name of facility**

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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	Flare or Vent	Comments
South Boyd Federal Com 15H	30-015- <b>44882</b>	A-34-19s-25e	360' FNL & 934' FEL	100	<30 days	flare until well clean, then connect
South Boyd Federal Com 16H	30-015-	A-34-19s-25e	340' FNL & 934' 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 ≈3,866.9' 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