

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
Phone (576) 393-6161 Fax: (576) 393-0720

DISTRICT II  
811 S. First St., Artesia, NM 88210  
Phone (576) 748-1283 Fax: (576) 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) 476-3480 Fax: (505) 476-3482

**NM OIL CONSERVATION**  
**ARTESIA DISTRICT**  
State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised August 4, 2011  
**OCT 16 2018**  
Submit a copy to appropriate District Office

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

**RECEIVED**

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

AMENDED REPORT

API Number <b>30-015-45338</b>	Pool Code <b>49622</b>	Pool Name <b>GATUNIA Canyon PARKWAY; BONE SPRING</b>
Property Code <b>322439</b>	Property Name <b>CRAZY HORSE 0304 FED COM</b>	Well Number <b>1H</b>
OGRID No. <b>370951</b>	Operator Name <b>CL&amp;F OPERATING LLC</b>	Elevation <b>3218'</b>

**Surface Location**

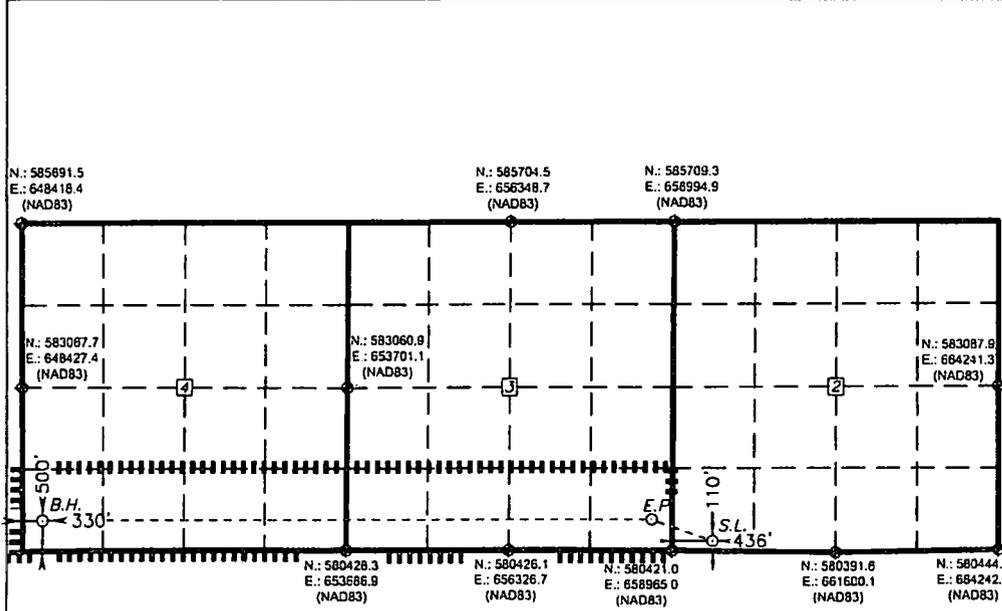
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
M	2	20 S	30 E		110	SOUTH	436	WEST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
M	4	20 S	30 E		500	SOUTH	330	WEST	EDDY

Dedicated Acres <b>320</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**



**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.

*Brian Wood* 1-31-18  
Signature Date  
**BRIAN WOOD**  
Printed Name  
brian@permitswest.com  
Email 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.

SEPTEMBER 27 2017

Date Surveyed

Signature & Seal of Professional Surveyor

**NEW MEXICO**  
7977

Certification No. 7977

0' 1000' 2000' 3000' 4000'

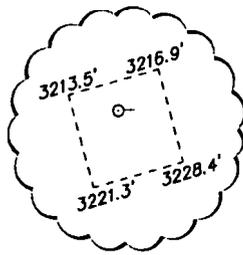
SCALE: 1" = 2000'

WO Num.: 33327

**BOTTOM HOLE LOCATION**  
Lat - N 32.596508'  
Long - W 103.984504'  
NMSPC - N 580916.5  
E 648764.7  
(NAD-83)

**ENTRY POINT**  
500' FSL & 330' FEL  
Lat - N 32.596429'  
Long - W 103.952446'  
NMSPC - N 580921.7  
E 658637.8  
(NAD-83)

**SURFACE LOCATION**  
Lat - N 32.595335'  
Long - W 103.949971'  
NMSPC - N 580526.3  
E 659401.5  
(NAD-83)



*Rev 10-16-18*

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Energy, Minerals and Natural Resources Department

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to Appropriate  
District Office

Oil Conservation Division **NM OIL CONSERVATION**  
1220 South St. Francis Dr. **ARTESIA DISTRICT**  
Santa Fe, NM 87505

OCT 16 2018

**GAS CAPTURE PLAN**

**RECEIVED**

Date: 1-31-18

X Original

Operator & OGRID No.: CL & F Operating LLC (370951)

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.

*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	API	SHL (ULSTR)	SHL Footages	Expected MCF/D	Flared or Vented	Comments
Crazy Horse 0304 Fed Com 1H	30-015- <b>45338</b>	M-2-20s-30e	110' FSL & 436' FWL	850	<30 days	flare until well clean, then connect
Crazy Horse 0304 Fed Com 2H	30-015-	M-2-20s-30e	119' FSL & 465' FWL	850	<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. Gas produced from this production facility has not yet been dedicated. However, a possible connection is an existing Frontier pipeline that is 1/3 mile east. Operator will provide (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 will have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Gas Transporter Processing Plant at an as yet undetermined location. 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 ultimately 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