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) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

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NM OIL CONSERVATION
ARTESIA DISTRICT
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Form C-102
Revised August 1, 2011

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
30-015- 44884	97565	N. SEVEN RIVERS; GLORIETA-YESO

Property Code	Property Name	Well Number
320768	SOUTH BOYD FEDERAL COM	17H

OGRID No.	Operator Name	Elevation
371755	PERCUSSION PETROLEUM OPERATING, LLC	3520'

Surface Location

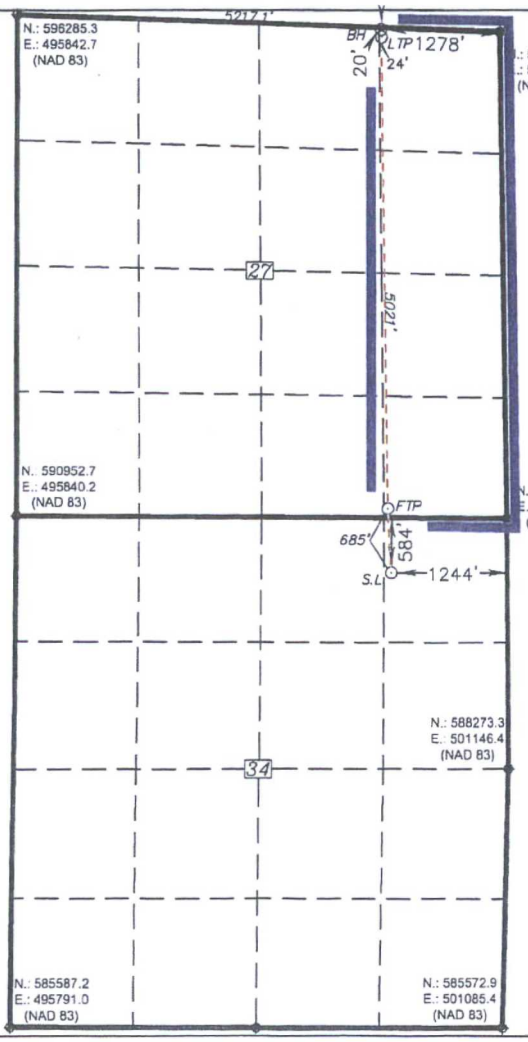
UL or lot No.	Section	Township	Range	Lot Idn	FEET from the	North/South line	FEET from the	East/West line	County
A	34	19 S	25 E		584	NORTH	1244	EAST	EDDY

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	1278	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160		C	

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

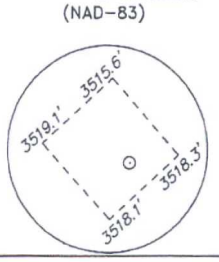


PROPOSED BOTTOM HOLE LOCATION
Lat – N 32.638724°
Long – W 104.468354°
NMSPCE– N 596125.2
E 499775.3
(NAD-83)

LAST TAKE POINT
100' FNL & 1278' FEL
Lat – N 32.638504°
Long – W 104.468350°
NMSPCE– N 596045.1
E 499776.4
(NAD-83)

FIRST TAKE POINT
100' FSL & 1278' FEL
Lat – N 32.624703°
Long – W 104.468102°
NMSPCE– N 591024.1
E 499846.4
(NAD-83)

SURFACE LOCATION
Lat – N 32.622822°
Long – W 104.467970°
NMSPCE– N 590340.6
E 499885.0
(NAD-83)



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.

11-3-17
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 supervison, and that the same is true and correct to the best of my belief.

MAY 6, 2017
Date Surveyed

Signature & Seal of Professional Surveyor

GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR
BASIN SURVEYS

Certificate Number Gary L. Jones 7977

0' 1000' 2000' 3000' 4000'
SCALE: 1" = 2000'
WO Num.: 32949

RWP 4-13-18

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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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GAS CAPTURE PLAN

Date: 10-28-17

X Original
□ Amended - Reason for Amendment:

Operator & OGRID No.: Percussion Petroleum Operating, LLC (371755)

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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	Flare or Vent	Comments
South Boyd Federal Com 17H	30-015-44884	A-34-19s-25e	584' FNL & 1244' FEL	100	<30 days	flare until well clean, then connect
South Boyd Federal Com 18H	30-015-	B-34-19s-25e	486' FNL & 1359' FEL	100	<30 days	flare until well clean, then connect
South Boyd Federal Com 19H	30-015-	B-34-19s-25e	499' FNL & 1374' 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 2305.2' 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