

MAR 29 2019

Form C-102

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 main columns: API Number (30-015-45853), Pool Code (98220), Pool Name (PURPLE SAGE; WOLFCAMP), Property Code (325339), Property Name (POKER LAKE UNIT 25 BD), Well Number (123H), OGRID No. (260737, 373075), Operator Name (XTO PERMIAN OPERATING, LLC.), Elevation (3,345')

Surface Location

Table with 10 columns: UL or lot no. (F), Section (25), Township (25 S), Range (30 E), Lot Idn, Feet from the (1,615), North/South line (NORTH), Feet from the (1,835), East/West line (WEST), County (EDDY)

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no. (F), Section (12), Township (26 S), Range (30 E), Lot Idn, Feet from the (2,440), North/South line (NORTH), Feet from the (1,670), East/West line (WEST), County (EDDY)

Table with 4 columns: Dedicated Acres (960), Joint or Infill, Consolidation Code, 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.

16 GEODETIC COORDINATES, 17 OPERATOR CERTIFICATION, 18 SURVEYOR CERTIFICATION. Includes a detailed survey plat diagram showing sections 26, 30, 35, 36, 31, 2, 1, 6, 11, 12, 7 and a project area. Includes tables for corner coordinates and take points for both surface and bottom hole locations.

REP 4-12-19

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 Lucid and will be connected to Lucid low/high pressure gathering system located in Eddy County, New Mexico. It will require 847.85' of pipeline to connect the facility to low/high pressure gathering system. BOPCO provides (periodically) to Lucid a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, BOPCO and Lucid have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Red Hills Plant, Sec. 13, T24S, R33E or Roadrunner, Sec. 32, T32S, R28E, Eddy County. 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 Lucid system at that time. Based on current information, it is BOPCO'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