1	1988 11 B	OIL CONSERV	ATION			
8160-3 は 2012)			FORM APPROVED OMB No. 1004-0137 Expires October 31, 2014			
UNITED STATE DEPARTMENT OF THE	INTERIO			5. Lease Serial No. NMNM31200		<u> </u>
BUREAU OF LAND MA				6. If Indian, Allotee o	or Tribe Name	
la. Type of work:	ITER			7. If Unit or CA Agreen	ment, Name a	nd No.
lb. Type of Well: 🗹 Oil Well 🔲 Gas Well 🔲 Other	~	Single Zone 🔲 Multi	ple Zone	8. Lease Name and W HUBER FEDERAL 8		317243
2. Name of Operator PERCUSSION PETROLEUM OPER/	ATING LLC	3717	55	9. API Well No. 30 - 015	.44 7	
3a. Address 919 Milam Street, Suite 2475 Houston TX 77		No. (include area code)		10. Field and Pool, or Ex N. SEVEN RIVERS;	spioratory	
4. Location of Well (Report location clearly and in accordance with				11. Sec., T. R. M. or Blk	and Survey of	or Area
At surface SESE / 542 FSL / 1172 FEL / LAT 32.6112				SEC 34 / T19S / R2	5E / NMP	
At proposed prod. zone SESE / 20 FSL / 1054 FEL / LAT 14. Distance in miles and direction from nearest town or post office* 16 miles	32.595377	LONG -104.46751		12. County or Parish EDDY	13. NM	State 1
 15. Distance from proposed* location to nearest 542 feet property or lease line, ft. (Also to nearest drig. unit line, if any) 	16. No. c 120	of acres in lease	17. Spacin 160.54	ing Unit dedicated to this well		
 Distance from proposed location* to nearest well, drilling, completed, 20 feet applied for, on this lease, ft. 				/BIA Bond No. on file IMB001424		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3514 feet		22. Approximate date work will start* 11/01/2017		23. Estimated duration 30 days		
	24. At	ttachments				
The following, completed in accordance with the requirements of Ons	hore Oil and C	Gas Order No.1, must be a	attached to th	his form:		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office). 	em Lands, the	Item 20 above). 5. Operator certifi 6. Such other site	cation	ons unless covered by an e formation and/or plans as r	Ū.	·
25. Signature (Electronic Submission)		BLM. Name (Printed/Typed) Brian Wood / Ph: (505)466-8120			Date 09/06/2017	,
Title	4			· · •		
President Approved by (Signature)		me (Printed/Typed)	224 5050		Date	
(Electronic Submission) Title Supervisor Multiple Resources	Of	Cody Layton / Ph: (575)234-5959 Office CARLSBAD			01/31/2018	<u> </u>
Application approval does not warrant or certify that the applicant he conduct operations thereon. Conditions of approval, if any, are attached.			hts in the su	bject lease which would en	title the applic	ant to
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a States any false, fictitious or fraudulent statements or representations	a crime for an as to any matt	y person knowingly and er within its jurisdiction.	willfully to	make to any department or	agency of the	: United
(Continued on page 2)	·····				uctions on	page 2)
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APPROVED WITH LUNDIA APPProval Date: 01/31/2018

NSP/NSL Required 2330'F+LTP.

RW 2-19-18

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts. ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

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 SHL: SESE / 542 FSL / 1172 FEL / TWSP: 19S / RANGE: 25E / SECTION: 34 / LAT: 32.61121 / LONG: -104.46782 (TVD: 0 feet, MD: 0 feet) PPP: NENE / 0 FNL / 1073 FEL / TWSP: 20S / RANGE: 25E / SECTION: 3 / LAT: 32.60972 / LONG: -104.46774 (TVD: 2858 feet, MD: 2931 feet) PPP: SESE / 542 FSL / 1172 FEL / TWSP: 19S / RANGE: 25E / SECTION: 34 / LAT: 32.61121 / LONG: -104.46782 (TVD: 0 feet, MD: 0 feet) BHL: SESE / 20 FSL / 1054 FEL / TWSP: 20S / RANGE: 25E / SECTION: 3 / LAT: 32.59537 / LONG: -104.46751 (TVD: 2916 feet, MD: 8371 feet)

BLM Point of Contact

Name: Sipra Dahal Title: Legal Instruments Examiner Phone: 5752345983 Email: sdahal@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

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PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Percussion petroleum Operating LLC
LEASE NO.:	NMNM31200
WELL NAME & NO.:	8H-Huber Federal
SURFACE HOLE FOOTAGE:	542'/S & 1172'/E
BOTTOM HOLE FOOTAGE	20'/S & 1054'/E
LOCATION:	Section 34, T.19 S, R.25 E, NMPM
COUNTY:	Eddy County, New Mexico

Potash		• Secretary	C R-111-P
Cave/Karst Potential	C Low		
Variance	None	C Flex Hose	C Other
Wellhead	Conventional	Multibowl	
Other	□4 String Area	Capitan Reef	□WIPP

A. HYDROGEN SULFIDE

 Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

HIGH CAVE/KARST – OPERATOR HAS PROPOSED A CONTINGENCY CASING IF LOST CIRCULATION OCCURS WHILE DRILLING THE SURFACE HOLE.

IF LOST CIRCULATION OCCURS WHILE DRILLING THE 8-3/4" HOLE, THE CEMENT PROGRAM FOR THE 5-1/2" CASING WILL NEED TO BE MODIFIED AND <u>THE BLM IS TO BE CONTACTED PRIOR TO RUNNING</u> <u>THE CASING.</u> A MINIMUM OF TWO CASING STRINGS CEMENTED TO SURFACE IS REQUIRED IN HIGH CAVE/KARST AREAS. THE CEMENT MUST BE IN A SOLID SHEATH THEREFORE, ONE INCH OPERATIONS WILL NOT BE PERMITTED. A DV TOOL WILL BE REQUIRED

Contingency Surface Casing Plan:

- 1. The **13 3/8** inch contingency surface casing shall be set at approximately **400** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Casing Plan without Contingency:

- 2. The **9** 5/8 inch surface casing shall be set at approximately **1279** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 3. The minimum required fill of cement behind the 5 1/2 inch production casing is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst

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C. PRESSURE CONTROL

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- 1. Contingency Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 13-3/8 inch surface casing shoe shall be 2000 (2M) psi.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8 inch** surface casing shoe shall be **2000 (2M)** psi.

D. SPECIAL REQUIREMENT(S)

Unorthodox Location

Operator will need to file a NSL (Non Standard Location) application with NMOCD.

MHH 01182018

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Chaves and Roosevelt Counties Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201. During office hours call (575) 627-0272. After office hours call (575)

\boxtimes Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon
 - as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

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3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least <u>24 hours</u>. WOC time will be recorded in the driller's log.
- <u>Wait on cement (WOC) for Water Basin:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

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8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the

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plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented. .

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Percussion petroleum Operating LLC
LEASE NO.:	NMNM31200
WELL NAME & NO.:	8H-Huber Federal
SURFACE HOLE FOOTAGE:	542'/S & 1172'/E
BOTTOM HOLE FOOTAGE	20'/S & 1054'/E
LOCATION:	Section 34, T.19 S, R.25 E, NMPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
🔀 Special Requirements
Cave/Karst
Range
Watershed/Water Quality
Tank Battery
Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
Production (Post Drilling)
Well Structures & Facilities
Pipelines
Electric Lines
Interim Reclamation
Final Abandonment & Reclamation

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I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

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V. SPECIAL REQUIREMENT(S)

Watershed/Water Quality:

The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.

- The compacted berm shall be constructed at a minimum of 24 inches high with impermeable mineral material (e.g. caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)

Tank Battery:

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain $1\frac{1}{2}$ times the content of the largest tank. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave and Karst Conditions of Approval for APDs

** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production.

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

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Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cavebearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in high cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

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Cattle Guard Requirement

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Any new or existing cattle guards on the access route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations. Once the road is abandoned, the fence would be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Livestock Watering Requirement

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action.

Any damage to fences, cattle guards, and pipelines or structures that provide water to livestock during construction, throughout the life of the project, and caused by its operation, must be immediately corrected by Percussion. Percussion must notify the grazing allottee or the private surface landowner and the BLM-CFO (575-234-5972) if any damage occurs to pipelines or structures that provide water to livestock.

Standard mitigation measures and elements of the Proposed Action are designed to minimize these impacts to wildlife. These include: use of the NTL-RDO 93-1 guidelines (modification of open-vent exhaust stacks to prevent perching and entry from birds and bats), placing nets on open top production tanks, installing raptor-safe electric power lines, conducting interim reclamation, utilizing closed loop systems, using exhaust mufflers, installing berms around collection facilities, minimizing cut and fill, selectively placing roads, and avoiding wildlife waters, stick nests, drainages, playas and dunal features. These practices reduce mortality to wildlife and allow habitat to remain available in the immediate surrounding area; thus reducing stressors on wildlife populations at a localized level.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

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The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

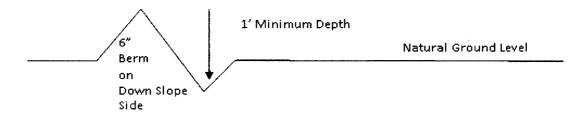
Drainage

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Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

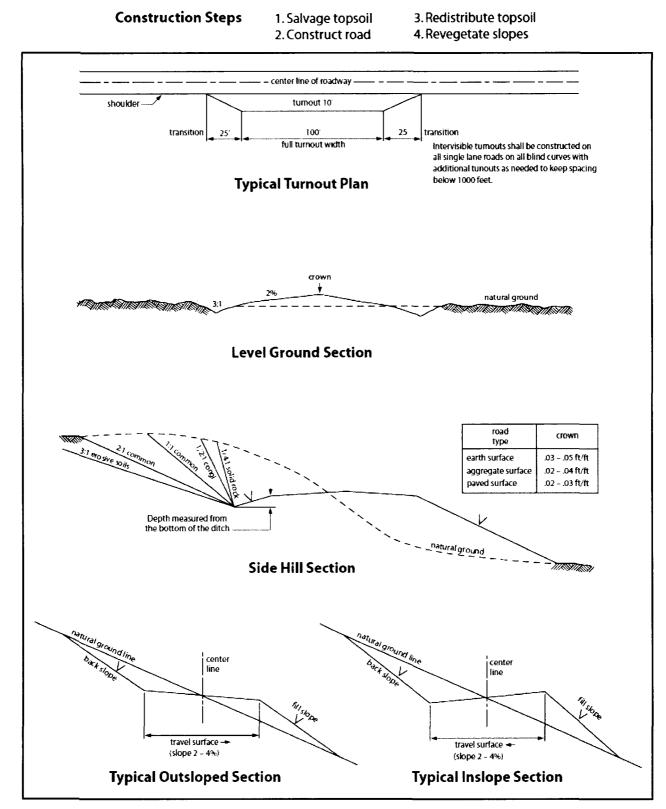
Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

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VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

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Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third

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parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-ofway width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing

by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the

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authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42

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U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

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10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

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Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

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After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

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Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

<u>species</u>	b/acre
Plains lovegrass (Eragrostis intermedia) 0.5	
Sand dropseed (Sporobolus cryptandrus) 1.0	
Sideoats grama (Bouteloua curtipendula) 5.0	
Plains bristlegrass (Setaria macrostachya)2.0	

*Pounds of pure live seed:

Species

Pounds of seed x percent purity x percent germination = pounds pure live seed

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Percussion petroleum Operating LLC
LEASE NO.:	NMNM31200
WELL NAME & NO.:	8H-Huber Federal
SURFACE HOLE FOOTAGE:	542'/S & 1172'/E
BOTTOM HOLE FOOTAGE	20'/S & 1054'/E
LOCATION:	Section 34, T.19 S, R.25 E, NMPM
COUNTY:	Eddy County, New Mexico

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
🖄 Special Requirements
Cave/Karst
Range
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Road Section Diagram
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Well Structures & Facilities
Pipelines
Electric Lines
Interim Reclamation
Final Abandonment & Reclamation

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I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Watershed/Water Quality:

The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.

- The compacted berm shall be constructed at a minimum of 24 inches high with impermeable mineral material (e.g. caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)

Tank Battery:

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 $\frac{1}{2}$ times the content of the largest tank. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave and Karst Conditions of Approval for APDs

** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production.

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

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Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cavebearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in high cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

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Cattle Guard Requirement

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Any new or existing cattle guards on the access route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations. Once the road is abandoned, the fence would be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Livestock Watering Requirement

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action.

Any damage to fences, cattle guards, and pipelines or structures that provide water to livestock during construction, throughout the life of the project, and caused by its operation, must be immediately corrected by Percussion. Percussion must notify the grazing allottee or the private surface landowner and the BLM-CFO (575-234-5972) if any damage occurs to pipelines or structures that provide water to livestock.

Standard mitigation measures and elements of the Proposed Action are designed to minimize these impacts to wildlife. These include: use of the NTL-RDO 93-1 guidelines (modification of open-vent exhaust stacks to prevent perching and entry from birds and bats), placing nets on open top production tanks, installing raptor-safe electric power lines, conducting interim reclamation, utilizing closed loop systems, using exhaust mufflers, installing berms around collection facilities, minimizing cut and fill, selectively placing roads, and avoiding wildlife waters, stick nests, drainages, playas and dunal features. These practices reduce mortality to wildlife and allow habitat to remain available in the immediate surrounding area; thus reducing stressors on wildlife populations at a localized level.

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VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

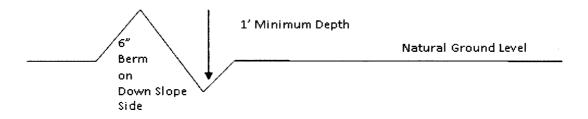
Drainage

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Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

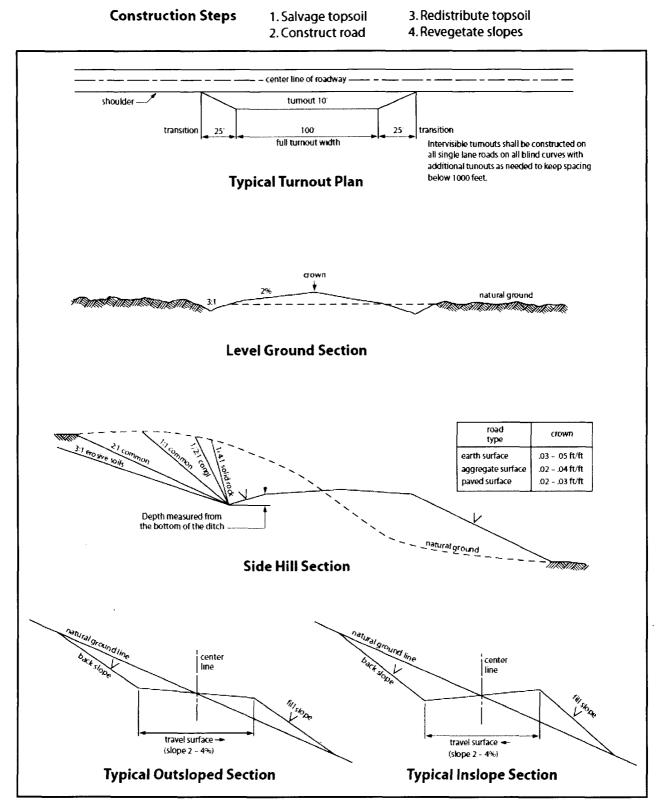
Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

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VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

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Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third

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parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-ofway width of <u>20</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing

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by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the

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authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42

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U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

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10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

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Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

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Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species lb/ac	re
Plains lovegrass (Eragrostis intermedia) 0.5	
Sand dropseed (Sporobolus cryptandrus) 1.0	
Sideoats grama (Bouteloua curtipendula) 5.0	
Plains bristlegrass (Setaria macrostachya)2.0	

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Brian Wood		Signed on: 09/06/2017
Title: President		
Street Address: 37 Verano Loop		
City: Santa Fe	State: NM	Zip: 87508
Phone : (505)466-8120		
Email address: afmss@permitswe	st.com	
Field Representative		
Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Submission Date: 09/06/2017	Highlighted data
SLLC	reflects the most recent changes
Well Number: 8H	Show Final Text
Well Work Type: Drill	
	G LLC Well Number: 8H

Section 1 - General

APD ID:	10400021652	Tie to previous NOS?	Submission Date: 09/06/2017
BLM Office	: CARLSBAD	User: Brian Wood	Title: President
Federal/Inc	lian APD: FED	Is the first lease penetra	ated for production Federal or Indian? FED
Lease num	ber: NMNM31200	Lease Acres: 120	
Surface ac	cess agreement in place?	Allotted?	Reservation:
Agreement	t in place? NO	Federal or Indian agree	ment:
Agreement	number:		
Agreement	name:		
Keep appli	cation confidential? NO		
Permitting	Agent? YES	APD Operator: PERCUS	SSION PETROLEUM OPERATING LLC
Operator le	etter of designation:		

Operator Info

Operator Organization Name:	PERCUSSION PETROLEUM O	PERATING LLC
Operator Address: 919 Milam S	Street, Suite 2475	Z in: 77 002
Operator PO Box:		Zip: 77002
Operator City: Houston	State: ⊺X	
Operator Phone: (713)589-233	7	
Operator Internet Address:		

Section 2 - Well Information

Well in Master Development Plan? NO	Mater Development Plan name	:
Well in Master SUPO? NO	Master SUPO name:	
Well in Master Drilling Plan? NO	Master Drilling Plan name:	
Well Name: HUBER FEDERAL	Well Number: 8H	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: N. SEVEN RIVERS GLORIETA -YESO	S; Pool Name: GLORIETA-YESO
Is the proposed well in an area containing other min	aral resources? NATURAL GAS (202 01

Is the proposed well in an area containing other mineral resources? NATURAL GAS, CO2, OIL

Operator Name: PERCUSSION PETROLEUM OPERATING LLC

Well Name: HUBER FEDERAL

Well Number: 8H

Describe other minerals:			
Is the proposed well in a Helium produ	iction area? N	Use Existing Well Pad? YE	S New surface disturbance? Y
Type of Well Pad: MULTIPLE WELL		Multiple Well Pad Name:	Number: 7H
Well Class: HORIZONTAL		HUBER Number of Legs: 1	
Well Work Type: Drill			
Well Type: OIL WELL			
Describe Well Type:			
Well sub-Type: INFILL			
Describe sub-type:			
Distance to town: 16 Miles	Distance to ne	arest well: 20 FT Dis	tance to lease line: 542 FT
Reservoir well spacing assigned acres	Measurement	160.54 Acres	
Well plat: Huber_8H_Plat_20170906	110210.pdf		
Well work start Date: 11/01/2017		Duration: 30 DAYS	

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Survey number: 7977

Aliquot/Lot/Tract -ease Number EW Indicator NS Indicator Elevation -ongitude NS-Foot EW-Foot ease Type Meridian Section _atitude Range County Twsp State 1 ZD Ð SHL 542 FSL 117 19S 25E Aliquot 32.61121 EDD NEW NEW F NMNM 351 0 FEL 34 0 104.4678 Y Leg MEXI MEXI 31200 2 4 SESE co co 2 #1 KOP 542 Aliquot FSL 117 FEL 19S 25E 34 32.61121 EDD NEW NEW |F NMNM 112 240 239 _ 104.4678 Y MEXI MEXI 31200 0 2 0 4 Leg SESE со 2 CO #1 PPP 542 Aliquot FSL 117 FEL 19S 25E 34 32.61121 -EDD NEW NEW F NMNM 351 0 0 104.4678 Y MEXI MEXI 31200 2 4 SESE Leg 2 CO CO #1

Vertical Datum: NAVD88

Operator Name: PERCUSSION PETROLEUM OPERATING LLC

Well Name: HUBER FEDERAL

Well Number: 8H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
PPP Leg #1	0	FNL	107 3	FEL	20S	25E	3	Aliquot NENE	32.60972	- 104.4677 4	EDD Y		NEW MEXI CO	F	NMNM 14758	656	293 1	285 8
EXIT Leg #1	20	FSL	105 4	FEL	20S	25E	3	Aliquot SESE	32.59537	- 104.4675 1	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 14758	598	837 1	291 6
BHL Leg #1	20	FSL	105 4	FEL	20S	25E	3	Aliquot SESE	32.59537	- 104.4675 1	EDD Y		NEW MEXI CO	F	NMNM 14758	598	837 1	291 6

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U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400021652

Submission Date: 09/06/2017

Highlighted data reflects the most recent changes

Well Name: HUBER FEDERAL

Well Number: 8H

Well Type: OIL WELL

Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

Operator Name: PERCUSSION PETROLEUM OPERATING LLC

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1		3514	0	0	OTHER : Quaternary caliche	USEABLE WATER	No
2	GRAYBURG	2870	644	644	DOLOMITE	NATURAL GAS,CO2,OIL	No
3	SAN ANDRES	2685	829	829	DOLOMITE	NATURAL GAS,CO2,OIL	No
4	GLORIETA	1125	2389	2395	DOLOMITE	NATURAL GAS,CO2,OIL	No
5	YESO	970	2544	2555	DOLOMITE	NATURAL GAS,CO2,OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 5000

Equipment: A 3000-psi 5000' rated BOP stack consisting of annular preventer and double (blind and pipe) ram will be used below surface casing to TD.

Requesting Variance? NO

Variance request:

Testing Procedure: A 3000-psi 5000' rated BOP stack consisting of annular preventer and double (blind and pipe) ram will be used below surface casing to TD. See attached BOP and choke manifold diagrams. Pressure tests will be conducted before drilling out from under all casing strings. Third party test crews will conduct all tests. All tests will be recorded for 10minutes on low pressure (500 psi) and 10-minutes on high pressure (3000-psi). After BOP testing is complete, test casing (without test plug) to 2000-psi for 30 minutes. All tests will be charted on a plot. BOPs will be function tested every day.

Choke Diagram Attachment:

Huber_8H_BOP_Choke_20171122124939.pdf

BOP Diagram Attachment:

Huber_8H_BOP_Choke_20171122125012.pdf

Well Number: 8H

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	12.2 5	9.625	NEW	API	N	0	1279	0	1277	3514		1279	J-55	36	STC	1. 1 2 5	1.12 5	DRY	1.8	DRY	1.8
1	PRODUCTI ON	8.75	5.5	NEW	API	N	0	8361	0	1916	3514		8361	L-80		OTHER - BTC	1.12 5	1.12 5	DRY	1.8	DRY	1.8

Casing Attachments

Casing ID: 1 String Type:SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Huber_8H_Casing_Design_Assumptions_20170906112430.pdf

Casing ID: 2 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Huber_8H_Casing_Design_Assumptions_20170906112442.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1277	637	1.32	14.8	840	100	Class C	2% CaCl + .25 pps celloflake

PRODUCTION	Lead	C	8361	495	1.97	12.6	975	50	65/65/6 Class C	6% gel + 5% salt+ .25 pps celloflake +.0.2% C41-P
PRODUCTION	Tail	0	8361	1699	1.32	14.8	2242	50	Class C	2% CaCl + .25 pps celloflake

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: All necessary mud products (LCM) will be on site to handle any abnormal hole condition that may be encountered while drilling this well.

Describe the mud monitoring system utilized: An electronic/mechanical mud monitor with a minimum pit volume totalizer, stroke counter, and flow sensor will be used.

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Н	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1279	OTHER : Fresh Water/gel	8.4	9.2							
1279	2400	OTHER : Fresh water/cut brine	8.3	9.2							
2400	8371	OTHER : Cut brine	8.6	9.2							

Operator Name: PERCUSSION PETROLEUM OPERATING LLC
Well Name: HUBER FEDERAL Well Number: 8H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

A mud logger will be used from GL to TD. Samples will be collected every 10' in the lateral pay zone. No electric logs are planned at this time.

List of open and cased hole logs run in the well:

DS

Coring operation description for the well:

No core or drill stem test is planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 1254

Anticipated Surface Pressure: 612.48

Anticipated Bottom Hole Temperature(F): 114

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Huber_8H_H2S_Plan_20171009131229.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Huber_8H_Horizontal_Drill_Plan_20170906112822.pdf

Other proposed operations facets description:

Deficiency letter dated 11/21/17 requested:

1) Revised BOP - see revised BOP testing procedure and General Drill Plan

2) LTP of BH footage not in regulation - See attached variance request

Other proposed operations facets attachment:

Huber_8H_Casing_Design_Contingency_Plan.rev2_20171023150509.pdf Huber 8H General Drill Plan Revised 20171122125544.pdf

Other Variance attachment:

Huber_8H_Bottom_Hole_Footage_Variance_Request_20171122125717.pdf

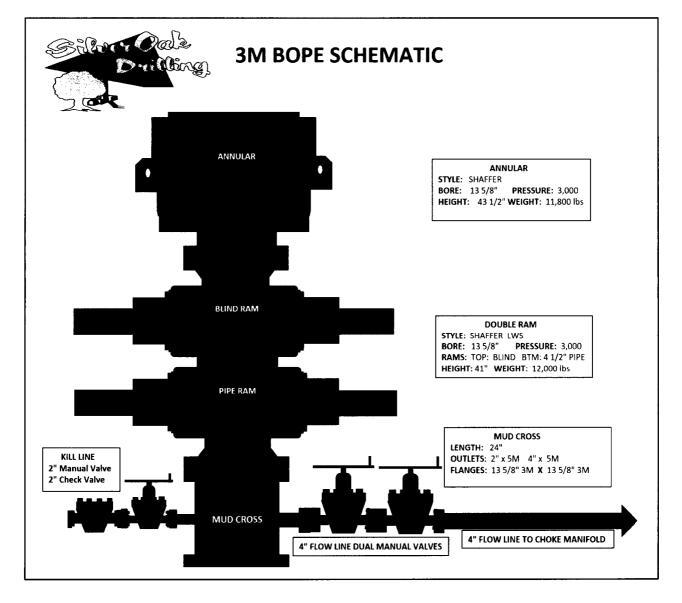
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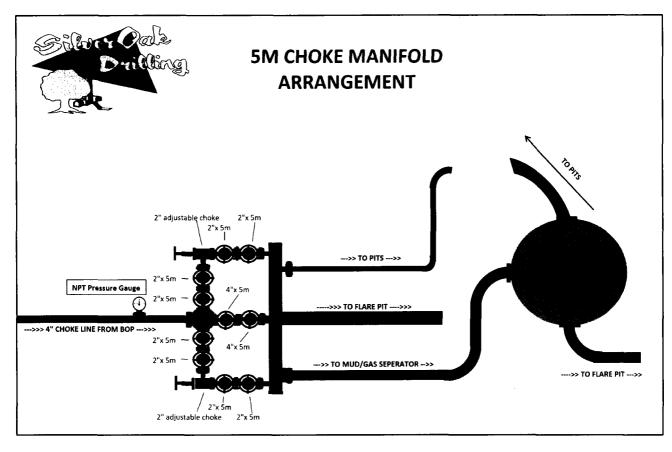


Nipple-Up

- a. Raise stack and center over the wellhead
- b. Install DSA and ring gaskets
- c. Lower stack onto DSA
- d. Torque DSA flange bolts in a star pattern to the specified torque
- e. Verify BOP is centered to the rotary table
- f. Install rotating head
- g. Install hydraulic lines to BOP
- h. Verify manifold line-up
- i. Test BOP & manifold







Pressure Testing

- a. All testing to be done with 3rd party testing crews
- b. All tests should be done for each BOP/Valve/Choke Manifold:
 - 1. Recorded for 10 minutes on low pressure (500 psi)
 - 2. Recorded for 10 minutes on high pressure (3000 psi)
 - 3. All BOP testing will be completed with a test plug in place in wellhead
- c. After BOP testing is complete, test casing (without test plug) to 2000 psi for 30 minutes
- d. Company representative to email all copies of all plots to Drilling Engineer as well as save in the well file.
- e. BOP's shall be function tested every day.

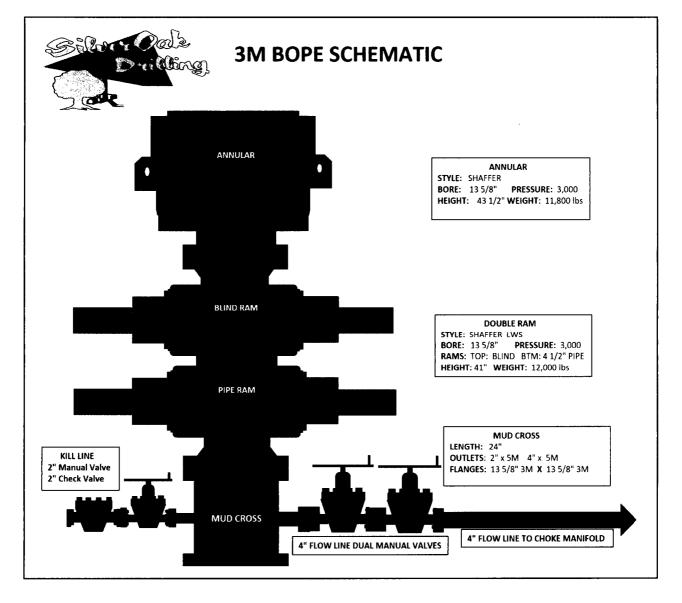
Gas Buster Operation

- a. Flow should be directed to pits unless choke is needed to control gas
- b. Adjustable choke to adjusted only by Percussion Rep on location
- c. Flare should remain burning (pilot lit) anytime fluid is going through gas buster
- d. Choke needs to be monitored to not overrun gas buster



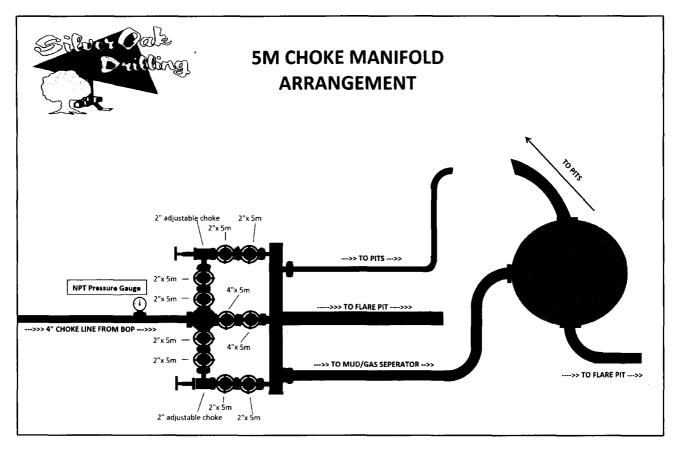
Nipple-Up

- a. Raise stack and center over the wellhead
- b. Install DSA and ring gaskets
- c. Lower stack onto DSA
- d. Torque DSA flange bolts in a star pattern to the specified torque
- e. Verify BOP is centered to the rotary table
- f. Install rotating head
- g. Install hydraulic lines to BOP
- h. Verify manifold line-up
- i. Test BOP & manifold





919 Milam Street, Suite 2475 Houston, TX 77002



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- c. Flare should remain burning (pilot lit) anytime fluid is going through gas buster
- d. Choke needs to be monitored to not overrun gas buster



Casing Design Criteria and Load Case Assumptions

Percussion Petroleum Operating, LLC. – Huber 3 Federal Area Wells

- 1. Collapse: DF_c=1.125
 - a. Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.65 psi/ft). The effects of axial load on collapse will be considered.
 - b. Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and minimum mud gradient in which the casing will be run above that (0.65 psi/ft) and an internal force equal to mud gradient of displacement fluid (0.43 psi/ft)
- 2. Burst: DF_B=1.125
 - a. Pressure Test: psi casing test with an external force equal to the mud gradient in which the casing will be run (0.65 psi/ft), which is a more conservative backup force than pore pressure.
 - b. Injection Down Casing: psi surface injection pressure plus an internal pressure gradient of 0.65 psi/ft with an external force equal to the mud gradient in which the casing will be run (0.65 psi/ft), which is a more conservative backup force than pore pressure.
- 3. Tensile: DF_T=1.8
 - a. Overpull: An overpull force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (8.5 ppg).

			S	urface	Casing Prog	Iram			
Casing Size (in)	Weight (ppf)	Grade	Connection	ID	ID (drift)	Collapse (psi)	Burst (psi)	Tension (1,000 Ibs)	Capacity (bbl/ft)
9-5/8"	36	J-55	STC	8.921	8.765	2,020	3,520	394	0.0773
and a state of the second				Saf	ety Factors		1.8 전송: 송송		
	API Rec. SF	ACTUAL SF	Case		Externa	I Fluids	Ir	iternal Fluids	3
Collapse	1.125	3.30	Lost Circula	tion	Mud		None		
Burst	1.125	1.46	Plug Bump		Green Cement + 2ksi surf pressure		Displacement Fluid/Mud		l/Mud
Tension	1.8	2.80	100 klbs Overpull		Mud		Mud		

Buoyed Casing Weight: 40,798 Ibs (assuming 8.4 ppg fluid and 1,300' casing-worst case scenario)

			Pro	oductio	n Casing Pro	ogram	•		
Casing Size (in)	Weight (ppf)	Grade	Connection	ID	ID (drift)	Collapse (psi)	Burst (psi)	Tension (1,000 Ibs)	Capacity (bbl/ft)
5-1/2"	17	L-80	BTC	4.892	4.767	6,280	7,740	348	0.0232
				Safe	ety Factors				Regional Carbona
	API Rec. SF	ACTUAL SF	Case		Externa	I Fluids	. Ir	nternal Fluids	5
Collapse	1.125	3.75	Lost Circula	tion	Mud		None		
Burst	1.125	2.47	Plug Bump		Green Cement + 2ksi surf pressure		Displacement Fluid/Mud		l/Mud
Tension	1.8	2.29	100 klbs Ove	rpull	Mud			Mud	

Buoyed Casing Weight: 51,869 Ibs (assuming 8.4 ppg fluid and 3,500' TVD-worst case scenario)



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			S	urface	Casing Prog	ram			
Casing Size (in)	Weight (ppf)	Grade	Connection	ID	ID (drift)	Collapse (psi)	Burst (psi)	Tension (1,000 Ibs)	Capacity (bbl/ft)
9-5/8"	36	J-55	STC	8.921	8.765	2,020	3,520	394	0.0773
				Saf	ety Factors	in and the state of the state o			
	API Rec. SF	ACTUAL SF	Case		Externa	l Fluids	Ir	nternal Fluids	6
Collapse	1.125	3.30	Lost Circula	ition	Mud		None		
Burst	1.125	1.46	Plug Bump		Green Cement + 2ksi surf pressure		Displa	cement Fluid	l/Mud
Tension	1.8	2.80	100 klbs Ove	erpull	Mud		Mud		

Buoyed Casing Weight: 40,798 Ibs (assuming 8.4 ppg fluid and 1,300' casing-worst case scenario)

			Pro	oductio	n Casing Pro	ogram			
Casing Size (in)	Weight (ppf)	Grade	Connection	ID	ID (drift)	Collapse (psi)	Burst (psi)	Tension (1,000 Ibs)	Capacity (bbl/ft)
5-1/2"	17	L-80	BTC	4.892	4.767	6,280	7,740	348	0.0232
				Saf	ety Factors				
	API Rec. SF	ACTUAL SF	Case		Externa	l Fluids	Ir	ternal Fluids	5
Collapse	1.125	3.75	Lost Circula	tion	Mud		None		
Burst	1.125	2.47	Plug Bump		Green Cement + 2ksi surf pressure		Displacement Fluid/Mud		d/Mud
Tension	1.8	2.29	100 klbs Ove	rpull	Mud		Mud		

Buoyed Casing Weight: 51,869 lbs (assuming 8.4 ppg fluid and 3,500' TVD-worst case scenario)





Hydrogen Sulfide Drilling Operations Plan

Percussion Petroleum Operating, LLC.

- 1. H₂S Safety Instructions to the following:
 - Characteristics of H₂S.
 - Physical effects and hazards.
 - Principal and operation of H₂S detectors, warning system and briefing areas.
 - Evacuation procedures, routes and First Aid.
 - Proper use of safety equipment and life support systems.
 - Essential personnel meeting medical evaluation criteria will receive additional training on the proper use of 30 min pressure demand air packs.
- 2. H₂S Detection & Alarm Systems:
 - H₂S sensor/detectors to be located on the drilling rig floor, in the base of the sub structure/cellar area, on the mud returns pits by the shale shaker. Additional H₂S monitors may be placed as deemed necessary.
 - An audio alarm system will be installed on the derrick, the floor, and in the doghouse.
- 3. Windsocks and Wind Streamers:
 - Windsocks at mud pit area should be high enough to be visible.
 - Windsock on the rig floor/top of doghouse should be high enough to be visible.
- 4. Condition Flags & Signs:
 - Warning sign on access road to location
 - Flags to be displayed on sign at entrance to location
 - i. Green Flag Normal Safe Operation Condition
 - ii. Yellow Flag Potential Pressure and Danger
 - iii. Red Flag Danger (H₂S present in dangerous concentrations) Only H₂S trained personnel admitted on location
- 5. Well Control Equipment:
 - See attached APD
- 6. Communications:
 - While working under masks, chalkboards will be used for communications
 - Hand signals will be used where chalk board is inappropriate
 - Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at drilling foreman's trailer or living quarters.
- 7. Drilling Stem Testing:
 - No Drill Stem Tests or hole coring is planned at this time.
- 8. Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.
- If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavenger chemicals if necessary.
- 10. Emergency Contacts:



Emergency Contact Information - H2S Contingency Plan						
Precussion Petroleum Operating, LLC	713-518-1331					
Key Parties at Percussion Petroleum		Office	Mobile	Email		
Lelan J Anders	Vice President of Operations	713-429-1291	281-908-1752	Lelan@PercussionPetroleum.com		
Lupe Carrillo	Chief Operating Officer	713-589-9509	832-776-1869	Lupe@PercussionPetroleum.com		
John H. Campbell II	Chief Executive Officer	713-589-4683	936-718-6488	John@PercussionPetroleum.com		

Artesia, New Mexico:					
Ambulance	911				
State Police	575-746-2703				
City Police	575-746-2703				
Sheriff's Office	575-746-9888				
Fire Department	575-746-2701				
Local Emergency Planning Committee	575-746-2122				
New Mexico Oil Conservation Division	575-748-1283				

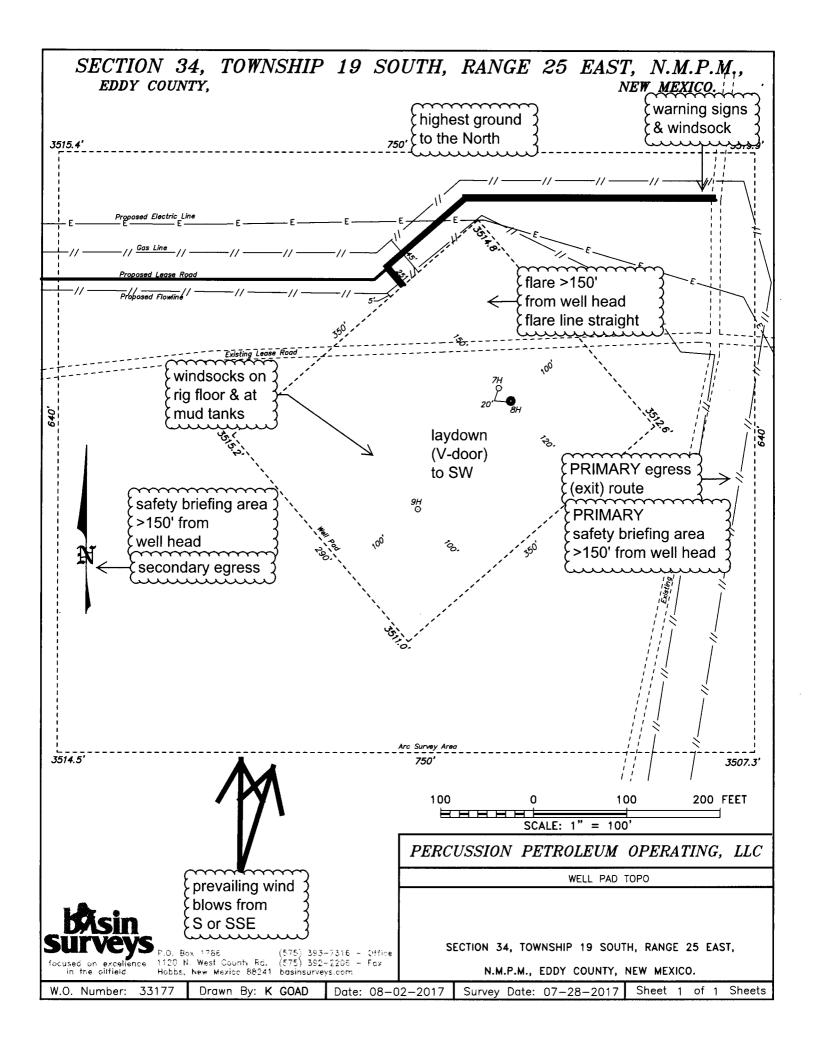
Carlsbad, New Mexico:					
Ambulance	911				
State Police	575-885-3137				
City Police	575-885-2111				
Sheriff's Office	575-887-7551				
Fire Department	575-887-3798				
Local Emergency Planning Committee	575-887-6544				
New Mexico Oil Conservation Division	575-887-6544				

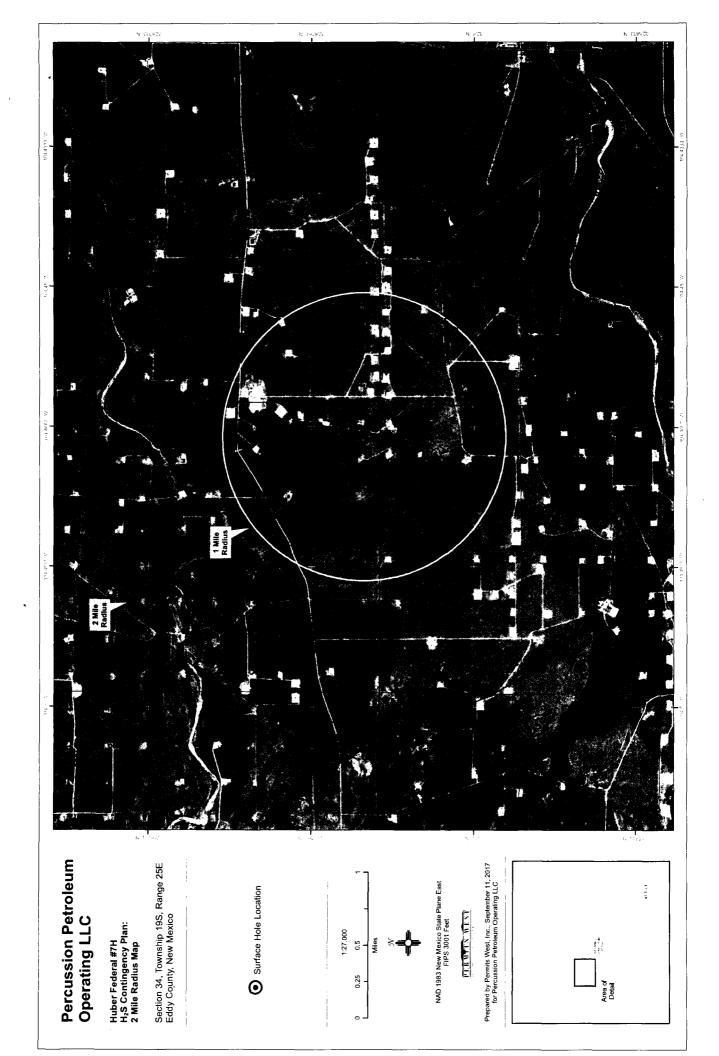
Santa Fe, New Mexico:	
New Mexico Emergency Response Commission	505-476-9600
New Mexico Emergency Response Commission (24 hr)	505-827-9126
New Mexico State Emergency Operations Center	505-476-9635

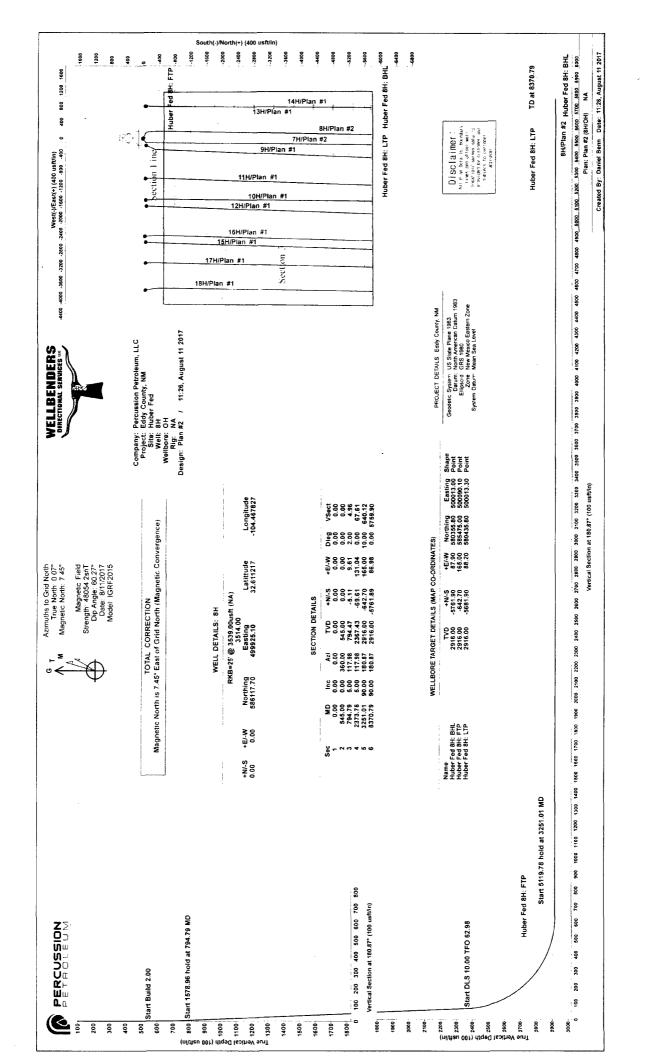
Federal Contacts:	
Carlsbad BLM Office	575-234-5972
National Emergency Response Center (Washington, DC)	800-424-8802

Medical:	
Flight for Life - Lubbock, TX	806-743-9911
Aero Care - Lubbock, TX	806-747-8923
Med Flight Air Ambulance - Albuquerque, NM	505-842-4433
SB Air Med Service - Albuquerque, NM	505-842-4949

Well Control/Other:	
Wild Well Control	281-784-4700
Boots & Coots IWC	800-256-9688
B.J. Services	575-746-3569
Halliburton	575-746-2757









Planning Report



Database: Company: Project: Site: Well: Wellbore: Design:	WBDS_SC Percussior Eddy Cour Huber Fed 8H OH Plan #2	n Petroleum, Ll hty, NM	-C	TVD Refe MD Refer North Re	ence:		Well 8H RKB=25' @ 35 RKB=25' @ 35 Grid Minimum Curva	39.00usft (NA	
Project	Eddy Count	ty, NM							
Map System: Geo Datum: Map Zone:		ine 1983 can Datum 198 Eastern Zone	3	System Da	atum:	۸.	lean Sea Level		
Site	Huber Fed								
Site Position: From: Position Uncerta	Map iinty:	0.00 usft	Northing: Easting: Slot Radius:		82.90 usft 87.10 usft 13.200 in	Latitude: Longitude: Grid Conve			32.611121 -104.467950 -0.07 °
Well	8H								
Well Position	+N/-S +E/-W	34.80 usft 38.00 usft	Northing: Easting:		586,117.70 499,925.10		atitude: ongitude:		32.611217 -104.467827
Position Uncerta	inty	0.00 usft	Wellhead El	evation:		G	round Level:		3,514.00 usft
Wellbore	ОН		- <u>-</u>						
Magnetics	Model N	lame	Sample Date	Declina (°)	tion	•	Angle (°)	Field St (n	
	IG	RF2015	8/11/2017		7.38		60.27	48,054	.19223312
Design	Plan #2								
Audit Notes:				,					
Version:			Phase:	PLAN	Ti	ie On Depth		0.00	
Vertical Section		(u	rom (TVD) isft) 1.00	+N/-S (usft) 0.00	(ι	E/-W J sft)).00		ection (°) 0.87	
Plan Survey Too	ol Program	Date 8/11/	2017		***				· · · · · · · · · · · · · · · · · · ·
Depth From (usft)	Depth To (usft)	Survey (Wei	lbore)	Tool Name		Remarks	i		
1 0.00	9,369.97	Plan #2 (OH)		MWD+IGRF OWSG MWD) + IGRF or	w.			
Plan Sections						· · · ·			
Measured		Verti nuth Dep °) (usi	th +N/-S	+E/-W (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target

	(usft)	(°)	(°)	(usft)	(usft)	(usft)	(°/100ft)	(°/100ft)	(°/100ft)	(°)	Target
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1	545.00	0.00	360.00	545.00	0.00	0.00	0.00	0.00	0.00	360.00	
i.	794.79	5.00	117.98	794.47	-5.11	9.61	2.00	2.00	0.00	117.98	
	2,373.75	5.00	117.98	2,367.43	-69.61	131.04	0.00	0.00	0.00	0.00	
	3,251.01	90.00	180.87	2,916.00	-642.70	165.00	10.00	9.69	7.17	62.98 H	uber Fed 8H: FTF
i	8,370.79	90.00	180.87	2,916.00	-5,761.89	86.98	0.00	0.00	0.00	0.00 H	uber Fed 8H: BHL



Planning Report



Company:Percussion Petroleum, LLCTVD ReProject:Eddy County, NMMD RefeSite:Huber FedNorth R	
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Planned Survey

	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
}	100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
	200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
	300.00 400.00	0.00 0.00	0.00 0.00	300.00 400.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
	500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
	545.00	0.00	360.00	545.00	0.00	0.00	0.00	0.00	0.00	0.00
	600.00	1.10 3.10	117.98 117.98	600.00 699.92	-0.25	0.47	0.24	2.00	2.00	0.00
	700.00 794.79	5.00	117.98	794.47	-1.97 -5.11	3.70 9.61	1.91 4.96	2.00 2.00	2.00 2.00	0.00 0.00
	800.00	5.00	117.98	799.66	-5.32	10.01	5.17	0.00	0.00	. 0.00
	900.00	5.00	117.98	899.28	-9.40	17.70	9.13	0.00	0.00	0.00
	1,000.00 1,100.00	5.00 5.00	117.98 117.98	998.90 1,098.52	-13.49 -17.57	25.39 33.08	13.10 17.07	0.00 0.00	0.00 0.00	0.00 0.00
	1,200.00	5.00	117.98	1,198.14	-21.66	40.77	21.04	0.00	0.00	0.00
	1,300.00	5.00	117.98	1,297.76	-25.74	48.46	25.01	0.00	0.00	0.00
	1,400.00	5.00 5.00	117.98 117.98	1,397.38 1,497.00	-29.83 -33.92	56.16	28.97	0.00	0.00	0.00
	1,500.00 1,600.00	5.00	117.98	1,497.00	-33.92 -38.00	63.85 71.54	32.94 36.91	0.00 0.00	0.00 0.00	0.00 0.00
	1,700.00	5.00	117.98	1,696.24	-42.09	79.23	40.88	0.00	0.00	0.00
	1,800.00	5.00	117.98	1,795.86	-46.17	86.92	44.85	0.00	0.00	0.00
	1,900.00	5.00	117.98	1,895.49	-50.26	94.61	48.81	0.00	0.00	0.00
	2,000.00 2,100.00	5.00 5.00	117.98 117.98	1,995.11 2,094.73	-54.34 -58.43	102.30 109.99	52.78 56.75	0.00 0.00	0.00 0.00	0.00 0.00
	2,200.00	5.00	117.98	2,194.35	-62.51	117.68	60.72	0.00	0.00	0.00
	2,300.00	5.00	117.98	2,293.97	-66.60	125.37	64.69	0.00	0.00	0.00
	2,373.75 2,400.00	5.00 6.61	117.98 138.72	2,367.43 2,393.55	-69.61 -71.28	131.04 133.05	67.61 69.25	0.00 10.00	0.00 6.17	0.00 79.03
	2,400.00	10.84	156.90	2,393.55 2,442.97	-71.20	135.05	09.20 75.69	10.00	8.46	79.03 36.36
	2,500.00	15.53	164.62	2,491.64	-88.57	140.42	86.42	10.00	9.38	15.42
	2,550.00	20.37	168.78	2,539.20	-103.57	143.89	101.37	10.00	9.67	8.32
	2,600.00 2,650.00	25.27 30.20	171.38 173.19	2,585.27 2,629.51	-122.67 -145.72	147.19 150.28	120.42 143.42	10.00 10.00	9.80 9.86	5.22 3.61
	2,700.00	35.15	174.53	2,629.51	-172.55	150.28	143.42	10.00	9.88	2.68
	2,750.00	40.11	175.57	2,711.18	-202.95	155.76	200.56	10.00	9.92	2.09
	2,800.00	45.07	176.42	2,747.98	-236.69 -273.52	158.11	234.27	10.00	9.93	1.70
	2,850.00 2,900.00	50.04 55.02	177.14 177.75	2,781.71 2,812.12	-273.52	160.18 161.94	271.06 310.66	10.00 10.00	9.94 9.95	1.43 1.23
	2,950.00	60.00	178.30	2,838.97	-355.29	163.39	352.77	10.00	9.96	1.09
	3,000.00	64.98	178.79	2,862.05	-399.61	164.51	397.06	10.00	9.96	0.99
	3,050.00	69.96	179.25	2,881.21	-445.77	165.29	443.21	10.00	9.96	0.91
	3,100.00	74.95	179.67	2,896.27	-493.43	165.74	490.85	10.00	9.97	0.85
	3,150.00	79.93	180.08	2,907.15	-542.21	165.84	539.63	10.00	9.97	0.81
	3,200.00 3,251.01	84.91 90.00	180.48 180.87	2,913.74 2,916.00	-591.76 -642.70	165.60 165.00	589.18 640.12	10.00 10.00	9.97 9.97	0.79 0.78
	3,300.00	90.00	180.87	2,916.00	-691.69	164.25	689.11	0.00	0.00	0.00
	3,400.00	90.00	180.87	2,916.00	-791.67	162.73	789.11	0.00	0.00	0.00
	3,500.00	90.00	180.87	2,916.00	-891.66	161.21	889.11	0.00	0.00	0.00
	3,600.00	90.00	180.87	2,916.00	-991.65	159.68	989.11	0.00	0.00	0.00
	3,700.00	90.00	180.87	2,916.00	-1,091.64	158.16	1,089.11	0.00	0.00	0.00
	3,800.00	90.00	180.87	2,916.00	-1,191.63	156.63	1,189.11	0.00	0.00	0.00
	3,900.00 4,000.00	90.00 90.00	180.87 180.87	2,916.00 2,916.00	-1,291.62 -1,391.60	155.11 153.59	1,289.11 1,389.11	0.00 0.00	0.00 0.00	0.00 0.00
	4,100.00	90.00	180.87	2,916.00	-1,391.60	153.59	1,489.11	0.00	0.00	0.00



Planning Report



Project: Eddy County, NM MD Reference: RKB=25' @ 3539.00usft (NA) Site: Huber Fed North Reference: Grid Well: 8H Survey Calculation Method: Minimum Curvature Wellbore: OH	Database: Company:	WBDS_SQL_2 Percussion Petroleum, LLC	Local Co-ordinate Reference: TVD Reference:	Well 8H RKB=25' @ 3539.00usft (NA)
Well: 8H Survey Calculation Method: Minimum Curvature	Project:	Eddy County, NM	MD Reference:	RKB=25' @ 3539.00usft (NA)
	Site:	Huber Fed	North Reference:	Grid
Wellbore: OH	Well:	8H	Survey Calculation Method:	Minimum Curvature
	Wellbore:	OH		
Design: Plan #2	Design:	Plan #2		

Planned Survey

*	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
	4,200.00	90.00	180.87	2,916.00	-1,591.58	150.54	1,589.11	0.00	0.00	0.00
	4,300.00 4,400.00 4,500.00 4,600.00 4,700.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-1,691.57 -1,791.56 -1,891.55 -1,991.53 -2,091.52	149.01 147.49 145.97 144.44 142.92	1,689.11 1,789.11 1,889.11 1,989.11 2,089.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	4,800.00 4,900.00 5,000.00 5,100.00 5,200.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-2,191.51 -2,291.50 -2,391.49 -2,491.48 -2,591.47	141.40 139.87 138.35 136.82 135.30	2,189.11 2,289.11 2,389.11 2,489.11 2,589.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
	5,300.00 5,400.00 5,500.00 5,600.00 5,700.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-2,691.45 -2,791.44 -2,891.43 -2,991.42 -3,091.41	133.78 132.25 130.73 129.20 127.68	2,689.11 2,789.11 2,889.11 2,989.11 3,089.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	5,800.00 5,900.00 6,000.00 6,100.00 6,200.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-3,191.40 -3,291.38 -3,391.37 -3,491.36 -3,591.35	126.16 124.63 123.11 121.58 120.06	3,189.11 3,289.11 3,389.11 3,489.11 3,589.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
	6,300.00 6,400.00 6,500.00 6,600.00 6,700.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-3,691.34 -3,791.33 -3,891.31 -3,991.30 -4,091.29	118.54 117.01 115.49 113.97 112.44	3,689.11 3,789.11 3,889.11 3,989.11 4,089.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
•	6,800.00 6,900.00 7,000.00 7,100.00 7,200.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-4,191.28 -4,291.27 -4,391.26 -4,491.24 -4,591.23	110.92 109.39 107.87 106.35 104.82	4,189.11 4,289.11 4,389.11 4,489.11 4,589.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
	7,300.00 7,400.00 7,500.00 7,600.00 7,700.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-4,691.22 -4,791.21 -4,891.20 -4,991.19 -5,091.17	103.30 101.77 100.25 98.73 97.20	4,689.11 4,789.11 4,889.11 4,989.11 5,089.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	7,800.00 7,900.00 8,000.00 8,100.00 8,200.00	90.00 90.00 90.00 90.00 90.00	180.87 180.87 180.87 180.87 180.87 180.87	2,916.00 2,916.00 2,916.00 2,916.00 2,916.00	-5,191.16 -5,291.15 -5,391.14 -5,491.13 -5,591.12	95.68 94.16 92.63 91.11 89.58	5,189.11 5,289.11 5,389.11 5,489.11 5,589.11	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	8,300.00 8,370.79	90.00 90.00	180.87 180.87	2,916.00 2,916.00	-5,691.11 -5,761.89	88.06 86.98	5,689.11 5,759.90	0.00 0.00	0.00 0.00	0.00 0.00



Planning Report



Database: Company: Project:	WBDS_SQL_2 Percussion Petroleum, LLC Eddy County, NM	Local Co-ordinate Reference: TVD Reference: MD Reference:	Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA)
Site:	Huber Fed	North Reference:	Grid
Well:	8H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan #2		
	······································		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Huber Fed 8H: LTP - plan hits target ce - Point	0.00 enter	360.00	2,916.00	-5,681.90	88.20	580,435.80	500,013.30	32.595599	-104.467517
Huber Fed 8H: FTP - plan hits target ce - Point	0.00 enter	0.00	2,916.00	-642.70	165.00	585,475.00	500,090.10	32.609451	-104.467288
Huber Fed 8H: BHL - plan misses targe - Point	0.00 It center by (2,916.00 8370.79ust	-5,761.90 t MD (2916.0	87.90 00 TVD, -576	580,355.80 i1.89 N, 86.98 E)	500,013.00	32.595379	-104.467518

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Percussion Petroleum, LLC

Eddy County, NM Huber Fed 8H

OH Plan #2

Anticollision Report

11 August, 2017





Anticollision Report



Company: Project:	Percussion Petroleum, LLC Eddy County, NM	Local Co-ordinate Reference: TVD Reference:	Well 8H RKB=25' @ 3539.00usft (NA)
Reference Site:	Huber Fed	MD Reference:	RKB=25' @ 3539.00usft (NA)
Site Error:	0.00 usft	North Reference:	Grid
Reference Well:	8H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	ОН	Database:	WBDS_SQL_2
Reference Design:	Plan #2	Offset TVD Reference:	Reference Datum
Reference	Plan #2		
Filter type:	NO GLOBAL FILTER: Using user de	fined selection & filtering criteria	
Interpolation Metho	d: MD Interval 100.00usft	Error Model:	ISCWSA
Depth Range:	Unlimited	Scan Method:	Closest Approach 3D
Results Limited by:	Maximum separation factor of 50.00	Error Surface:	Pedal Curve
Warning Levels Eva	luated at: 2.00 Sigma	Casing Method:	Not applied

 Survey Tool Program
 Date
 8/11/2017

 From
 To
 Tool Name
 Description

 (usft)
 (usft)
 Survey (Wellbore)
 Tool Name
 Description

 0.00
 8,369.97
 Plan #2 (OH)
 MWD+IGRF
 OWSG MWD + IGRF or WMM

Summary

	Reference	Offset	Dista	псе		
Site Name Offset Well - Wellbore - Design	Measured Depth (usft)	Measured Depth (usft)	Between Centres (usft)	Between Ellipses (usft)	Separation Factor	Warning
Huber Fed						
10H - OH - Plan #1	8,370.79	7,787.97	1,697.68	1,481.95	7.869	CC, ES, SF
11H - OH - Plan #1	3,331.76	3,052.42	1,186.01	1,153.18		
11H - OH - Plan #1	8,370.79	8,074.59	1,263.75	1,044.75		ES, SF
12H - OH - Plan #1	3,600.00	3,256.75	1,894.28	1,854.06	47.100	cc
12H - OH - Plan #1	8,370.79	8,026.80	1,978.15	1,760.21		ES, SF
13H - OH - Plan #1	3,459.50	2,952.70	682.28	648.17	20.001	CC
13H - OH - Plan #1	8,370.79	7,847.74	731.97	526.13	3.556	ES, SF
14H - OH - Plan #1	3,280.96	3,072.97	615.51	583.94	19.497	CC
14H - OH - Plan #1	8,370.79	8,151.06	676.31	456.78	3.081	ES, SF
15H - OH - Plan #1	4,100.00	3,440.51	2,829.00	2,772.04	49.669	CC
15H - OH - Plan #1	8,370.79	7,710.89	2,883.13	2,666.44	13.305	ES, SF
16H - OH - Plan #1	4,000.00	3,653.85	2,612.52	2,557.68	47.642	CC
16H - OH - Plan #1	8,370.79	8,024.44	2,652.62	2,433.73	12.119	ES, SF
17H - OH - Plan #1	4,400.00	4,044.08	3,296.88	3,227.80	47.726	CC
17H - OH - Plan #1	8,370.79	8,014.82	3,312.95	3,094.24	15.148	ES, SF
18H - OH - Plan #1	8,370.79	7,714.64	3,931.61	3,713.65	18.038	CC, ES, SF
7H - OH - Plan #2	302.95	302.95	19.93	18.51	14.129	CC
7H - OH - Plan #2	400.00	399.94	20.05	17.95	9.572	ES
7H - OH - Plan #2	8,370.79	8,060.44	401.09	247.53	2.612	SF
9H - OH - Plan #1	800.00	771.28	240.07	235.22	49.498	CC, ES
9H - OH - Plan #1	8,370.79	8,120.40	578.86	359.97	2.645	SF

Offset\D Survey Pro			Fed - 10)H - OH - F	'lan #1								Offset Site Error: Offset Well Error:	0 00 usf 0.00 usf
Refer	-	Offs	et	Semi Major	r Axis				Dist	ance			Unset Wen Chur.	0.00 031
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (*)	Offset Wellbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
3,500 00	2,916.00	2,917 30	2.573 01	20.03	17 82	78.57	-877.80	-1,535.87	1,731.45	1,694.63	36.82	47 031		
3,600 00	2,916.00	3,017 30	2,573 13	21 68	19 52	78 57	-977 80	-1,536 72	1,730.76	1.690 63	40.12	43 137		
3,700.00	2,916.00	3.117.30	2,573.26	23 37	21 25	78.57	-1.077.79	-1,537.56	1,730.06	1,686.56	43.50	39 770		
3,800.00	2,916.00	3.217 29	2,573.38	25.08	23 02	78.57	-1,177 78	-1,538.40	1,729.37	1,682 43	46.94	36.842		
3,900 00	2,916.00	3.317 29	2,573 50	26 83	24 80	78 57	-1,277 78	-1.539 24	1.728 68	1,678 25	50 42	34.283		
4,000.00	2,916.00	3.417 29	2,573.62	28.59	26 61	78 57	-1,377 77	-1,540.08	1,727 98	1,674 04	53 94	32 033		
4,100 00	2,916.00	3,517 29	2,573.74	30.38	28.42	78 57	-1,477 77	-1,540 92	1,727 29	1,669 79	57.49	30.042		

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation





Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference:WTVD Reference:RHMD Reference:RHNorth Reference:GrSurvey Calculation Method:MiOutput errors are at2.0Database:WOffset TVD Reference:RH

Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

	esign ogram: 0-W		i cu - 10)H - OH - P	1011111								Offset Site Error:	0 00 us
Refer	•	Offs	et	Semi Major	Axis				Dist	ance			Offset Well Error:	0 00 us
	Vertical	Measured	Vertical	Reference	Offset	Highside	Offset Wellbo	ra Cantra	Between	Between	Minimum	Separation	Warning	
Depth (usft)	Depth (usft)	Depth (usft)	Depth (usft)	(usft)	(usft)	Toolface (*)	+N/-S (usft)	+E/-W (usft)	Centres (usft)	Ellipses (usft)	Separation (usft)	Factor	5	
4,200.00	2,916.00	3,617.28	2,573.87	32.18	30.25	78.57	-1,577.76	-1,541 76	1,726.60	1.665.52	61.07	28.272		
4,300.00	2,916.00	3,717,28	2.573.99	33 99	32.09	78 57	-1.677 75	-1,542.61	1,725.90	1.661 23		26,689		
4,400.00	2,916.00	3,817.28	2,574.11	35 81	33 94	78.57	-1,777.75	-1,543.45	1,725.21	1,656.93	68.28	25.266		
4,500.00		3,917.28	2,574.23	37.64	35.79	78 57	-1,877.74	-1,544.29	1,724.52					
4,600.00	2,916.00	4,017.27	2,574.36	39.47	37.65	78 57	-1,977.74	-1.545.13	1,723.82	1,648.27	75.55	22.816		
4,700.00		4,117.27	2,574.48	41 32	39 52	78 57	-2.077.73	-1,545.97	1,723.13					
4.800.00	2,916 00	4,217,27	2,574,60	43 17	41 39	78 57	-2,177 72	-1.546 81	1,722 44	1.639 57	82 87	20 785		
4,900.00	•	4.317.27	2,574,72	45.02	43.26	78.57	-2,277.72	-1,547.65	1,721,74			19.895		
5,000.00		4,417.27	2,574 84	46.88	45.14	78 57	-2,377 71	-1,548,49	1,721.05	1.630.83				
5,100.00	-	4,517.26	2,574.97	48 75	47.02	78.57	-2.477.71	-1,549.34	1,720.36	1,626.45				
5,200.00		4,617.26	2,575 09	50 61	48 90	78.57	-2,577 70	-1,550 18	1,719 66	1.622.07	97.59	17 621		
5,300 00	2,916.00	4,717.26	2,575.21	52.48	50 78	78.56	-2.677 69	-1,551 02	1,718 97	1,617.68	101 29	16 971		
5,400.00		4,717.26	2,575.33	54.36	52 67	78.56	-2.777.69	-1.551.86	1,718,28	1,617.00				
5,500.00		4,917.25	2,575.46	56.23	54.56	78.56	-2,877 68	-1.552.70	1,710.28	1.608.89				
5,600.00		5,017.25	2,575 48	58.11	56 45	78.56	-2,977.68	-1,553.54	1,716 89					
5,700.00		5,117.25	2,575.70	59.99	58.34	78.56	-3.077.67	-1,554 38	1,716.20	1,600.09				
5,800.00		5,217.25	2,575.82	61 87	60.23	78 56	-3,177 66	-1,555 23	1,715 50	1,595.68		14.317		
5,900.00		5,317.24	2,575.94	63.75	62.12	78.56	-3,277 66	-1.556.07	1,714.81		123 54	13.880		
6,000.00		5,417.24	2,576.07	65.64	64.02	78.56	-3,377.65	-1,556 91	1,714.12					
6,100.00		5,517 24	2,576 19	67 53	65.91	78.56	-3,477.65	-1,557,75	1,713 42	1,582.44	130 99	13.081		
6,200.00	2,916.00	5,617.24	2,576.31	69 41	67.81	78 56	-3,577 64	-1,558.59	1,712.73	1,578.02	134 71	12 714		
6,300 00	2,916 00	5,717 23	2,576 43	71 30	6971	78 56	-3,677 63	-1,559 43	1,712.04	1,573.60	138.43	12.367		
6,400.00	2,916.00	5,817.23	2,576.56	73 19	7161	78.56	-3,777.63	-1,560.27	1,711.35	1,569.18	142.16	12 038		
6,500.00	2,916.00	5,917.23	2,576.68	75.09	73.50	78 56	-3,877 62	-1.561 12	1,710.65	1,564.76	145.89	11.725		
6,600 00	2,916.00	6,017.23	2,576.80	76 98	75.40	78.56	-3,977.62	-1,561 96	1,709.96	1,560.34	149 62	11 428		
6,700.00	2,916 00	6,117.22	2,576.92	78 87	77.30	78 56	-4,077 61	-1,562.80	1,709.27	1,555.91				
6,800.00	2,916.00	6,217.22	2,577.04	80 77	79.21	78.56	-4,177.60	-1,563.64	1,708.57	1,551.48	157.09	10.877		
6,900.00		6.317.22	2.577.17	82 66	81.11	78.56	-4,277.60	-1,564,48	1,707.88	1,547.06				
7.000.00		6,417.22	2,577.29	84.56	83.01	78.56	-4,377 59		1,707.19					
7,100.00	,	6,517.21	2.577.29	86 45	84.91	78.56	-4,377 59	-1,565 32 -1,566 16	1,706,49					
7,200.00		6,617.21		88 35	86.81	78.56	-4,477.59	-1,567 00	1,705.80	1,536 20				
7,300.00		6,717.21	2,577 66	90 25	88 72	78.55	-4,677.57	-1,567.85	1,705 11					
7,400.00		6,817.21	2,577 78	92 14	90 62	78 55	-4,777 57	-1,568 69	1,704 41					
7,500 00		6,917.21	2,577 90	94 04	92.53	78.55	-4,877.56	-1,569 53	1,703.72		183.25			
7,600 00		7,017.20	2,578.02	95 94	94 43	78.55	-4,977 56	-1,570.37	1,703.03					
7,700.00	2,916.00	7,117.20	2.578 14	97.84	96.33	78.55	-5,077.55	-1,571 21	1,702.33	1,511 60	190 74	8.925		
7,800 00	2,916.00	7,217.20	2,578 27	9 9 74	98 24	78.55	-5,177.54	-1,572.05	1,701.64	1,507 16	194.48	8.750		
7,900 00	2,916.00	7.317.20	2,578.39	101.64	100 14	78 55	-5,277 54	-1,572 89	1,700.95	1,502.73	198.22	8.581		
8,000.00	2,916.00	7,417.19	2,578.51	103.54	102 05	78 55	-5,377.53	-1,573 74	1,700.25	1,498.29	201.97	8 419		
8,100.00	2,916.00	7,517 19	2,578 63	105.44	103 96	78.55	-5,477 53	-1,574.58	1,699 56	1,493.85	205 71	8.262		
8,200.00	2,916.00	7,617.19	2,578.76	107 35	105 86	78 55	-5,577 52	-1.575.42	1,698.87	1.489.41	209.45	8 111		
8,300 00	2,916.00	7,717.19	2,578.88	109.25	107 77	78 55	-5,677.51	-1,576.26	1,698 17	1,484 97	213.20	7 965		
	2,916.00	7,787 97	2,578.96	110 48	109 12	78 55	-5,748 30	-1,576.86	1,697 68				CC, ES, SF	
5,51019	2,310.00	1,101 31	2,010.30	110 40	103 12	0 13	-2,140.30	-1,070.00	1,09/00	1,401.90	21374	1.0091	UU, EO, OF	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation



Wellbenders



Anticollision Report

Database:

Percussion Petroleum, LLC Company: Eddy County, NM Project: Reference Site: Huber Fed Site Error: 0.00 usft Reference Well: 8H Well Error: 0.00 usft Reference Wellbore OH Reference Design: Plan #2

Local Co-ordinate Reference: Well 8H **TVD Reference:** MD Reference: North Reference: Grid Survey Calculation Method: Output errors are at 2.00 sigma Offset TVD Reference:

RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Minimum Curvature WBDS_SQL_2 **Reference Datum**

ITVOV DPA	ogram: 0-N	WD+IGRE											Office A Marth F	0.00
Refer		Offs	et	Semi Majo	Axis				Dist	Ince			Offset Well Error:	0 00
	Vertical	Measured	Vertical	Reference		Highside	Offset Wellbo	re Centre	Between	Between	Minimum	Separation	Warning	
Depth (usft)	Depth (usft)	Depth (usft)	Depth (usft)	(usft)	(usft)	Toolface (*)	+N/-S (usft)	+E/-W (usft)	Centres (usft)	Ellipses (usft)	Separation (usft)	Factor	,	
			2,737 18									47.000		
3,000 00		2,795.98 2,869.65	2,783.07	12.87	12 34 13 23	83.32 84.20	-483.97	-1,014.90	1,189.00	-		47.902		
3,100.00		2,009.05	2,822.30	14.10	14.23	84.20	-541 52	-1,016.36	1,188.49			44 119		
3,200 00		3,025.47	2,822.30	15.46 16.91	14.23	86 99	-606.58	-1,018.10	1.187.32	1,158.01		40 500		
3,300.00	2,916.00	3,025.47	2,853.81	17.39	15 37	87 40	-679 77	-1,020 15	1,186 09	1,154 15		37.138		
3,400.00		3,112.80	2,876.29	18.44	16.71	88.08	-705.39 -764.03	-1,020 88 -1,022 59	1,186 01 1,186 31			36.124 (34 067		
3,400 00	2,910.00	3,112.00	2,070.29	10.44	10.71	80.00	-764.03	-1,022 59	1,100 31	1,151.49	34.02	34 007		
3,500.00	2,916.00	3,205.35	2,885.85	20.03	18.18	88 55	-855 94	-1,025 36	1,187.49	1,149.58	37.91	31.328		
3,600.00		3,304 39	2,885.83	21 68	19.81	88.55	-954.93	-1,028.41	1,189.05	1,147.86		28.867		
3,700.00	2,916.00	3,404.38	2,885 62	23 37	21 50	88 54	-1,054 87	-1.031 50	1,190 61	1,146.04	44.58	26.710		
3,800.00	2,916.00	3,504,36	2,885 42	25 08	23.22	88.53	-1,154.81	-1.034 58	1,192.18	1,144.15	48.03	24.823		
900.00	2,916.00	3,604 35	2,885.22	26 83	24 96	88.52	-1,254.75	-1.037 67	1,193.74	1,142.21	51.53	23.166		
	2,916 00	3,704.34	2,885.01	28 59	26 73	88.51	-1,354.69	-1,040.75	1,195.31			21.704		
4,100.00		3,804 33	2,884 81	30 38	28 52	88 51	-1,454.63	-1,043 83	1,196.87			20 406		
1,200.00		3,904 31	2,884.60	32.18	30 32	88 50	-1,554.57	-1,046.92	1,198.44	1,136 18	62.26	19.249		
1,300 00		4,004.30	2,884.40	33.99	32.14	88.49	-1,654.51	-1,050.00	1,200.00	1,134.11		18.212		
4,400.00	2,916 00	4,104.29	2,884 20	35.81	33.96	88.48	-1,754.45	-1,053.08	1,201 57	1,132 03	69.54	17.279		
4,500 00	2,916 00	4,204.28	2,883.99	37.64	35.80	88.48	-1,854,39	-1,056.17	1 202 42	1,129 93	73 21	16.434		
4,600.00	2,916.00	4,304.26	2,883.79	39.47	37.64	88 47	-1 954.33	-1,059 25	1,203.13	1,129 93		15.668		
4,700.00	2,916.00	4,404 25	2,883.59	41.32	39.48	88 46	-2.054 27	-1,059.25	1,204.70	1,125.68	80.59	14.969		
4,800.00		4,504.24	2,883.38	43 17	41 34	88 45	-2,154 21	-1,065.42	1,200 27			14.309		
4,900.00		4,604.23	2,883 18	45.02	43.19	88.44	-2.254 15	-1,068.50	1,207.03	1,123.34		13 742		
4,500.00	2,310.00	4,004.23	2,000 /0	40.02	40.10	00.44	-2.234 13	-1,000.00	1,200.40	1,12103	00.01	13742		
5,000.00	2,916 00	4,704,21	2,882.97	46.88	45.05	88.44	-2.354.09	-1,071 59	1,210 96	1,119.23	91 73	13.201		
5,100.00	2,916.00	4,804.20	2,882.77	48.75	46.92	88 43	-2,454.03	-1,074 67	1,212 53		95 46	12 702		
5,200.00	2,916.00	4,904 19	2,882.57	50.61	48.79	88 42	-2,553.97	-1,077.75	1,214.09	1,114.90	99.20	12 239		
5,300.00	2,916.00	5,004 18	2,882 36	52.48	50.66	88 41	-2,653.91	-1,080.84	1,215 66			11 809		
5,400.00	2,916 00	5 104.16	2,882.16	54 36	52.53	88.41	-2,753.85	-1,083.92	1,217 22		106.69	11 409		
5,500.00		5,204.15	2,881 95	56 23	54.41	88 40	-2,853 79	-1,087 00	1.218 79	1,108.35		11 036		
5,600 00	2,916,00	5,304 14	2,881 75	58 11	56 29	88.39	-2,953 73	-1.090.09	1,220.36	1,106.16	114.20	10 686		
5,700.00	2,916.00	5,404.13	2,881.55	59.99	58 17	88 38	-3,053.67	-1.093 17	1,221 92	1,103.96	117.96	10 359		
5,800.00	2,916.00	5,504 12	2,881 34	61 87	60.05	88 38	-3,153.61	-1 096.26	1,223.49	1,101.76	121.72	10.051		
5,900.00	2,916.00	5,604.10	2.881 14	63 75	61.94	88 37	-3,253 55	-1.099 34	1,225 05	1,099 56	125 49	9 762		
c 000 00	2,916.00	5,704.09	2,880.94	65.64	63.82	88.36	3 353 40	1 102 42	1 000 60	1 007 06	120.26	0.490		
6,000.00	2,916.00	5,804.09	2,880.94	67.53	65 71	88.35	-3,353.49	-1,102 42	1,226.62	1,097 36	129.26 133.04	9.489 9.232		
6,100.00					67 59		-3,453.43	-1,105 51						
6,200.00	2,916.00 2,916.00	5,904.07	2,880 53 2,880 32	69.41	69 48	88.35	-3,553 37	-1,108.59	1,229.75	1,092.94	136.81	8.989		
6.300.00		6.004.05 6.104.04	2,880.32	71.30 73.19	71 37	88 34 88 33	-3,653,31	-1,111,67	1,231.32	1,090.73	140.59	8.758		
6,400 00	2,510.00	0,104.04	2,000.12	/3.19	1131	00 33	-3,753 25	-1,114.76	1,232 88	1,088.51	144.37	8 540		
6,500 00	2,916.00	6,204 03	2,879.92	75 09	73.26	88 32	-3,853.19	-1,117.84	1,234.45	1,086.30	148 15	8.332		
6,600 00	2,916.00	6,304 02	2,879 71	76 98	75 15	88.32	-3,953,13	-1.120.93	1,236.01		151 93	8.135		
6,700.00	2,916 00	6,404 00	2,879 51	78 87	77.05	88 31	-4,053.07	-1,124 01	1,237 58	1.081 86	155.72	7 948		
6,800.00	2,916 00	6,503.99	2,879.31	80 77	78.94	88.30	-4 153 01	-1,127 09	1,239.15	1.079 64	159.50	7 769		
6,900.00			2,879.10	82 66	80.83	88 30	-4.252 94	-1 130 18		1 077 42	163 29	7.598		
-,	_,	-,	_,						.,					
7,000.00	2,916.00	6,703.97	2,878.90	84 56	82.73	88.29	-4,352 88	-1.133.26	1,242.28	1 075 20	167.08	7.435		
7,100.00		6,803 95	2,878.69	86 45	84.62	88.28	-4.452.82	-1.136.34	1,243.84		170 87	7 279		
		6,903 94	2,878 49	88 35	86.52	88 27	-4,552 76	-1,139 43		1 070 75		7 130		
		7,003.93	2,878 29	90 25	88.41	88 27	-4,652.70	-1.142.51	1,246 98	1.068.52		6.988		
		7,103.92		92 14	90.31	88 26	-4,752.64	-1,145 59	1,248 54		182.25	6 851		
7,500.00	2,916.00	7,203.90	2.877 88	94.04	92.21	88.25	-4,852.58	-1,148 68	1,250.11	1,064 07	186.04	6 719		
7,600.00	2 916 00	7,303.89	2.877 67	95.94	94 10	88.25	-4,952 52	-1,151.76	1,251 67	1.061.84	189.84	6.593		
7,700.00	2,916.00	7,403.88	2.877 47	97 84	96.00	88.24	-5.052.46	-1 154.85	1,253 24	1,059 61	193 63	6 472		
7,800.00		7,503.87	2,877.27	99.74	97 90	88 23	-5,152.40	-1.157 93	1,254 81	1,057 38	197 43	6.356		
7,900 00	2,916 00	7,603 86	2,877 06	101.64	99 80	88.22	-5,252.34	-1,161 01	1,256 37	1.055.14	201 23	6 244		
					404									
3,000,00	2,916 00	7,703.84	2,8/6.86	103.54	101 70	88.22	-5.352.28	-1,164.10	1,257 94	1,052.91	205 03	6 136		

8/11/2017 11:27:08AM

COMPASS 5000.14 Build 85



Wellbenders

Anticollision Report



Company:	Percussion Petroleum, LLC	Local Co-ordinate Reference:	Well 8H
Project:	Eddy County, NM	TVD Reference:	RKB=25' @ 3539.00usft (NA)
Reference Site:	Huber Fed	MD Reference:	RKB=25' @ 3539.00usft (NA)
Site Error:	0.00 usft	North Reference:	Grid
Reference Well:	8H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	OH	Database:	WBDS_SQL_2
Reference Design:	Plan #2	Offset TVD Reference:	Reference Datum

Offset De	esign	Huber	Fed - 11	H - OH - P	'lan #1								Offset Site Error:	0 00 usft
Survey Pro	gram: 0-N	IWD+IGRF										(Offset Well Error:	0 00 usft
Refere	ence	Offs	et	Serni Major	Axis				Dist	ince				
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (*)	Offset Wellbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
8,100.00	2,916.00	7,803.83	2,876.66	105.44	103.60	88.21	-5,452.22	-1,167.18	1,259.50	1,050 68	208.82	6 031		
8,200.00	2,916.00	7,903.82	2,876.45	107.35	105.50	88.20	-5,552.16	-1,170 26	1,261 07	1,048 45	212.62	5 931		
8,300.00	2,916 00	8,003.81	2,876 25	109.25	107.40	88.20	-5,652.10	-1,173.35	1,262.64	1,046 21	216 42	5 834		
8,370.79	2,916.00	8,074.59	2,876 10	110.48	108 74	88.19	-5,722.85	-1,175.53	1,263.75	1,044 75	219 00	5.771E	6, SF	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation 8/11/2017 11:27:08AM Page 5 COMPASS 5000.14 Build 85



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference: Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

Offset D	esign	Huber	Fed - 12	2H - OH - F	lan #1		• • • • • • • • • • • • • • • • • • • •						Offset Site Error:	0 00 usft
Survey Pro	gram: 0-A	WD+IGRF											Offset Well Error:	0 00 usft
Refer	ence	Offs	et	Semi Major					Dist	ance				
Measured Depth	Depth	Measured Depth	Vertical Depth	Reference		Highside Toolface	Offset Wellbo +N/-S	+E/-W	Between Centres	Between Ellipses	Separation	Separation Factor	Warning	
(usft)	(usft)	(usft)	(usft)	(usft)	(usft)	(*)	(usft)	(usft)	(usft)	(usft)	(usft)			
3,600.00	2,916.00		2,862.00	21 68	18.84	88.37	-929.50	-1.732.81	1,894.28	1,854.06	40.22	47.100	CC	
3,700.00	2,916.00		2,862.00	23.37	20.51	88 37	-1,029 43	-1,736.09	1,896.04	1,852.45	43.58	43.503		
3,800.00	2,916.00		2,862.00	25 08	22.22	88.37	-1,129.37	-1,739.37	1,897.79		47.02	40.362		
3,900.00			2,862.00	26 83	23.95	88.37	-1,229.30	-1,742.65	1,899.55		50.51	37.608		
4,000.00	2,916 00		2,862.00	28 59	25.71	88 37	-1,329.23	-1,745 93	1,901.31		54 04	35 181		
4,100 00	2,916.00		2,862.00	30 38	27.49	88 37	-1,429.16	-1,749.21	1,903.07			33.031		
4,200.00	2,916.00		2,862.00	32.18	29.29	88 38	-1,529 09	-1,752.50	1,904 83	1,843.61	61.22	31.116		
4,300.00	2,916.00		2,862 00	33 99	31 10	88 38	-1,629.02	-1,755.78	1,906 58	1,841.74	64.84	29.404		
4,400.00	2,916.00	4,056.62	2,862.00	35.81	32.92	88.38	-1,728.95	-1,759.06	1,908.34	1,839.85	68 49	27.864		
4,500.00	2,916.00		2,862.00	37.64	34.75	88.38	-1,828.88	-1,762.34	1.910 10	-	72 15	26 473		
4,600 00	2,916.00	4,256.59	2,862.00	39.47	36.59	88.38	-1,928.81	-1,765.62	1.911.86	1,836 03	75 83	25.212		
4,700.00	2,916.00	4,356 58	2,862 00	41 32	38 43	88.38	-2,028 74	-1,768.90	1,913 62		79.52	24.063		
4,800.00	2,916.00	4,456 56	2,862.00	43.17	40.28	88 38	-2,128 67	-1,772.19	1,915.37	1,832 15	83 23	23.014		
4,900.00	2,916.00	4,556 55	2,862.00	45.02	42.14	88 39	-2,228 60	-1,775 47	1.917 13	1,830,19	86 94	22.051		
5,000.00	2,916.00	4,656 53	2,862.00	46.88	44.00	88.39	-2.328 53	-1,778 75	1,918.89	1,828 23	90 66	21 165		
5,100.00	2,916.00	4,756 52	2,862.00	48 75	45.86	88.39	-2.428 46	-1.782.03	1,920.65	1.826.26	94.39	20.348		
5,200.00	2,916.00	4,856 50	2 862 00	50 61	47 73	88 39	-2,528 39	-1,785.31	1,922 41	1,824.28	98 13	19.591		
5,300.00	2,916 00	4,956 48	2,862.00	52 48	49.60	88.39	-2,628 33	-1.788 59	1,924 16	1,822,29	101 87	18 888		
5,400.00	2,916.00	5,056.47	2,862.00	54.36	51.47	88 39	-2,728.26	-1,791 88	1,925.92	1.820 30	105.62	18 235		
5,500 00	2,916 00	5,156.45	2.862.00	56.23	53.34	88 39	-2,828 19	-1,795 16	1,927,68	1,818 31	109.37	17 625		
5,600.00	2,916.00	5,256 44	2.862.00	58 11	55.22	88.40	-2,928 12	-1,798.44	1,929.44	1,816,31	113.13	17.055		
5,700.00	2,916.00	5,356 42	2.862.00	59 99	57 10	88 40	-3,028.05	-1.801 72	1,931.20	1,814 31	116.89	16.522		
5,800 00	2,916.00	5,456 41	2,862.00	61 87	58 98	88.40	-3,127 98	-1,805 00	1,932,95	1,812 30	120 65	16.021		
5,900 00	2,916.00	5.556 39	2,862.00	63.75	60.87	88 40	-3,227,91	-1,808 28	1,934.71		124 42	15 550		
6,000.00	2,916.00	5,656.38	2,862 00	65.64	62.75	88.40	-3,327.84	-1,811.56	1,936 47	1,808 28	128.19	15.106		
6,100.00	2,916.00	5,756 36	2,862 00	67 53	64 64	88.40	-3,427.77	-1,814 85	1,938.23	1,806 26	131 96	14 688		
6,200.00	2,916 00	5,856 35	2,862 00	69 41	66 52	88.40	-3,527 70	-1,818 13	1,939 99	1,804 25	135.74	14.292		
6,300.00	2,916.00	5,956 33	2,862.00	71.30	68.41	88.41	-3,627 63	-1,821.41	1.941.74	1,802 23	139.52	13.918		
6,400.00	2.916.00	6,056.31	2,862.00	73.19	70 30	88 41	-3,727.56	-1,824 69	1 943 50	1,800 21	143 30	13.563		
6,500.00	2.916.00	6,156 30	2,862 00	75 09	72 19	88.41	-3,827.49	-1,827.97	1.945.26	1,798.18	147.08	13.226		
6,600 00	2.916.00	6,256.28	2,862.00	76 98	74.08	88.41	-3,927 42	-1.831 25	1.947 02	1,796 16	150 86	12 906		
6,700.00	2,916.00	6,356.27	2,862.00	78.87	75.97	88.41	-4.027.35	-1,834 54	1,948.78	1,794 13	154.65	12.601		
6,800.00	2.916.00	6,456 25	2,862.00	80 77	77 87	88.41	-4,127,29	-1,837.82	1.950 53	1,792 10	158.43	12.311		
6,900.00	2,916,00	6,556.24	2,862.00	82 66	79 76	88 41	-4,227.22	-1,841 10	1.952.29	1,790 07	162 22	12.035		
7,000.00	2,916,00	6,656 22	2,862.00	84 56	81 65	88 42	-4,327 15	-1,844,38	1,954,05	1,788 04	166 01	11 771		
7,100 00	2,916.00	6,756.21	2,862.00	86 45	83 55	88 42	-4,427 08	-1.847.66	1,955 81		169 80	11 518		
7,200 00	2,916.00	6,856 19	2.862 00	88.35	85.44	88 42	-4,527 01	-1.850 94	1,957 57	1,783 97	173 59	11 277		
7,300 00	2,916 00	6,956.18	2,862.00	90.25	87.34	88 42	-4,626.94	-1,854 23	1.959.32	1,781 94	177 39	11 046		
7,400 00	2,916 00	7,056 16	2,862.00	92.14	89 23	88.42	-4,726.87	-1.857 51	1.961.08	1,779 90	181 18	10.824		
7,500.00	2,916 00	7,156 14	2,862.00	94 04	91 13	88.42	-4,826.80	-1,860 79	1,962.84	1,777 86	184.97	10.611		
7,600 00	2,916.00	7.256 13	2,862.00	95.94	93 03	88.42	-4,926.73	-1.864 07	1,964.60	1.775 83	188 77	10 407		
7,700.00	2,916.00	7,356 11	2,862 00	97.84	94 93	88 43	-5,026.66	-1,867 35	1,966.36	1,773 79	192.57	10.211		
7,800.00	2,916.00	7,456 10	2,862 00	99 74	96 82	88 43	-5,126.59	-1,870.63	1,968 11	1,771 75	196.36	10.023		
7,900 00	2,916.00	7,556 08	2,862.00	101 64	98 72	88.43	-5,226.52	-1,873 91	1.969.87	1 769 71	200 16	9 841		
8,000.00	2,916.00	7,656 07	2,862 00	103.54	100 62	88.43	-5,326 45	-1,877.20	1,971 63	1,767 67	203.96	9 667		
8,100 00	2,916.00	7,756 05	2,862.00	105.44	102 52	88 43	-5,426 38	-1,880.48	1,973 39	1,765 63	207 76	9 498		
8,200.00	2,916 00	7,856 04	2,862.00	107 35	104 42	88 43	-5,526 31	-1,883.76	1,975 15	1,763 58	211 56	9 336		
	2,916.00	7,956 02		109 25	106 32	88 43	-5 626 25	-1,887.04		1,761 54	215.36	9 179		
	2,916.00	8,026 80	2,862.00	110 48	107 66	88.44	-5.696 99	-1,889.36	1.978.15	1,760 21	217.94	9.077 8	ES, SF	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation



Company:

Site Error:

Well Error:

Reference Site:

Reference Well:

Reference Wellbore OH

Reference Design: Plan #2

Project:

Percussion Petroleum, LLC

Eddy County, NM

Huber Fed

0.00 usft

0.00 usft

8H



Anticollision Report

Local Co-ordinate Reference: **TVD Reference:** MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference:

Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 **Reference Datum**

rvey Pro	gram: 0-N	IWD+IGRF											Offset Well Error:	0 00 usi
Refer	ence	Offs		Semi Major					Dist					
asured Depth	Depth	Measured Depth	Vertical Depth	Reference		Highside Toolface	Offset Wellbor +N/-S	+E/-W	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
(usft)	(usft)	(usft)	(usft)	(usft)	(usft)	(*)	(usft)	(usft)						
2,000.00	1,995 11	1,974 17	1,962.17	7.19	7 79	-9.62	-280.35	783.69	718.65		14 60	49 229		
2,100.00	2,094.73	2.073.17	2,059.96	7.58	8.25	-8.55	-295.83	783.28	714.77	699.37	15 40	46 422		
2,200.00	2,194.35	2,167.54	2,153.14	7.97	8.69	-7.51	-310.69	782.89	711 19		16 18	43 966		
2,260.94	2,255.05	2,208 97	2,193.64	8.20	8 91	-6.88	-319.39	782.72	710.31		16 59	42.827		
2,300.00	2,293.97	2,234.91	2,218.64	8.36	9.06	-6.38	-326.32	782.60	710.69		16 85	42 175		
2,400.00	2,393.55	2,300.00	2,279.74	8.75	9.48	-25.29	-348.63	782.30	715.12	697.60	17 52	40 811		
2,500.00	2,491.64	2,360.46	2,333.91	9.18	9.95	-48.93	-375.43	782 01	720.29	702 11	18 18	39 629		
2,600.00	2,585.27	2,421.73	2,385 60	9 66	10.50	-53.88	-408.26	781 71	723.91		18.87	38 366		
2,700.00	2,671.59	2,482.59	2,433 20	10 24	11 11	-55.69	-446.15	781 40	725 53		19.64	36 933		
2,800.00	2,747 98	2,550.00	2,480.89	10 94	11.86	-56.71	-493.73	781 06	724 90	704.22	20 67	35 065		
2,900.00	2,812.12	2,600 00	2,512.47	11 82	12.48	-57 73	-532.47	780 81	721 73		21 71	33 252		
3,000.00	2,862.05	2,664 45	2,548.00	12.87	13.34	-58.91	-586.21	780 49	716 16	692.90	23 27	30 782		
3,100.00	2,896.27	2,725.34	2,575.82	14.10	14.22	-60 40	-640.33	780.20	708 41		25 13	28 192		
3,200.00	2,913.74	2,786.61	2,597 86	15.46	15.15	-62.26	-697.47	779 92	698.82		27 36	25 544		
3,300.00	2,916.00	2,850.00	2,614.11	16 91	16.15	-63.90	-758.71	779.65	688 72		29 92	23 020		
3,400.00	2,916.00	2,913.45	2,623.51	18.44	17 19	-64.64	-821.43	779 39	683 16	650.62	32.55	20 990		
- 450 50	0.040.00	0.050.70	0.005.00	40.00	17.04	64.00	000.00	770.00	600.00	C 40 47		20.001	` C	
3,459.50		2,952.70	2,625.82	19.39	17 84	-64.83	-860.60	779.25	682 28		34 11	20.001 (
3,500 00	2,916.00	2,986.36	2,626 03	20 03	18.40	-64 86	-894.26	779 13	682.58		35 25	19 365		
3,600 00	2,916.00	3.086.35	2,626 17	21 68	20 11	-64.91	-994.25	778.78	683 58		38 36	17 821		
3,700.00	2,916.00	3,186.35	2,626.32	23 37	21 84	-64.96	-1,094.24	778 42	684 58		41 54	16 482		
3,800 00	2,916.00	3,286.34	2,626 46	25 08	23 61	-65.02	-1,194.23	778 07	685 58	640 81	44 77	15 313		
3,900 00	2,916.00	3,386.33	2,626.60	26.83	25.39	-65 07	-1,294 22	777.72	686 59	638.53	48.05	14.288		
4,000 00	2,916.00	3,486.32	2.626.75	28.59	27 20	-65 12	-1,394 22	777 37	687 59		51 37	13 385		
4,100.00	2,916.00	3,586.32	2,626 89	30.38	29.02	-65 17	-1,494.21	777 01	688 59		54 72			
4,200.00	2,916.00	3,686.31	2,627.03	32.18	30.85	-65.22	1,594.20	776.66	689.59		Š8.09			
4,300.00		3,786 30	2,627 18	33,99	32 69	-65 28	-1,694,19	776.31	690.60					
4,500.00	2,310.00	5,700 30	2,027 10	00,00	52 05	-55 20	-1,004.15	110.01	000.00	020.11	01.40			
4,400 00	2,916 00	3,886.30	2,627 32	35.81	34 53	-65.33	-1,794,19	775 96	691 60	626 69	64 91	10.655		
4,500.00	2,916 00	3,986.29	2,627 46	37.64	36 39	-65 38	-1,894 18	775.61	692.61	624.27	68 34	10.134		
4,600.00	2,916 00	4.086.28	2,627 61	39.47	38.25	-65 43	-1.994.17	775.25	693 61	621 82	71.79	9.662		
4,700.00	2,916.00	4,186.28	2,627 75	41 32	40 11	-65.48	-2,094.16	774 90	694 62	619 37	75.25	9.231		
4,800.00		4,286.27	2,627.89	43 17	41.98	-65 53	-2,194 16	774 55	695.63	616.90	78.72	8.837		
4,900.00		4,386 26	2,628.04	45.02	43.85	-65 58	-2,294.15	774.20	696.63		82.20			
5,000.00	2,916 00	4,486 26	2,628.18	46 88	45.73	-65.63	-2,394 14	773.84	697 64	611 95	85.69			
5,100.00	2,916 00	4,586 25	2,628.32	48 75	47 61	-65.68	-2,494 13	773 49	698 65		89.19			
5,200.00	2,916.00	4,686 24	2,628.47	50.61	49 49	-65 73	-2,594 12	773 14	699 66	606 96	92 70			
5.300 00	2.916.00	4,786.23	2,628.61	52 48	51 3B	-65 78	-2,694.12	772 79	700 67	604 45	96.22	7.282		
E 400 00	0.040.00	4 000 00	2 620 77	E4.00	E2 20	65.00	2 704 14	770 40	704 60	C04 04	00.74	7 005		
5,400.00		4,886.23	2,628.75	54.36	53.26	-65 83	-2,794 11	772 43	701 68		99.74			
5,500.00	2,916.00	4,986 22	2,628,90	56 23	55 15	-65 88	-2.894 10	772.08	702.69					
5,600 00	2,916.00	5,086.21	2,629 04	58 11	57 04	-65.93	-2,994.09	77173	703 70					
5,700.00	2,916 00	5,186 21	2,629 18	59 99	58 93	-65 98	-3,094.09	771 38	704.71					
5,800.00	2,916.00	5,286.20	2,629.33	61 87	60 82	-66 03	-3,194.08	771 03	705 72	591 85	113 88	6 197		
5 900 00	2,916 00	5,386.19	2,629.47	63 75	62.72	-66 08	-3,294.07	770 67	706 74	589 31	117.42	6.019		
5,000.00		5,486.19	2,629 61	65 64	64 61	-66 13	-3,394.06	770 32	707 75		120 98			
6.100.00		5,586.18	2,629.76	67 53	66.51	-66.18	-3,494.06	769 97	708 76					
6,200.00		5,686.17	2,629.70	69 41	68 41	-66 23	-3,594.05	769 62	709 78					
6,300.00		5,786.16	2,630.04	71 30	70 31	-66.28	-3,694.03	769 26	710 79					
0,000,00	2,310.00	3,100.10	2,030.04	71.50	10 31	-00.20	-3,034 04	/05/20	/10/5	51514	101.00	0.000		
6,400.00	2,916.00	5.886 16	2,630.19	73,19	72.20	-66.32	-3,794.03	768 91	711 81	576 58	135 22	5 264		
6,500 00		5,986 15	2.630 33	75.09	74 10	-66.37	-3,894.02	768 56	712 82					
6,600 00		6,086.14	2.630.47	76.98	76 00	-66 42	-3,994 02	768 21	713 84					
6,700.00		6.186.14	2.630.62	78.87	77 91	-66 47	-4.094.01	767 85	714 85					
6,800.00	2,916.00	6,286.13	2,630.02	80 77	79 81	-66 52	-4,194.00	767 50	715 87					
0,000,00	2,310.00	0,200.10	2,000 / 0	0011		00 04		. 01 00	. 10 0/	300 04	140 00			
	2,916 00	6,386 12	2,630 90	82.66	81 71	-66.57	-4,293 99	767 15	716 89	563.78	153 11	4.682		

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation 8/11/2017 11:27:08AM



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference:

Offset D Survey Pro			Fed - 13	H - OH - F	Plan #1								Offset Site Error:	0 00 usft
Refer		Offs	et	Semi Majo	r Axis				Dist	ance			Offset Well Error:	0 00 usft
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	Offset Weilbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
7,000.00	2,916.00	6,486.12	2,631.05	84.56	83.61	-66.61	-4,393.99	766.80	717 91	561 21	156.70	4.581		
7,100 00	2,916.00	6,586.11	2,631 19	86.45	85 52	-66.66	-4,493.98	766 45	718.93	558.64	160.29	4.485		
7,200.00	2,916.00	6,686.10	2,631.33	88.35	87 42	-66.71	-4.593.97	766.09	719.95	556.06	163.88	4.393		
7,300.00	2,916.00	6,786.09	2,631.48	90.25	89.32	-66.76	-4,693.96	765 74	720.96	553.49	167.48	4.305		
7,400.00	2,916.00	6,886.09	2,631.62	92 14	91.23	-66.80	-4.793.96	765.39	721.98	550.91	171 08	4,220		
7,500.00	2,916 00	6,986.08	2,631 76	94.04	93.13	-66.85	-4,893 95	765 04	723.01	548 33	174 68	4 139		
7,600.00	2,916.00	7,086.07	2,631 91	95.94	95.04	-66.90	-4.993 94	764.68	724.03	545.75	178.28	4.061		
7,700.00	2,916.00	7,186.07	2,632.05	97.84	96.94	-66.94	-5,093,93	764.33	725.05	543.16	181.89	3.986		
7,800.00	2,916.00	7,286.06	2,632 19	99 74	98.85	-66.99	-5 193 92	763.98	726 07	540.58	185 49	3.914		
7,900.00	2,916.00	7,386.05	2,632.34	101.64	100 75	-67 04	-5.293.92	763 63	727 09	537.99	189.10	3 845		
8,000 00	2,916.00	7,486.05	2,632 48	103.54	102.66	-67.08	-5,393.91	763.27	728 12	535.40	192.72	3.778		
8,100.00	2,916.00	7,586.04	2,632 62	105.44	104 57	-67 13	-5 493 90	762.92	729 14	532 81	196 33	3 714		
8,200.00	2,916.00	7,686 03	2,632 77	107.35	106.47	-67 17	-5,593 89	762.57	730 16	530 21	199 95	3 652		
8,300.00	2.916.00	7,786.03	2,632.91	109.25	108.38	-67.22	-5,693 89	762 22	731.19	527 62	203.57	3 592		
8,370.79	2,916.00	7,847 74	2,633.00	110 48	109.56	-67.25	-5,755 60	762.00	731.97	526.13	205 84	3 556 8	ES, SF	





Percussion Petroleum, LLC Company: Project: Eddy County, NM Reference Site: Huber Fed Site Error: 0.00 usft **Reference Well:** 8H Well Error: 0.00 usft Reference Wellbore OH Reference Design: Plan #2

Local Co-ordinate Reference: **TVD Reference: MD Reference:** North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference:

Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

Offset D	esign	Huber	Fed - 14	IH - OH - P	'lan #1								Offset Site Error:	0 00 us
urvey Pro	gram: 0-N	IWD+IGRF Offs	~	Sami Usia	Avie				Dist				Offset Well Error:	0.00 u
Refer easured Depth (usft)		Measured Depth (usft)	et Vertical Depth (usft)	Semi Major Reference (usft)		Highside Toolface (*)	Offset Weilbo +N/-S (usft)	re Centre +E/-W (usft)	Disti Between Centres (usft)		Minimum Separation (usft)	Separation Factor	Warning	
2,000.00	1,995.11	1,986.37	1,975 84	7.19	7.71	-8.82	-290.56	781.61	719.47	704.95	14 52	49,551		
2,100.00	2,094.73	2,093.98	2,083 16	7.58	8 12	-8.33	-298.39	781.31	713.01	697.73	15 28	46.667		
2,200 00	2,194.35	2,201.72	2,190.82	7.97	8.49	-8.14	-302.18	781 16	705 45	689 45	16 00	44 083		
2,300.00	2,293.97	2,304.86	2,293.97	8.36	8 79	-8.22	-302.57	781 14	696.94	680.27	16 66	41 822		
2,400.00	2,393.55	2,394.86	2,383.96	8.75	9 05	-29.16	-303.07	781.14	688.36	671 06	17.30	39 785		
2,500.00	2,491 64	2,466 13	2,454.80	9.18	9 34	-55.80	-310.46	781 12	679.03	661.05				
2,600.00		2,537.94	2,524.69	9.66	9.72	-63.73	-326.74	781.06	668.66	649.91	18.75			
2,700.00		2,610 60	2,592 78	10.24	10.17	-68.42	-351.97	780.98	657.70	638.01	19 70			
2,800.00		2,684.47	2,658.16	10.94	10.73	-72.21	-386.23	780.86	646 72	625.82				
2,900.00	2,812.12 2,862.05	2,759.93 2,837 48	2,719.84 2,776.71	11.82 12.87	11.39 12.18	-75.72 -79 14	-429.63 -482.25	780.71 780.53	636.37 627.38	613.93 603.02				
5,000.00	2,002.00	2,007 40	2,000.00	12.01	12.10		102.20	100.00		000.02	21.00			
	2,896.27	2,917.70	2,827.52	14 10	13 11	-82 53	-544.24	780.32	620 50	593.83				
3,200.00		3,001 30	2,870.72	15 46	14 19	-85 86	-615.74	780 08	616 45	587.17	29.28			
3,280.96		3,072.97	2,899 14	16.63	15 21	-88.24	-681.47	779 85	615.51		31.57		UC	
3,300.00 3,400.00		3,089.91 3,187.28	2,904.64 2,926.91	16 91 18 44	15.46 16.95	-88 94 -91 01	-697 49 -792.17	779 80 779 48	615.68 616.85	583.57 581.69	32 11 35.15			
3,500.00		3,289,13	2,933.05	20.03	18.58	-91 58	-893.72	779 13	618 17	579 79				
3,600.00	2,916.00	3,389.12	2,933 32	21.68	20.23	-91 60	-993.71	778 79	619 36	577.67	41 69			
3,700.00		3,489.12	2,933 59	23.37	21.93	-91.62	-1,093.70	778.45	620.55					
3,800 00	2,916 00	3,589 11	2,933 85	25.08	23.65	-91 65	-1,193.69	778 11	621.74	573.20				
3,900.00		3.689 10	2.934 12	26.83	25 41	-91 67	-1,293 69	777 77	622.93					
4,000.00		3,789.09	2,934.38	28.59	27 18	-91 69	-1,393.68	777 43	624 12					
4,100.00	2,916 00	3,889.09	2,934.65	30.38	28.98	-91.71	-1,493.67	777.09	625.31					
4,200.00		3,989.08	2,934 92	32.18	30.78	-91 73	-1.593.66	776.75	626.50					
4,300.00 4,400.00	2,916.00 2,916.00	4,089.07 4,189.07	2,935.18 2,935.45	33 99 35.81	32 60 34.43	-91 75 -91,77	-1.693.65 -1.793.64	776 41 776.07	627.69 628.89					
4,500.00	2,916 00	4,289 06	2,935.72	37 64	36.27	-91.79	-1,893.64	775 73	630.08	556 32	73.76	8.542		
4,600.00	2,916 00	4,389.05	2,935.98	39.47	38.12	-91 81	-1,993.63	775 39	631 27	553 82				
4,700.00		4,489.04	2,936.25	41 32	39.97	-91 83	-2.093.62	775.05	632 46					
4,800.00		4,589.04	2,936 51	43 17	41.83	-91 86	-2,193 61	774.71	633.65					
4,900.00		4,689.03	2,936.78	45 02	43.69	-91.88	-2,293.60	774 37	634 84	546.27				
5,000.00	2,916 00	4,789.02	2,937.05	46 88	45 56	-91.90	-2,393.59	774 03	636 04	543.73	92 30	6 891		
5,100 00	2,916 00	4,889.01	2,937 31	48.75	47 43	-91 92	-2,493.59	773 69	637 23					
5,200.00		4,989.01	2,937.58	50.61	49.30	-91.94	-2,593.58	773 35	638 42					
5,300.00	2,916 00	5,089.00	2,937.85	52.48	51 18	-91.96	-2,693.57	773 01	639.61					
5,400.00	2,916.00	5,188.99	2,938 11	54.36	53.06	-91.98	-2,793 56	772.67	640 81	533 53	107 28	5 973		
5,500 00	2,916 00	5,288.98	2,938 38	56.23	54 94	-92 00	-2,893.55	772.33	642 00	530 96	111.04	5.782		
5,600.00	2,916.00	5,388.98	2,938 64	58.11	56.82	-92.02	-2,993 54	771 99	643 19					
5,700.00	2,916.00	5,488 97	2,938.91	59.99	58 71	-92 04	-3,093 54	771 65	644.38	525.82	118 56	5 435		
5,800 00	2,916.00	5,588 96	2,939.18	61 87	60.60	-92 06	-3,193 53	771 31	645 58			5 277		
5,900 00	2.916.00	5,688.95	2,939.44	63.75	62.49	-92 08	-3,293 52	770 97	646 77	520.67	126.10	5 129		
6,000.00	2,916.00		2,939 71	65 64	64 38	-92 10	-3,393.51	770.63	647.96	518.08				
6,100.00		5,888 94	2,939.98	67.53	66 27	-92 12	-3.493 50	770 29	649 15					
6,200.00		5,988 93	2,940.24	69 41	68.16	-92.14	-3.593 49	769.95	650 35	512.91	137 43			
6,300.00		6,088 93	2,940.51	71.30	70 06	-92 16	-3,693 49	769.61	651 54					
6,400.00	2.916.00	6,188 92	2,940.77	73 19	71 95	-92 18	-3,793 48	769.27	652 73	507 74	145.00	4.502		
6,500 00	2,916.00	6,288 91	2.941.04	75.09	73 85	-92.19	-3,893.47	768 93	653.93	505.14	148 78	4 395		
6,600.00	2,916 00	6,388.90	2,941.31	76 98	75 74	-92.21	-3,993 46	768 59	655 12	502 55	152 57	4 294		
6,700.00	2,916 00	6,488 90	2.941.57	78 87	77 64	-92.23	-4,093.45	768.25	656 31	499.96	156 36	4 198		
6,800.00		6,588 89	2.941.84	80 77	79 54	-92.25	-4, 193, 44	767 91	657 51	497 36	160 15	4 106		
6,900.00	2,916 00	6,688 88	2.942 11	82.66	81.44	-92.27	-4,293 44	767.57	658 70	494.76	163.94	4.018		
7 000 00	2,916 00	6.788.87	2,942.37	84.56	83 34	-92 29	-4,393.43	767 23	659.89	492.16	167 73	3 934		

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation 8/11/2017 11:27:08AM



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference:

Offset D			Fed - 14	H - OH - P	'lan #1								Offset Site Error:	0.00 usft
Survey Pro	ogram: 0-M												Offset Well Error:	0 00 usft
Refer	rence	Offs	et	Semi Majo	Axis				Dist	ance				
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (*)	Offset Wellbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
7,100.00	2,916.00	6,888.87	2,942.64	86.45	85 24	-92.31	-4,493.42	766.89	661.09	489.56	171 52	3 854		
7,200.00	2,916.00	6,988.86	2,942.91	88.35	87 14	-92.33	-4,593.41	766.55	662.28	486.96	175 32	3 778		
7,300.00	2,916 00	7,088 85	2,943 17	90.25	89.04	-92.35	-4,693.40	766.21	663.47	484.36	179 11	3 704		
7,400 00	2,916.00	7,188.84	2,943.44	92.14	90 94	-92.37	-4,793.39	765.87	664.67	481.76	182.91	3 634		
7,500.00	2,916.00	7,288.84	2,943 70	94.04	92.85	-92.38	-4,893.39	765 53	665.86	479 16	186 71	3 566		
7,600 00	2,916.00	7,388.83	2,943 97	95 94	94 75	-92.40	-4.993.38	765 19	667.06	476.55	190.50	3 502		
7,700 00	2,916.00	7,488.82	2,944.24	97.84	96.65	-92.42	-5 093.37	764.85	668.25	473.95	194.30	3 439		
7,800.00	2,916.00	7,588.81	2,944,50	99 74	98.56	-92.44	-5 193.36	764.51	669.44	471.34	198.10	3 379		
7,900.00	2,916.00	7,688.81	2,944 77	101 64	100.46	-92 46	-5.293.35	764 17	670 64	468.74	201.90	3.322		
8,000.00	2,916.00	7,788.80	2,945.04	103.54	102.37	-92 48	-5.393 35	763.83	671.83	466.13	205 70	3 266		
8,100.00	2,916.00	7,888.79	2,945.30	105 44	104.27	-92 50	-5,493.34	763 49	673.03	463.52	209.50	3.212		
8,200.00	2,916 00	7,988 79	2, 94 5 57	107 35	106.18	-92.51	-5.593 33	763 15	674.22	460.92	213.31	3 161		
8,300.00	2,916.00	8,088.78	2,945 83	109.25	108.08	-92.53	-5 693.32	762.81	675 41	458.31	217 11	3.111		
8,370.79	2,916.00	8,151.06	2,946 00	110.48	109.27	-92 54	-5,755.60	762.60	676.31	456 78	219.53	3.0818	ES, SF	



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference:WTVD Reference:RMD Reference:RNorth Reference:GSurvey Calculation Method:MOutput errors are at2Database:WOffset TVD Reference:R

Offset D	esign	Huber	Fed - 15	iH - OH - P	'lan #1									Offset Site Error:	0 00 usft
Survey Pro														Offset Well Error:	0 00 usft
Refer		Offs		Semi Majo		14	<u> </u>				ance		C		
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	(usft)	Highside Toolface (*)	+N	iet Weilbo V-S sft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
4,100.00	2,916.00	3,440.51	2,545.11	30.38	27.30	82 47	-	1,413.07	-2,651.42	2,829 00	2,772.04	56.96	49.669 (cc	
4,200.00	2,916.00	3,540.50	2,545 50	32.18	29 12	82 48		1,513.02	-2,654.27	2,830 26	2,769.71	60.56	46.736		
4,300.00	2,916.00	3,640.49	2,545.89	33.99	30.95	82.49	-	1,612.97	-2,657.12	2,831 53	2,767.35	64.18	44.116		
4,400.00	2,916.00	3,740.48	2,546.27	35 81	32 79	82.50	-	1,712.92	-2,659.97	2,832 80	2,764.97	67 8 3	41.766		
4,500 00	2,916.00	3,840.47	2,546.66	37 64	34.64	82.51	-	1,812.86	-2,662.82	2,834.06	2,762.58	71 48	39.646		
4,600.00	2,916.00	3,940.46	2,547 04	39 47	36.49	82.52	-	-1,912.81	-2,665.67	2,835.33	2,760.17	75 16	37.726		
4,700.00	2,916.00	4,040 45	2,547.43	41.32	38.35	B2 53	-	2,012 76	-2,668.52	2,836 59	2,757.75	78 84	35.979		
4,800 00	2,916.00	4,140.44	2,547.81	43.17	40.21	82 54	-	-2,112.71	-2,671.37	2,837.86	2,755.32	82.53	34.384		
4,900.00			2,548.20	45.02	42.08	82.56		2,212.66	-2,674.22	2,839 12					
5,000.00			2,548.59	46 88	43 95	82 57		-2,312.61	-2,677 07	2,840 39					
5,100.00	2,916.00	4,440 41	2,548.97	48 75	45.82	82.58	-	2,412 56	-2,679.93	2,841 66	2,747 99	93.66	30.339		
5,200.00	2,916.00	4,540.40	2,549.36	50.61	47.70	82.59		-2,512 51	-2,682.78	2,842 92	2,745 54	97.39	29.192		
5,300.00	2,916.00	4,640.40	2,549.74	52 48	49.58	82,60		2,612.46	-2,685.63	2,844.19	2,743.07	101 12	28.128		
5,400.00	2,916 00	4,740.39	2,550.13	54 36	51.46	82.61		-2,712.41	-2,688 48	2,845.46	2,740.61	104.85	27 138		
5,500.00	2,916.00	4,840.38	2,550 51	56.23	53.35	82.62	-	2,812.35	-2,691.33	2,846.72	2.738.14	108 59	26.216		
5,600.00	2,916.00	4,940.37	2,550.90	58.11	55.23	82 63	-	2,912.30	-2,694 18	2,847.99	2,735.66	112.33	25.354		
5,700.00	2,916.00	5,040.36	2,551.29	59 99	57,12	82.65		3,012 25	-2,697 03	2,849 26	2,733 18	116 08	24.547		
5,800.00	2,916.00	5,140.35	2,551.67	61 87	59.00	82 66		3,112.20	-2,699.88	2,850.52	2,730.70	119.82	23,789		
5,900.00	2,916.00	5,240.34	2,552.06	63 75	60.89	82.67		3,212.15	-2,702.73	2,851.79	2,728.21	123 58	23 077		
6,000.00			2,552.44	65 64	62.78	82.68		3,312.10	-2,705.58	2,853.06					
6,100.00	2,916.00	5,440 32	2,552.83	67 53	64.68	82.69	-	3,412.05	-2,708.43	2,854.33	2,723 24	131 09	21.774		
6.200.00	2,916.00	5,540.31	2,553.21	69 41	66.57	82.70	• •	3,512.00	-2,711.28	2,855.59	2,720.75	134.85	21.176		
6,300.00	2,916.00	5,640 30	2,553 60	71.30	68 46	82 71		3,611.95	-2,714.13	2,856 86	2,718 25	138.61	20.611		
6,400 00	2,916.00	5,740 29	2,553 99	73.19	70 36	82.72		3,711.90	-2,716.98	2,858.13	2,715 76	142 37	20.075		
6,500.00		5,840.28	2,554.37	75.09	72.25	82.73		3,811 85	-2,719.83	2,859.40					
6,600.00	2,916.00	5,940.27	2,554.76	76.98	74 15	82.74	-	3,911 79	-2.722.68	2,860.66	2,710.76	149.91	19.083		
6,700.00	2,916.00	6,040.26	2,555.14	78.87	76.04	82.76	-	4,011.74	-2,725.53	2,861.93	2,708 26	153 67	18 623		
6,800.00	2,916.00	6,140.25	2,555 53	80 77	77 94	82 77	-	4.111 69	-2,728 39	2,863.20	2,705.76	157 44	18.185		
6,900.00	2,916.00	6,240 24	2,555.92	82.66	79 84	82 78	-	4,211 64	-2,731.24	2,864.47	2,703.25	161 22	17.768		
7,000.00	2,916.00	6,340.23	2,556.30	84.56	81.73	82.79	-	4,311 59	-2,734 09	2,865.74	2,700.75	164.99	17.369		
7,100.00	2,916.00	6,440.22	2,556.69	86 45	83.63	82 80		4,411 54	-2,736.94	2.867 01	2,698.24	168 76	16.988		
7,200.00	2,916.00	6,540.21	2.557 07	88 35	85 53	82 81	-	4,511 49	-2,739 79	2,868 27	2,695.73	172.54	16.624		
7,300.00	2,916.00	6,640 20	2,557.46	90 25	87 43	82.82		4,611 44	-2,742 64	2,869.54	2,693.23	176.32	16 275		
7,400.00	2,916.00	6,740.19	2.557 84	92 .1 4	89.33	82.83	-	4,711 39	-2,745.49	2,870 81					
7,500.00	2,916.00	6,840 19	2.558.23	94.04	91.23	82.84	•	4,811.34	-2,748.34	2,872.08		183 87	15.620		
7,600.00	2,916.00	6,940.18	2,558 62	95 94	93 13	82.85	-	4,911.29	-2,751.19	2,873.35	2,685.70	187 65	15 312		
7,700.00	-		2,559 00	97 84	95 03	82 87		5,011 23	-2,754 04	2,874.62					
7,800.00			2,559 39	99.74	96 93	82.88		5,111.18	-2,756 89	2,875 89					
7,900.00			2,559.77	101.64	98.83	82.89		5,211.13	-2,759 74	2,877 16	•				
8,000.00			2,560 16	103 54	100 73	82.90		5,311 08	-2,762 59	2,878.43					
8,100.00	2,916.00	7,440 13	2,560 54	105 44	102 63	82.91	-	5,411 03	-2,765 44	2,879.70	2,673 13	206 56	13.941		
8,200 00	2.916.00	7,540 12	2,560 93	107.35	104 54	82.92		5,510.98	-2,768 29	2,880.96	2.670.62	210.34	13.696		
8,300.00	2,916.00	7,640 11	2,561 32	109 25	106 44	82.93		5,610.93	-2,771 14	2,882.23					
8,370 79	2.916.00	7,710.89	2,561 59	110.48	107 78	82.94		5,681 68	-2,773 16	2,883.13	2,666 44	216.69	13.305	ES, SF	



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference:

Offset D	esian	Huber	Fed - 16	H - OH - F	'lan #1								Offset Site Error:	0 00 usft
Survey Pro													Offset Weil Error:	0 00 usft
Refer		Offs		Semi Major					Dist	апсе				
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (*)	Offset Wellbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
4,000.00	2,916 00	3,653 85	2,841.84	28 59	26.49	88 37	-1.327.86	-2,457 10	2,612.52	2,557.68	54.84	47.642	сс	
4,100.00	2,916.00	3,753.84	2,842.03	30.38	28.28	88.38	-1,427.82	-2,459.55	2,613.44	2,555.02	58.42	44.737		
4,200 00	2,916.00	3,853.84	2,842.21	32.18	30.08	88.38	-1.527.79	-2,461 99	2,614 35	2,552.33	62.03	42.149		
4,300.00	2,916.00		2,842.39	33.99	31 89	88.39	-1,627.75	-2,464.44	2,615.27		65.66			
4,400.00	2,916 00		2,842.58	35 81	33 72	88 39	-1,727 72	-2,466.89	2,616.19		69 31			
4,500.00	2,916 00	4,153.82	2,842.76	37.64	35 56	88.40	-1.827.68	-2,469.33	2,617 10	2,544.12	72.98	35.859		
4,600 00	2,916.00	4,253.82	2,842.94	39 47	37.40	88.40	-1.927.65	-2,471 78	2,618 02	2,541.35	76.67	34.148		
4,700.00	2,916 00	4,353.82	2,843.12	41 32	39 25	88.41	-2,027.61	-2,474.22	2,618.94		80.36			
4,800.00	2,916.00	4,453.81	2,843.31	43 17	41 10	88.41	-2.127.5B	-2,476.67	2,619.86	2,535.78	84.07	31.162		
4,900.00	2,916 00	4,553.81	2,843.49	45.02	42.96	88.41	-2,227.55	-2,479 12	2,620 77	2,532.98	87.79	29 853		
5,000.00	2,916 00	4,653.80	2,843.67	46.88	44.82	88.42	-2,327.51	-2,481.56	2,621.69	2,530.17	91 52	28.647		
5,100.00	2,916 00	4,753.80	2,843.86	48.75	46.69	88.42	-2.427 48	-2,484 01	2,622.61	2,527 36	95.25	27.534		
5,200.00	2,916 00		2,844.04	50 61	48.56	88.43	-2.527.44	-2,486.46	2,623.52		98.99			
5 300 00	2,916 00		2,844.22	52.48	50.43	88.43	-2,627 41	-2,488.90	2,624.44		102 73			
5,400 00	2,916 00		2,844 40	54.36	52.31	88.44	-2.727.37	2,491 35	2,625.36	2,518.87	106 49	24.655		
5,500 00	2,916 00	5,153.78	2,844.59	56.23	54 19	88.44	-2.827 34	-2,493 79	2,626.28	2,516.03	110.24	23.823		
5,600 00	2,916.00	5,253.78	2,844.77	58 11	56.07	88,45	-2,927,30	-2,496 24	2.627 19	2,513 19	114.00	23.045		
5,700 00	2,916.00		2,844.95	59.99	57 95	88.45	-3.027.27	-2,498.69	2,628 11	2,510.35	117 77	22.317		
5,800.00	2,916 00		2,845.14	61.87	59.83	88 46	-3 127 24	-2,501.13	2,629.03	2,507.50	121.53	21 632		
5,900.00	2.916.00	5,553.76	2,845.32	63.75	61.72	88.46	-3.227.20	-2,503 58	2,629.95	2,504.64	125.30	20 98 9		
6,000.00	2,916 00	5,653.76	2,845 50	65.64	63.60	88,46	-3 327.17	-2,506 02	2,630 86	2.501 79	129.08	20.382		
6,100.00	2,916.00	5,753.75	2.845 68	67.53	65 49	88.47	-3 427.13	-2,508.47	2,631.78	2.498 93	132.85	19.810		
6,200.00	2,916.00	5,853.75	2,845.87	69.41	67 38	88.47	-3,527.10	-2,510 92	2,632.70		136.63	19.269		
6,300.00	2,916 00		2,846 05	71.30	69 27	88 48	-3,627 06	-2,513 36	2,633.61	2,493 20	140.41			
6,400.00	2.916.00		2,846.23	73.19	71 16	88 48	-3,727.03	-2.515.81	2,634 53		144 19			
6,500.00	2,916 00	6,153 74	2,846 42	75 09	73.06	88 49	-3 826 99	-2,518 26	2,635 45	2,487 47	147 98	17 810		
6,600 00	2,916.00	6,253 73	2,846.60	76.98	74.95	88.49	-3,926 96	-2,520 70	2,636 37	2,484.60	151 76	17 371		
6,700.00	2,916.00	6.353 73	2,846 78	78.87	76.84	88 50	-4.026 92	-2,523.15	2,637.28	2,481.73	155.55	16 954		
6,800.00	2,916.00		2,846.96	80.77	78.74	88.50	-4,126.89	-2,525.59	2,638.20		159.34			
6,900.00	2,916.00	6,553 72	2,847 15	82.66	80.63	88.50	-4,226 86	-2.528 04	2,639.12		163.13			
7,000 00	2,916 00	6.653.71	2,847 33	84.56	82.53	88.51	-4.326 82	-2,530,49	2,640.04	2,473 11	166.92	15.816		
7,100.00	2,916 00	6,753 71	2,847 51	86.45	84.42	88.51	-4,426 79	-2,532.93	2,640 95	2,470.24	170 72	15.470		
7,200.00	2,916 00	6,853.71	2,847 70	88.35	86.32	88.52	-4,526.75	-2,535 38	2,641 87	2,467.36	174.51	15.139		
7,300.00	2,916 00	6.953 70	2,847.88	90 25	88.22	88 52	-4,626 72	-2 537.83	2.642 79		178.31			
7,400.00	2,916.00	7.053 70	2,848.06	92.14	90 12	88.53	-4,726.68	-2,540 27	2.643.71		182.10			
7,500.00	2,916.00	7,153 69	2,848 24	94 04	92.02	88.53	-4,826 65	-2,542 72	2,644.62	2,458.72	185.90	14.226		
7,600.00	2,916.00	7,253.69	2,848 43	95 94	93.92	88.54	-4,926 61	-2,545.16	2,645.54		189 70			
7,700 00	2,916.00	7,353.68	2,848.61	97 84	95 81	88.54	-5,026.58	-2,547.61	2,646 46		193.50			
7.800.00	2.916.00	7,453 68	2,848 79	99 74	97.71	88 55	-5,126 54	-2.550 06	2,647 38		197 30			
7,900 00	2,916.00	7,553 67	2,848 98	101.64	99 61	88.55	-5,226 51	-2.552 50	2,648.29		201.10			
8,000.00	2.916.00	7,653.67	2,849.16	103.54	101 51	88.55	-5,326 48	-2,554.95	2,649 21	2,444 31	204.90	12.929		
8,100.00	2,916 00	7,753 67	2,849.34	105.44	103.42	88.56	-5,426 44	-2,557.39	2.650 13		208 70			
B,200.00	2,916 00	7,853.66	2,849.52	107 35	105.32	88.56	-5,526.41	-2,559 84	2,651.05		212.51			
B,300.00	2,916.00	7,953 66	2,849.71	109 25	107 22	88 57	-5,626.37	-2,562.29	2,651 97		216.31			
8,370 79	2,916 00	8,024 44	2,849.84	110 48	108 56	88 57	-5,697.14	-2,564 02	2,652.62	2,433 73	218.89	12 119	ES, SF	
								•						



Anticollision Report



Percussion Petroleum, LLC Company: Project: Eddy County, NM Reference Site: Huber Fed 0.00 usft Site Error: **Reference Well:** 8H 0.00 usft Well Error: Reference Wellbore OH Reference Design: Plan #2

Local Co-ordinate Reference: Well 8H **TVD Reference: MD Reference:** North Reference: Grid **Survey Calculation Method:** Output errors are at Database: Offset TVD Reference:

RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

													Offset Well Error:	0.00 L
Refer	gram: 0-N	Offs	et	Semi Major	Axis				Dist	ance			Unset well Error:	0.001
leasured		Measured	Vertical	Reference		Highside	Offset Wellbo	re Centre	Between	Between	Minimum	Separation	Warning	
Depth (usft)	Depth (usft)	Depth (usft)	Depth (usft)	(usft)	(usft)	Toolface (*)	+N/-S (usft)	+E/-W (usft)	Centres (usft)	Ellipses (usft)	Separation (usft)	Factor	Ū	
4,400.00	2,916.00	4,044 08	2,825.28	35.81	33.46	88.42	-1,728.01	-3,147.53	3,296.88	3,227.80	69 08	47.726 0	c	
4,500.00	2,916.00	4,144,08	2,825.54	37.64	35.30	88.43	-1,827.99	-3,149.46	3,297.28		72.75	45.323		
4,600.00		4,244.08	2,825 81	39 47	37.14	88.43	-1,927 97	-3,151.40	3,297.69	3,221.25	76.44	43.143		
4,700.00		4,344 08	2,826 07	41.32	38 99	88.44	-2,027.95	-3,153.33	3,298.09	3,217 96	80.13	41 158		
4,800.00		4,444.08	2,826.33	43 17	40.85	88.44	-2,127.93	-3,155.27	3,298.50	3,214.66	83.84	39.342		
4,900.00	2,916.00	4,544.08	2,826.60	45.02	42 .71	88.45	-2,227.91	-3,157 21	3,298.90	3,211 34	87.56	37.676		
5,000.00	2,916.00	4,644.08	2,826.86	46 88	44.57	88.45	-2,327,89	-3,159.14	3,299.31	3,208 02	91 29	36.142		
5,100.00		4,744.07	2,827.13	48.75	46.44	88 46	-2,427 87	-3,161 08	3,299.71	3,204.69	95.02	34 726		
5,200.00		4,844.07	2,827.39	50.61	48.31	88.46	-2,527.85	-3,163.01	3,300.11	3,201 35	98.76	33.414		
5,300.00		4,944.07	2,827.65	52.48	50.18	88.47	-2,627.83	-3,164.95	3,300.52	3,198.01	102.51	32.197		
5,400.00		5,044.07	2.827.92	54 36	52 06	88.47	-2,727.81	-3,166.88	3,300.92	3,194.66	106.26	31 064		
5,500.00	2,916 00	5,144.07	2,828 18	56.23	53. 9 4	88.48	-2.827 79	-3,168 82	3,301.33	3,191 31	110.02	30.007		
5,600.00	2,916.00	5,244 07	2,828.44	58.11	55.82	88 48	-2,927 77	-3,170.75	3,301.73	3,187.95	113 78	29 019		
5,700.00	2,916.00	5,344 07	2,828.71	59.99	57 70	88.49	-3 027 75	-3,172.69	3,302.14	3,184 59	117 55	28 093		
5,800.00	2,916.00	5,444.07	2,828.97	61 87	59.59	88 49	-3,127.73	-3,174.62		3,181.23				
5,900.00	2,916 00	5,544.07	2,829.24	63 75	61 48	88 49	-3,227 71	-3.176 56	3,302.95	3,177.86	125.08	26 406		
6,000.00	2,916.00	5,644.06	2,829 50	65.64	63.36	88 50	-3,327,69	-3,178.49	3,303.35	3,174 49	128 86	25.635		
6,100 00	2,916.00	5,744.06	2,829 76	67 53	65.25	88.50	-3.427.67	-3,180.43	3,303.75	3,171.12	132 64	24.908		
6,200.00	2,916.00	5,844.06	2,830.03	69.41	67.14	88.51	-3.527 65	-3, 182.36	3,304.16	3,167 74	136.42	24.221		
6,300 00	2,916.00	5,944.06	2,830.29	71 30	69.03	88 51	-3.627.63	-3, 184.30	3,304.56	3,164.37	140 20	23.571		
6,400 00	2,916.00	6,044 05	2,830 55	73 19	70.93	88.52	-3,727 61	-3,186,24	3,304.97	3,160.99	143 98	22.954		
6,500 00	2,916.00	6,144.06	2,830 82	75 09	72.82	88.52	-3,827 59	-3,188.17	3,305 37	3,157 61	147 77	22.369		
6,600.00	2,916.00	6,244.06	2,831 08	76.98	74 71	88.53	-3.927.57	-3,190.11	3,305.78	3,154.22	151 55	21 812		
6,700.00	2,916 00	6,344.06	2,831 35	78 87	76 61	88 53	-4.027 55	-3,192.04	3,306 18	3,150.84	155 34	21 283		
6,800.00	2,916.00	6,444.05	2,831.61	80 77	78.51	88 54	-4.127 53	-3,193 98	3,306 59	3,147 45	159 13	20 779		
6,900.00	2,916.00	6,544.05	2,831 87	82.66	80.40	88 54	-4.227 51	-3,195.91	3 306 99	3,144.06	162 93	20 297		
7,000.00	2,916.00	6,644.05	2,832 14	84 56	82.30	88 55	-4,327 49	-3,197 85	3.307.40	3,140.68	166 72	19.838		
7,100.00	2,916.00	6,744.05	2,832 40	86 45	84.20	88.55	-4,427 47	-3,199 78	3,307 80	3,137 29	170 51	19 399		
7,200.00		6,844.05	2,832.66	88.35	86.09	88 56	-4,527.45	-3,201 72	3 308.21	3,133.90	174.31	18 979		
7,300.00	2,916.00	6,944.05	2,832 93	90.25	87.99	88 56	-4,627 43	-3.203 65	3 308.61	3,130.50	178.11	18.577		
7,400.00	2,916.00	7,044.05	2.833.19	92.14	89.89	88 57	-4,727.41	-3,205.59	3 309.01	3,127 11	181 90	18 191		
7,500.00	2,915.00	7,144.05	2.833 46	94 04	91.79	88 57	-4,827 39	-3,207 52	3,309 42	3,123.72	185.70	17.821		
7,600 00	2,916 00	7,244.04	2,833 72	95.94	93 69	88.58	-4,927 37	-3.209.46	3,309 82					
7,700.00	2,916 00	7,344.04	2,833 98	97 84	95.59	88.58	-5,027.35	-3,211 39	3,310 23					
7,800.00	2,916.00	7.444.04	2,834.25	99.74	97 49	88.58	-5,127.33	-3,213.33	3,310 63					
7,900.00	2,916 00	7,544.04	2,834 51	101 64	99 39	88.59	-5,227 31	-3,215 27	3,311.04	3,110 13	200.91	16 480		
8,000.00	2,916 00	7,644 04	2,834 77	103 54	101 30	88 59	-5,327 29	-3.217.20	3,311.44	3,106.73	204 7	16 176		
8,100.00		7,744.04	2,835.04	105.44	103.20	88 60	-5,427.26	-3,219 14	3,311.85	3,103.34	208 51	15 883		
B,200.00			2,835.30	107.35	105.10	88.60	-5,527.24	-3,221 07	3,312.25		212 32	15 601		
	2,916 00	7,944.04	2,835.56	109 25	107.00	88.61	-5,627.22	-3,223 01	3,312.66	3,096 54	216 12	15.328		
8,370.79		8,014 82	2,835.75	110 48	108.35	88.61	-5,698 00	-3.224 38	3,312.95	3,094 24	218.70	15.148 8	ES, SF	

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Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference:

	esign		reu - Io	8H - OH - P	14(1#1								Offset Site Error:	0 00 us
Survey Pro Refer	gram: 0-N	IWD+IGRF Offs	-1	Semi Major	Aula				Dist				Offset Well Error:	0.00 us
Neasured		Measured	Vertical	Reference		Highside	Offset Wellbo	re Centre	Between	Between	Minimum	Separation	14/	
Depth (usft)	Depth (usft)	Depth (usft)	Depth (usft)	(usft)	(usft)	Toolface (*)	+N/-S (usft)	+E/-W (usft)	Centres (usft)	Ellipses (usft)	Separation (usft)	Factor	Warning	
4,700.00	2,916.00	4,043.89	2,530.23	41.32	38.87	84.37	-2,035.18	-3,772.40	3,934 68	3,855.04	79.65	49.401		
4,800.00	2,916.00	4,143.89	2,530.68	43 17	40.74	84.38	-2,135.16	-3,773.89	3,934.60	3,851.24	83.36	47 202		
4,900.00	2,916.00	4,243.89	2,531.12	45.02	42.61	84.39	-2,235.15	-3,775.37	3,934.52	3,847.44	87.07	45.186		
5,000.00	2,916.00	4,343.89	2,531.57	46.88	44.49	84.39	-2,335.14	-3,776.85	3,934.43	3,843.63	90.BO	43.331		
5,100.00	2,916.00	4,443.89	2,532.01	48 75	46 37	84 40	-2,435 13	-3,778.33	3,934.35	3,839.82	94.53	41.620		
5,200.00	2,916.00	4,543.89	2,532.46	50.61	48 25	84.41	-2,535.11	-3,779 82	3,934.26	3,835.99	98.27	40.036		
5,300.00	2,916.00	4.643.89	2,532.90	52.48	50.13	84.41	-2,635,10	-3,781.30	3,934,18	3,832.17	102.01	38.567		
5,400.00		4,743.88	2,533.35	54.36	52.01	84.42	-2,735.09	-3,782.78	3,934.09	3,828,34	105.76	37,199		
5,500.00	-	4.843.88	2,533.80	56.23	53.90	84 42	-2,835.07	-3,784.27	3,934.01	3,824.50		35.924		
5,600.00	•	4.943 88	2,534 24	58.11	55.79	84.43	-2,935.06	-3,785.75	3,933,93	3,820.66		34,732		
5,700 00		5,043.88	2,534.69	59.99	57 68	84.44	-3,035 05	-3,787.23	3,933.84	3,816.82	117.02	33.616		
5 800 00	2,916.00	5,143.88	2,535.13	61.87	59.57	84 44	-3,135 04	-3,788.71	3,933.76	3,812.97	120 79	32 568		
5,900.00		5,243,88	2,535.58	63,75	61 46	84 45	-3,235.02	-3,790.20	3,933.67	3,809,12		31.583		
6,000.00		5,343 88	2,536.02	65.64	63.35	84 46	-3,335.01	-3,791 68	3,933 59	3,805,27	128.32	30.655		
6,100.00		5,443.88	2,536.47	67 53	65.25	84 46	-3,435 00	-3,793.16	3,933 51	3,801.42		29,779		
6,200.00		5,543 88	2,536.92	69 41	67 14	84.47	-3,534 98	-3,794 65	3,933 42		135 86	28 952		
6,300.00	2,916.00	5,643 88	2,537.36	71 30	69 04	84 48	-3,634 97	-3,796.13	3,933.34	3,793,70	139.63	28 169		
6,400.00		5,743 87	2,537.81	73 19	70.94	84.48	-3,734 96	-3,790.13	3,933.34	3,789.84	143 41	27 426		
6,500.00		5,743 87	2,538.25	75.09	70.94	84.40 84.49	-3,734 96	-3,799.09	3,933.25	3,785.98	143 41	26.722		
6,600.00		5,943.87	2,538.70	76 98	74.73	84 50	-3,934 93	-3,800.58	3,933.09			26 052		
6,700.00		6,043 87	2,539.14	78.87	76.63	84.50	-3,934 93 -4,034 92	-3,800.56	3,933.09	3,782.12 3,778.25		25.415		
0,700.00	2,910.00	0,045 67	2,000,14	10.07	70.03	04.00	-4,034 52	-3,002.00	3,933.00	3,110.25	104 / 5	20.410		
6,800.00	2,916.00	6,143.87	2.539.59	80.77	78.53	84.51	-4,134 91	-3,803.54	3,932.92	3,774.39	158.53	24.808		
6,900.00	2,916.00	6,243 87	2.540.03	82 66	80 43	84.51	-4,234.89	-3,805.02	3,932.84	3,770.52	162.32	24.230		
7,000 00	2,916.00	6,343 87	2,540.48	84.56	82 33	84.52	-4,334.88	+3,806.51	3,932.75	3,766.65	166 10	23.677		
7,100.00	2,916.00	6,443 87	2.540.93	86.45	84 23	84.53	-4,434.87	-3,807.99	3,932.67	3,762.78	169.89	23.149		
7,200.00	2,916.00	6,543 87	2.541.37	88.35	86.13	84.53	-4,534.85	-3,809.47	3,932.59	3,758.91	173 67	22.644		
7,300 00	2,916.00	6,643.87	2,541.82	90.25	88.04	84.54	-4,634.84	-3,810 96	3, 9 32 50	3,755 04	177 46	22.160		
7,400.00	2,916.00	6.743.86	2,542.26	92.14	89 94	84.55	-4,734 83	-3,812 44	3,932 42	3,751 17	181 25	21 696		
7,500.00	2,916.00	6,843.86	2,542.71	94.04	91 84	84.55	-4,834.81	-3,813 92	3,932.34	3,747.30	185.04	21,251		
7.600 00	2,916 00	6,943 86	2,543.15	95 94	9 3 75	84.56	-4,934.80	-3,815 40	3,932.25	3,743.42	188 83	20.824		
7,700.00	2,916.00	7.043 86	2,543.60	97 84	95 65	84.57	-5,034.79	-3,816.89	3,932.17	3,739 55	192.62	20.414		
7,800 00	2.916.00	7,143 86	2,544 05	99 74	97 55	84 57	-5,134 78	-3,818.37	3,932.09	3,735.67	196 42	20.019		
	2,916.00	7,243.86	2,544.49	101.64	99.46	84.58	-5,234,76	-3,819 85	3,932.00	3,731.80	200.21	19.640		
8,000 00		7.343.86	2,544.94	103 54	101 36	84.58	-5,334,75	-3,821 34	3,931.92	3,727 92	204 00	19,274		
8,100.00		7,443.86	2,545.38	105 44	103 27	84 59	-5,434 74	-3,822 82	3,931.84	3,724.04	207 80	18.922		
8,200.00		7,543 86	2,545.83	107 35	105.17	84 60	-5,534 72	-3,824 30	3,931 76	3,720 16	211 59	18 582		
8 300 00	2.916.00	7,643.86	2,546.27	109.25	107 07	84 60	-5,634 71	-3,825 78	3,931.67	3,716.29	215.39	18.254		
	2.916.00	7,714.64		110.48	108 42	84 61	-5,705 49	-3,826 83		3,713.65	217.96		C, ES, SF	





Anticollision Report

Company: Percussion Petroleum, LLC Local Co-TVD Refe Project: Eddy County, NM Reference Site: Huber Fed MD Refere Site Error: 0.00 usft North Ref Reference Well: 8H Survey Ca 0.00 usft Output en Well Error: Reference Wellbore OH Database Reference Design: Plan #2

Local Co-ordinate Reference:	Well 8H
TVD Reference:	RKB=25'
MD Reference:	RKB=25'
North Reference:	Grid
Survey Calculation Method:	Minimum
Output errors are at	2.00 sigm
Database:	WBDS_S
Offset TVD Reference:	Reference

Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

ffset Do			rea - /h	1 - OH - PI	an#∠								Offset Site Error:	0 00
	-	IWD+IGRF											Offset Well Error:	0 00
Refere		Offs		Semi Majo		14-1-1-	0		Dist		Minimum	Constantion -		
easured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (*)	Offset Wellbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Separation (usft)	Separation Factor	Warning	
200.00	200.00	200 00	200 00	0.49	0.18	-40.73	15.10	-13.00	19 93	19.25	0 67	29 645		
300.00	300.00	300.00	300.00	0.45	0.10	-40 73	15.10	-13.00	19.93	18.54	1 39	14 344		
302.95	302.95	302.95	302.95	0.86	0.55	-40.73	15.10	-13.00	19.93	18 51			nc.	
400.00	400.00		399 92	1.21	0.55	-45.71	14.00	-13 00	20.05	17.95				
500.00	500.00		499 48	1.21	1 24	-59 80	10.70	-18 39	21 28	18.48				
600.00	600,00		598.36	1.92	1.61	164.19	5.26	-25.05	26.16	22.63				
000.00	000,00	001.10	000.00	1.92	1.01	104.10	0.10	20.00	20.10	22.00	0.00	,		
700.00	699.92	701.82	697.14	2.26	2.00	153.36	-1 02	-32.75	36.57	32.34	4.24	8.635		
800.00	799.66	802.86	795.61	2.61	2.40	149 48	-7.29	-40 43	50.64	45.68	4.96	10.207		
900.00	899,28	904.08	893.89	2.97	2.80	148 11	-13 55	-48 09	66 14	60 46	5.68			
,000.00	998,90	1,005.30	992 18	3.34	3.20	147.25	-19.80	-55 75	81.67	75 26				
,100.00	1,098,52	1,106.51	1,090.46	3 72	3.61	146.67	-26.06	-63.42	97 21	90 06	7 15	13 602		
,200.00	1,198 14	1,192.27	1,188 75	4.10	3.95	146.25	-32.31	-71.08	112.75	104.92	7.83	14.408		
300.00	1,297.76			4.10	4.42	145.23	-38 57	-78.74	128 30	119 68				
,300.00	1,397.38		1,287.03	4.46	4.42	145.95	-44.82	-76 74	128 30	134 56				
,500.00	1,497.00			4.00	4.75	145 68	-44.02	-94.07	145.65					
,600.00	1,596,62		1,483 60	5.63	5.55	145.31	-57.33	-101 73	174.96	164.20				
,000.00	1,000,02	1,001 09	1,501 05	0.00	5.55	140.01	-01.00	.0175	11 4.30	107.20	,010	.0.200		
,700.00	1,696.24	1,690.22	1,684.28	6.02	5.96	145.32	-63.27	-109 00	189.79	178.27	11.52	16.471		
,800.00	1,795,86	1,795.53	1,789 41	6.41	6.35	145 89	-67.04	-113.62	201 72	189.44	12.29	16.420		
,900.00	1,895,49	1,901.40	1,895.25	6.80	6 70	146.99	-68.37	-115.24	210.63	197 61	13.02	16.178		
,000.00	1,995 11	2.001 25	1.995 11	7,19	7 02	148 24	-68.37	-115.24	217.99	204.28	13.72	15.894		
100.00	2,094.73	2,099 49	2,093.25	7.58	7.34	148.66	-71.23	-115.27	225.63	211.20	14.42	15.642		
000 00	2 4 2 4 2 5		0 400 70	3.67		145.40	00.54	445 44	224.66	240.40	45.40	15 400		
200.00	2,194 35		2,186.73	7 97	7 74	145 46	-88.54	-115.41	234 66	219.49				
2,300.00	2,293.97			8.36	8.17	139 49	-118.29	-115.66	247.68	231 76				
2,400.00	2,393 55		2,339.68	875	8.63	111.21 77.54	-155.43 -198.51	-115.97 -116.32	268.31 294.06	251.82 277.13				
2,500.00	2,491.64 2,585.27	2,436.07 2,507.38	2,399.63	9 18 9 66	9.15 9.74	64.65	-196.51 -247.06	-116.32	294.00	303.57				
.,000 00	2,000,27	2,007.00	2,451.79	5 00	3.14	04.00	-247 00	-11010	520 04	000.07	17.20	10 5/ 0		
2,700.00	2,671.59	2,576.76	2,496.37	10 24	10.42	56.85	-300 17	-117 17	346 49	328 86	17.63	19.656		
2,800.00	2,747 98	2,644.69	2,533.48	10 94	11.18	51 55	-357.00	-117.64	369 49	351.44	18.04	20.477		
2,900.00	2,812 12	2,711.53	2,563.20	11 82	12.01	47 84	-416 83	-118.13	388 78	370.18	18.60	20.899		
3,000.00	2,862.05	2,777.59	2,585.52	12 87	12.91	45.32	-478 97	-118.65	403 66	384.31	19 36	20.854		
3,100.00	2,896.27	2,843.12	2,600.46	14 10	13.86	43 74	-542 73	-119.18	413.66	393.32	20.34	20.335		
3,200.00	2,913 74		2,608 00	15 46	14 85	42 97	-607 48	-119 71	418 48					
,300.00	2.916.00		2,608 94	16.91	16 12	42.83	-688.90	-120.39	418 71					
	2,916.00		2,608.80	18 44	17 76	42.75	-788.89 -868 89	-121 22 -122.05	418 34 417 97					
3,500.00 3,600.00	2.916.00		2,608.66 2,608.52	20.03 21.68	19.44 21.16	42 67 42.58	-988.88	-122.05	417.97					
,000.00	2.010.00	3,203.77	2,000.02	21.00	21.10	42.00	-500.00	-122.01	417.00	301 00		10.002		
3,700.00	2,916.00	3,389 77	2.608.38	23.37	22.91	42.50	-1,088.88	-123 70	417 23	384 16	33.08	12.614		
8,800.00	2,916 00		2,608.24	25.08	24.69	42.42	-1,188.87	-124 53	416.87			11 702		
900.00	2,916.00		2,608 10	26.83	26 48	42.33	-1,288.86	-125 36	416.50	378.30	38 20	10 904		
00.000	2,916.00	3,689.76	2,607.96	28.59	28.29	42.25	-1,388 86	-126.19	416 14	375 34	40 79	10.201		
100.00	2,916.00	3,789.76	2.607 82	30.38	30.12	42.16	-1,488 85	-127.02	415 77	372.37	43 40	9.579		
			a ar -					107 6-						
	2,916.00		2,607.69	32.18	31 95	42.08	-1,588 85	-127.85	415.41					
4.300.00			2,607.55	33.99	33.79	42 00	-1,688 84	-128.68	415.05					
	2,916.00		2,607.41	35.81	35.64	41.91	-1,788 83	-129.51	414.69					
	2,916.00		2,607.27	37 64	37 50	41.83	-1,888 83	-130 34	414.33					
1,600.00	2,916.00	4,289 75	2.607 13	39 47	39 36	41 74	-1,988 82	-131 16	413.97	357 37	56.60	7 314		
1 700 00	2,916.00	4 380 74	2,606.99	41.32	41 22	41 66	-2,088 82	-131 99	413 61	354 36	59.25	6.981		
	2,916.00		2,606.99	41.32	41 22	41 57	-2,088.82	-132.82	413.25					
	2,916.00		2,606.71	43 17	43.09	41.49	-2,288 80	-132.62	413.25					
	2,916,00		2,606.71	45.02	44.97	41.49	-2,388 80	-134 48	412 54					
	2,916,00		2.606.56	40.00	40.04	41 32	-2,388 79	-135.31	412.18					
, 100.00	2,010,00	4,10314	2,000.44	-10.10	40.72		-2,400 / 3	100.01	-112.10	342.34	00.04	0.001		
000.00	2,916.00	4 990 72	2.606.30	50 61	50.61	41.23	-2,588.78	-136 14	411 83	339 34	72.49	5.681		

8/11/2017 11:27:08AM



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference:WeiTVD Reference:RKIMD Reference:RKINorth Reference:GridSurvey Calculation Method:MinOutput errors are at2.00Database:WBOffset TVD Reference:Ref

Offset D	· • • ·		Fed - 7H	1 - OH - Pl	an #2								Offset Site Error:	0 00 usft
Survey Pro Refer	gram: 0-M	IWD+IGRF Offs		Semi Majo	Avia				Diet	ance			Offset Weil Error:	0 00 usft
Measured		Measured	Vertical	Reference		Highside	Offset Weilbo	ra Centre	Between	Between	Minimum	Separation	141	
Depth (usft)	Depth (usft)	Depth (usft)	Depth (usft)	(usft)	(usft)	Toolface (*)	+NV-S (usft)	+E/-W (usft)	Centres (usft)	Ellipses (usft)	Separation (usft)	Factor	Warning	
5,300.00	2,916.00	4,989 73	2,606.16	52.48	52.49	41,15	-2,688 78	-136.97	411.47	336.34	75.13	5 477		
5,400 00	2,916 00	5,089,73	2,606 02	54.36	54.38	41 06	-2,788.77	-137.80	411 12			5.286		
5,500.00	2,916.00	5,189.73	2,605.88	56.23	56.26	40.98	-2,888.77	-138.63	410.77		80,41	5 109		
5,600.00	2,916 00	5,289.72	2,605 74	58.11	58 15	40.89	-2,988.76	-139.45	410.42	327.38	83.04	4.943		
5,700.00		5,389.72	2,605.60	59.99	60.04	40 80	-3,088.75	-140.28	410.07			4,787		
5,800.00	2,915.00	5,489.72	2,605.46	61.87	61 94	40 72	-3,188.75	-141 11	409.72		88.29	4 641		
5,900.00	2,916 00	5,589.72	2,605.33	63.75	63.83	40 63	-3,288.74	-141 94	409 37	318 47	90 90	4.503		
6,000.00	2,916.00	5,689 71	2,605 19	65 64	65.72	40 55	-3,388 74	-142.77	409.03	315.51	93.52	4.374		
6,100.00	2,916 00	5,789.71	2.605.05	67 53	67.62	40 46	-3,488.73	-143.60	408.68	312.56	96.13	4.252		
6,200.00	2,916 00	5,889.71	2,604.91	69 41	69.52	40.37	-3,588.72	-144.43	408.34	309.61	98.73	4 136		
6,300.00	2,916.00	5,989.71	2,604 77	71 30	71.41	40 29	-3,688.72	-145.26	407 99	306 67	101.33	4 027		
6,400.00	2,916.00	6,089.70	2,604 63	73.19	73 31	40 20	-3,788.71	-146.09	407.65	303.73	103 92	3.923		
6,500 00	2,916.00	6,189.70	2,604.49	75.09	75.21	40.11	-3,888.71	-146.92	407.31	300.81	106.50	3.824		
6,600.00	2,916 00	6,289.70	2,604.35	76.9 8	77.11	40 02	-3,988.70	-147.74	406.97	297.88	109.08	3.731		
6,700.00	2,916.00	6,389 70	2,604 22	78.87	79.01	39.94	-4.088.69	-148 57	406 63	294 97	111.66	3.642		
6,800.00	2,916 00	6.489 69	2,604 08	80.77	80.91	39.85	-4.188 69	-149.40	406.29	292.06	114.22	3.557		
6,900.00	2,916.00	6,589.69	2,603 94	82.66	82.81	39.76	-4.288 68	-150.23	405 95	289 16	116.79			
7,000.00	2,916 00	6,689.69	2, 603 .80	84.56	84.71	39 67	-4,388.68	-151 06	405 61	286.27	119.34	3 399		
7,100.00	2,916 00	6,789.69	2,603.66	86 45	86.62	39 58	-4,488 67	-151 89	405 28	283.38	121.89	3.325		
7,200.00	2,916.00	6,889 68	2,603.52	88.35	88.52	39.50	-4,588.66	-152.72	404 94	280.51	124.43	3.254		
7,300.00	2,916.00	6,989 68	2,603.38	90.25	90.42	39 41	-4,688.66	-153.55	404 61	277.63	126 97	3.187		
7,400.00	2,916.00	7,089.68	2,603.24	92 14	92.33	39 32	-4,788.65	-154.38	404 27	274.77	129 50	3 122		
7,500.00	2,916.00	7,189.68	2,603.10	94 04	94.23	39.23	-4,888.65	-155.20	403.94	271.91	132.03	3.060		
7,600.00	2,916.00	7,289.67	2,602.97	95.94	96.13	39 14	-4,988.64	-156.03	403 61	269 07	134 54	3.000		
7,700.00	2,916.00	7,389.67	2,602.83	97 84	98.04	39 05	-5,088.63	-156.86	403.28	266 23	137.05	2 943		
7,800.00	2,916.00	7,489.67	2.602.69	99 74	99.94	38.96	-5,188.63	-157.69	402 95	263.39	139.56	2.887		
7,900.00	2,916 00	7,589.67	2,602.55	101 64	101.85	38.87	-5,288.62	-158.52	402.62		142.05	2.834		
8,000.00	2,916 00	7,689.66	2,602 41	103 54	103.75	38.78	-5,388.62	-159.35	402.29			2 783		
8,100 00	2,916.00	7,789.66	2,602.27	105 44	105.66	38.69	-5,488.61	-160.18	401 97			2.734		
8,200.00	2,916.00	7,889 66	2,602.13	107 35	107.57	38.60	-5,588 60	-161 01	401.64					
8,300 00	2,916 00	7,989 66	2,601.99	109.25	109.47	38.51	-5,688.60	-161.84	401 32	249 35	151 97	2.641		
8,370.79	2,916.00	8,060 44	2,601 90	110 48	110.82	38.45	-5,759 38	-162.42	401.09	247 53	153.56	2.612	SF	



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference: Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

urvey Pro	gram: 0-M	IWD+IGRF											Offset Well E	mor:	0.00
Refer		Offs	et	Serni Major	Axis				Dista	ance				•	
easured		Measured	Vertical	Reference	Offset	Highside	Offset Wellbo			Between	Minimum	Separation	W	/arning	
Depth (usft)	Depth (usft)	Depth (usft)	Depth (usft)	(usft)	(usft)	Toolface (*)	+N/-S (usft)	+E/-W (usft)	Centres (usft)	Ellipses (usft)	Separation (usft)	, Factor			
800.00	799.66	771.28	769.16	2.61	2 30	125 34	-109.91	-203.91	240.07	235.22	4.85	49.498 (C ES		
900.00	899.28	868.84	865.34	2.81	2 30	123.54	-124.78	-203.91	258.10	252.52	5.58	46.215	50, 23		
1,000.00	998.90	967.14	962.25	3.34	3 18	123.89	-139.79	-217.49	276.20	269.87	6.33	43.609			
1,100.00	1,098.52	1,065 44	1,059.16	3.72	3 63	123 30	-154.79	-224.31	294.33	287.24	7.09	41.526			
1,200.00		1,163.74	1,156.07	4.10	4.09	122.77	-169.79	-231.13	312.49	304.64	7.85	39.804			
1,300.00		1,262.04	1,252.98	4.48	4 54	122 30	-184.80	-237 96	330 67	322.05	8.62	38.375			
1,000.00	1,237 / 0	1,202.04	1,202.00	4.40	- 0 -	122 00	101.00	20/ 00	000 0.	OLT:00	0.02				
1,400.00	1,397.38	1,360.34	1,349.88	4.86	5.01	121 88	-199.80	-244 78	348.87	339.48	9 39	37.172			
1,500.00	1,497.00	1,458.64	1,446.79	5.25	5.47	121.50	-214.81	-251.60	367 08	356.93	10 16	36.145			
1,600.00	1,596 62	1,556 94	1,543.70	5 63	5 93	121.16	-229.81	-258 42	385.31	374.38	10 93	35 259			
1,700.00	1,696.24	1,655.24	1,640.61	6 02	6 40	120.85	-244.82	-265.24	403.55	391 85	11.70	34 487			
1,800.00	1,795.86	1.753 54	1,737.52	6 41	6 86	120.57	-259.82	-272.06	421 80	409 33	12.48	33.809			
4 000 00	4 005 40	1 50 4 64	4 0 47 00	6.00	7 07	100.40	276 19	270.05	420.70	405.40	10.00	22.020			
1,900.00	1,895.49	1.864 61	1,847.29	6.80	7.37	120.40	-275 18	-279 05	438 78	425 46	13 32	32 939 31 964			
2,000.00	1,995.11	1,978.26	1,960.20	7.19	784	120.57	-286.89	-284.37	452.56	438.40	14 16	31 964			
2,100.00		2,092.70	2,074.33	7.58	8 27	121.05	-294.56	-287 86	463 10	448 12	14 97	30 929			
2,200 00			2,189 15	7 97	8 66	121 82	-298.08	-289 46	470.40	454.64	15.76	29.851			
2,300 00	2,293.97	2,312.42	2,293.97	8.36	8.96	122.74	-298.32	-289 57	475.25	458.78	16.47	28.850			
2,400.00	2,393 55	2,392.73	2,374.23	8 75	921	102.51	-300 10	-289 63	481 03	463.89	17 14	28.066			
2,500.00		2.462.60	2.443 37	9.18	9.51	77.10	-309.83	-289.99	486 36	468.52	17.83	27.274			
2,600.00		2.532.75	2,511.09	9.66	9.89	71.41	-327.99	-290 66	489.26	470 64	18.62	26.278			
	2,671.59	2.603.47	2,576 59	10.24	10.34	69.93	-354 51	-291.65	489.87	470 32	19.55	25.052			
2,800.00		2.675.07	2,639.07	10.24	10.54	70.27	-389 38	-292 94	488.49	467.76	20.73	23.565			
2,000.00	2,141.00	2,010.01	2,003.07	10 54	10 00	10.21	000 00	LUL UN	400.40	-107.10	20.10	20.000			
2,900.00	2,812.12	2,750.00	2,699.25	11.82	11 55	71.82	-433.89	-294.59	485,52	463 28	22.24	21.828			
3,000.00	2,862.05	2,822.42	2.751.42	12.87	12.29	74.09	-484 01	-296.44	481 49	457.42	24 08	19.998			
3,100.00	2,896.27	2,899.09	2,799 30	14 10	13 17	77 14	-543.78	-298.66	477.08	450 76	26 32	18.127			
3,200.00	2,913.74	2.978.55	2,840.03	15.46	14 19	80.80	-611.89	-301.18	472.99	444 08	28 91	16.361			
3,300.00		3.062.27	2,872.32	16 91	15 37	84.67	-688 99	-304 03	470.33	438.59	31.74	14.818			
3,329.64	2,916.00	3.088 65	2,880 12	17.36	15.76	85.62	-714 18	-304 97	470 19	437 57	32.62	14.413			
3,400.00	2,916.00	3,153 96	2,894 38	18.44	16 76	87 37	-777.83	-307.32	470.75	436 00	34.76				
3,500.00	2,916.00	3.250.77	2,902 00	20.03	18 29	88 30	-874 16	-310.89	472.63	434 71	37.92	12.464			
3,600.00	2,916.00	3.350.75	2,901.85	21.68	19 92	88.29	-974.07	-314 59	474.81	433 59	41.22	11 519			
3,700.00	2,916.00	3.450.73	2,901.71	23.37	21.60	88.28	-1,073 97	-318 29	476.99	432.39	44 60	10.695			
							4 470 00	224.00	470.47			0.074			
3,800.00		3,550.70	2,901.57	25 08	23 31	88 27	-1,173 88	-321 99	479.17	431 13		9.974			
3,900.00		3.650.68	2,901 43	26.83	25.05	88.26	-1.273 79	-325 69	481.35	429 81		9.339			
	2,916 00	3.750.65	2,901.28	28.59	26 81	88.26	-1,373.70	-329.39	483.53	428 45		8.779			
4,100.00		3,850 63		30 38	28.59	88.25	-1,473.60	-333 09	485 71	427 06					
4,200.00	2,916 00	3,950 61	2,901.00	32.18	30.39	BB 24	-1,573.51	-336.79	487 89	425 64	62.26	7 837			
4,300 00	2,916 00	4,050,58	2,900 85	33.99	32.20	88 23	-1,673.42	-340 49	490.08	424 19	65 88	7 438			
4,400.00		4,150 56	2,900.03	35.81	34 02	88 22	-1,773.33	-344 19	492 26	422.72					
4,400.00		4,150,58	2,900.71	37 64	34 02	88 21	-1,873 24	-347 89	494.44	421 24					
4,600.00		4.350.53		39 47	37.68	88 20	-1,973.14	-351 59	496.62			6.460			
4,700.00	-	4.450.49	2,900.43	41 32	39.52	88 19	-2,073.05	-355 29	498 80	418 23		6.191			
4,700.00	2,310.00	4.430 43	2,500 20	41 52	33.52	00 13	-2,075.05	-555 25	400 00	410 23	00.07	0.151			
4,800.00	2,916 00	4,550.46	2.900 14	43 17	41 37	88 19	-2,172.96	-358 99	500 98	416.71	84.27	5 945			
	2,916 00	4 650 44	2,900.00	45 02	43 23	88 18	-2,272 87	-362.69	503 16						
	2,916 00	4,750.42	2,899 85	46 88	45 09	88 17	-2,372.77	-366.39	505 34	413.64	91 70				
	2,916 00	4,850.39	2,899.71	48 75	46 95	88 16	-2,472.68	-370 09	507 52						
	2,916.00	4,950.37	2.899 57	50 61	48.81	88 15	-2,572.59	-373 79	509 70						
.,	_,		2.250 01												
5,300 00	2,916 00	5.050.34	2,899 43	52 48	50 68	88 14	-2,672.50	-377 49	511 89	408.98	102 90	4 974			
5,400.00	2,916.00	5,150.32	2,899.28	54.36	52 55	88.14	-2,772.40	-381 19	514 07	407.42	106.65	4 820			
	2,916 00	5,250.30	2,899 14	56 23	54 43	88 13	-2,872.31	-384 89	516 25						
	2,916.00	5,350.27	2,899 00	58 11	56.30	88 12	-2,972 22	-388 59	518 43						
	2,916 00	5,450.25	2,898 85	59.99	58 18	88.11	-3,072 13	-392 29	520 61						
r 000 00	2,916.00	5,550.23	2,898.71	61 87	60 06	88.10	-3,172 03	-395 99	522 79	401 12	121 67	4 297			

8/11/2017 11:27:08AM

COMPASS 5000.14 Build 85



Anticollision Report



Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference:WellTVD Reference:RKBMD Reference:RKBNorth Reference:GridSurvey Calculation Method:MininOutput errors are at2.00Database:WBEOffset TVD Reference:Reference:

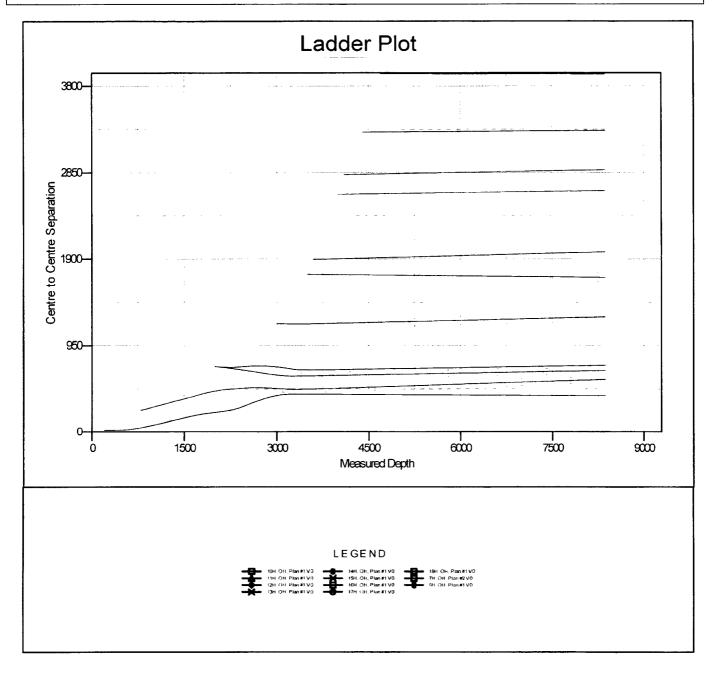
Offset D	esign	Huber	Fed - 9H	1 - OH - Pla	an #1								Offset Site Error:	0 00 u	ısft
Survey Pro	-												Offset Well Error:	0 00 u	ısft
Refer		Offs		Semi Majo						ance					
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (")	Offset Wellbo +N/-S (usft)	re Centre +E/-W (usft)	Between Centres (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning		
5,900.00	2,916 00	5,650.20	2,898.57	63 75	61 94	88.10	-3,271 94	-399.69	524.97	399.53		4.185			
6,000.00	2,916.00	5,750,18	2,898.43	65.64	63.82	88 09	-3,371.85	-403.39	527.15						
6,100.00	2,916.00	5,850.15	2,898.28	67.53	65.71	88 08	-3,471.85	-407.09	529.33	396.35					
6,200.00	2,916.00	5,950.13	2,898.14	69.41	67.59	88 07	-3,571 66	-4107.09	529.55						
6,300.00	2,916.00	6,050.11	2,898.00	71 30	69.48	88 07	-3,671.66	-414.49							
									533.70						
6,400.00	2,916.00	6,150.08	2,897 85	73 19	71.37	88 06	-3.771.48	-418.19	535.88	391.57	144.30	3.714			
6,500.00	2,916 00	6,250.06	2,897.71	75 09	73.25	88.05	-3,871.39	-421.89	538.06	389.97	148 08	3.633			
6,600.00	2,916 00	6,350.03	2,897 57	76 98	75.14	88.04	-3,971.29	-425.59	540.24	388.37	151 86	3.557			
6.700.00	2,916.00	6,450.01	2,897.43	78 87	77.03	88.04	-4,071.20	-429.29	542.42	386.77	155.65	3.485			
6,800.00	2,916.00	6,549.99	2,897 28	80 77	78.92	88.03	-4,171.11	-432.99	544 60	385.17	159 43	3.416			
6,900.00	2,916.00	6,649.96	2,897.14	82.66	80 82	88.02	-4.271.02	-436.69	546 78	383 57	163 22	3 350			
7,000.00	2,916.00	6,749.94	2,897.00	84 56	82.71	88.02	-4,370 93	-440.39	548 96	381.96	167.00	3.287			
7,100.00	2,916.00	6,849.92	2,896.85	86 45	84.60	88 01	-4,470,83	-444,09	551 14	380.35	170.79	3.227			
7,200.00	2,916.00	6,949 89	2,896,71	88.35	86.50	88.00	-4,570 74	-447,79	553 33	378,75	174 58				
7,300.00	2,916.00	7,049 87	2,896 57	90 25	88 39	87.99	-4,670.65	-451 49	555 51	377.14	178.37	3,114			
7.400.00	2,916.00	7,149.84	2,896.43	92.14	90.28	87.99	-4,770.56	-455 19	557 69	375.53	182.16	3.062			
7,500.00	2,916.00	7,249.82	2,896.28	94.04	92 18	87.98	-4,870.46	-458 89	559 87	373.92	185 95	3.011			
7,600.00	2,916.00	7,349.80	2,896.14	95,94	94.07	87 97	-4,970.37	-462.59	562 05	372.30					
7,700.00	2,916.00	7,449,77	2,896.00	97,84	95,97	87.97	-5,070.28	-466.29	564 23	370.69					
7,800.00	2,916 00	7,549.75	2,895 85	99.74	97.87	87.96	-5,170.19	-469.99	566 41						
7,900.00	2,916 00	7,649.73	2,895.71	101.64	99.76	87,95	-5,270.09	-473 69	568 59	367.47					
7,300.00	2,510.00	1,040.75	2,033.71	101.04	3570	01.55	-5,270.05	-475 05	500 55	307.47	201 13	2 027			
8,000 00	2,916.00	7,749.70	2.895 57	103.54	101.66	87.95	-5,370 00	-477 39	570 78	365.85	204.93	2.785			
8,100.00	2,916 00	7,849.68	2,895 43	105 44	103 56	87.94	-5,469.91	-481.09	572.96	364.24	208.72	2.745			
8,200.00	2,916 00	7,949.65	2,895.28	107.35	105.46	87.94	-5,569.82	-484 79	575 14	362.62	212.52	2.706			
8,300.00	2,916.00	8,049.63	2,895 14	109 25	107.35	87.93	-5,669.72	-488 49	577 32	361.00	216.32	2.669			
8.370.79	2,916.00	8,120.40	2,895.04	110.48	108 70	87 92	-5,740 45	-491 11	578 86	359 97	218.89	2 645 \$	SF		





Company:	Percussion Petroleum, LLC	Local Co-ordinate Reference:	Well 8H
Project:	Eddy County, NM	TVD Reference:	RKB=25' @ 3539.00usft (NA)
Reference Site:	Huber Fed	MD Reference:	RKB=25' @ 3539.00usft (NA)
Site Error:	0.00 usft	North Reference:	Grid
Reference Well:	8H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	ОН	Database:	WBDS_SQL_2
Reference Design:	Plan #2	Offset TVD Reference:	Reference Datum
_			

Reference Depths are relative to RKB=25' @ 3539.00usft (NA) Offset Depths are relative to Offset Datum Central Meridian is -104.333334 Coordinates are relative to: 8H Coordinate System is US State Plane 1983, New Mexico Eastern Zone Grid Convergence at Surface is: -0.07°



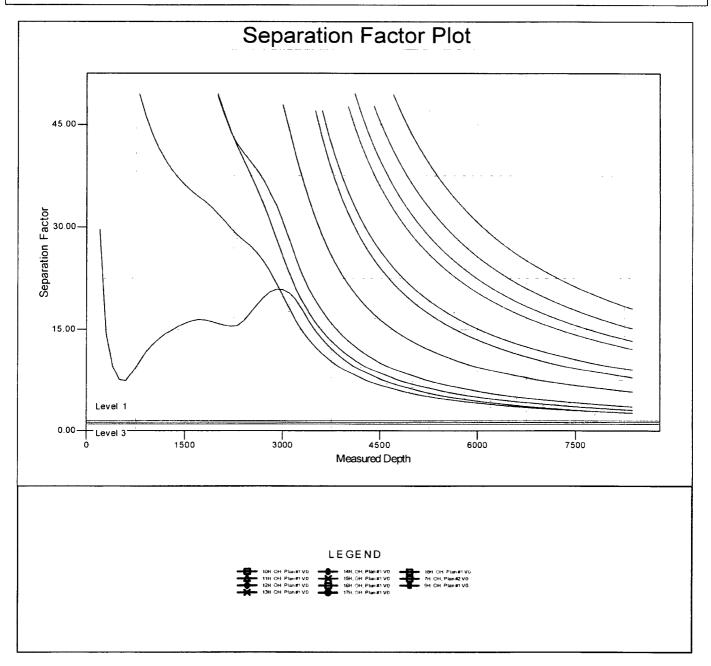




Company:Percussion Petroleum, LLCProject:Eddy County, NMReference Site:Huber FedSite Error:0.00 usftReference Well:8HWell Error:0.00 usftReference WellboreOHReference Design:Plan #2

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Output errors are at Database: Offset TVD Reference: Well 8H RKB=25' @ 3539.00usft (NA) RKB=25' @ 3539.00usft (NA) Grid Minimum Curvature 2.00 sigma WBDS_SQL_2 Reference Datum

Reference Depths are relative to RKB=25' @ 3539.00usft (NA) Offset Depths are relative to Offset Datum Central Meridian is -104.333334 Coordinates are relative to: 8H Coordinate System is US State Plane 1983, New Mexico Eastern Zone Grid Convergence at Surface is: -0.07°





Contingency Planning – Huber Federal Area Wells

Prepared by Lelan J. Anders, Percussion Petroleum Operating, LLC.

INTRODUCTION:

This document is designed to address the issues that could arise at any time drilling horizontal Yeso wells. Percussion Petroleum Operating (PPO) is going to follow regularly used practices and procedures in order to drill the wells to TD and still keep them economical to operate.

SCENARIO:

If a complete loss of circulation occurs while drilling above 400 ft MD.

CORRECTIVE ACTIONS:

- 1. Pump an LCM sweep and attempt to regain circulation if unsuccessful go to step 2
- 2. Continue drilling at attempt to seal off lost circulation zone with drill cuttings
 - 1. Monitor torque and drag on drill string to determine if pipe is sticking
 - 2. Have contingency plan to 'drill dry' have plenty of water on hand and well control in place
 - 3. Continue to 'dry drill' until torque and drag dictate a different plan
- 3. If 'dry drilling' is unsuccessful Run contingency surface casing string
 - 1. Ream out 12-1/4" open hole to 17-1/2" open hole
 - 2. Run contingency 13-3/8" 48# H-40, STC casing to no more than 400' MD
 - 3. Cement 13-3/8" casing using Class C cement Pump at minimum 100% excess cement
 - i. Top off cement from surface using 1" if necessary
 - ii. Insure that cement has cured for a minimum of 12 hours prior to drilling out
 - 4. Install 13-3/8" 3M wellhead and drill to surface casing depth with 12-1/4" OD bit
 - 5. Run and cement surface casing as planned

DRILL PLAN PAGE 1

Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

Drilling Program

1. ESTIMATED TOPS

Formation/Lithology	TVD	MD	Contents
Quaternary caliche	000′	000′	water
Grayburg dolomite	644'	644′	hydrocarbons
San Andres dolomite	829'	829′	hydrocarbons
Glorieta silty dolomite	2389'	2395'	hydrocarbons
(КОР	2394'	2400′	hydrocarbons)
Yeso dolomite	2544'	2555′	hydrocarbons & goal
TD	2916'	8371′	hydrocarbons

2. NOTABLE ZONES

Yeso is the goal. Closest water well (RA 02958) is 1085' NNE. Depth to water was not recorded in this 450' deep well.

3. PRESSURE CONTROL

A 3000-psi 5000' rated BOP stack consisting of annular preventer and double (blind and pipe) ram will be used below surface casing to TD. See attached BOP and choke manifold diagrams.

Pressure tests will be conducted before drilling out from under all casing strings. Third party test crews will conduct all tests. All tests will be recorded for 10minutes on low pressure (500 psi) and 10-minutes on high pressure (3000-psi). After BOP testing is complete, test casing (without test plug) to 2000-psi for 30 minutes. All tests will be charted on a plot. BOPs will be function tested every day.



DRILL PLAN PAGE 2

Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

4. CASING & CEMENT

All casing will be API and new.

Hole O. D.	Set MD	Set TVD	Casing O. D.	Weight (lb/ft)	Grade	Joint	Collapse	Burst	Tension
12.25"	0′ - 1279'	0′ - 1277'	Surface 9.625"	36	J-55	STC	1.125	1.125	1.8
8.75"	0' - 8361'	0′ – 2916′	Product. 5.5"	17	L-80	BTC	1.125	1.125	1.8

Casing Name	Туре	Sacks	Yield	Cu. Ft.	Weight	Blend
Surface	Lead	637	1.32	840	14.8	Class C + 2% CaCl + ¼ pound per sack celloflake
TOC = GL	TOC = GL		100% Excess		cer	ntralizers per Onshore Order 2
Production	Lead	495	1.97	975	12.6	65/65/6 Class C + 6% gel + 5% salt + ¼ pound per sack celloflake + 0.2% C41-P
	Tail	1699	1.32	2242	14.8	Class C + 2% CaCl + ¼ pound per sack celloflake
TOC = GL	TOC = GL 5		50% Excess		1 centralizer on 1 st collar and every 10 th collar to 1200' + 1 inside the surface casir	

5. MUD PROGRAM

An electronic/mechanical mud monitor with a minimum pit volume totalizer, stroke counter, and flow sensor will be used. All necessary mud products (LCM) will be on site to handle any abnormal hole condition that may be encountered while drilling this well. A closed loop system will be used.



DRILL PLAN PAGE 3

Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

Туре	Interval (MD)	lb/gal	Viscosity	Fluid Loss	Plastic Viscosity	Yield Point
fresh water/gel	0' - 1279'	8.4 - 9.2	36-42	NC	3-5	5-7
fresh water/cut brine	1279' - 2400'	8.3 - 9.2	28-30	NC	1	1
cut brine	2400' - 8371'	8.6 - 9.2	29-32	NC	4-5	6-10

6. CORES, TESTS, & LOGS

No core or drill stem test is planned.

A mud logger will be used from GL to TD. Samples will be collected every 10' in the lateral pay zone.

No electric logs are planned at this time.

7. DOWN HOLE CONDITIONS

No abnormal pressure or temperature is expected. Maximum expected bottom hole pressure is ≈ 1254 psi. Expected bottom hole temperature is $\approx 114^{\circ}$ F.

A Hydrogen Sulfide Drilling Operation Plan is attached.

8. OTHER INFORMATION

Anticipated spud date is upon approval. It is expected it will take ≈ 1 month to drill and complete the well.

St. Devote LLC has operating rights in NMNM-125603. St. Devote LLC is a subsidiary of Percussion.



Percusion Huber Wells Bottom Footage Variance Request

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Percussion intentionally plans to drill this (& other wells) so Last Take Point is <330'. This means Percussion will need to file a NSL (Non Standard Location) application with NMOCD, which they plan to do.



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400021652	Highlighted data	
Operator Name: PERCUSSION PETROLEUM OPERATIN	reflects the most recent changes	
Well Name: HUBER FEDERAL Well Number: 8H		Show Final Text
Well Type: OIL WELL	Well Work Type: Drill	

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Huber_8H_Road_Map_20170906112902.pdf

Existing Road Purpose: ACCESS

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: Patching potholes with caliche and installing a drainage dip in the existing road 100 yards north of the new road.

Max grade (%): 1

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

Huber_8H_New_Road_Map_20170906112915.pdf

New road type: RESOURCE

Length: 424.2 Feet Width (ft.): 30

Max slope (%): 0

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Crowned and ditched

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Well Name: HUBER FEDERAL

Well Number: 8H

Access surfacing type: OTHER Access topsoil source: ONSITE Access surfacing type description: Caliche Access onsite topsoil source depth: 6 Offsite topsoil source description: Onsite topsoil removal process: Grader Access other construction information: Access miscellaneous information: Number of access turnouts: Access

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: Crowned and ditched

Road Drainage Control Structures (DCS) description: None

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES Attach Well map: Huber_8H_Well_Map_20170906112929.pdf Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Production Facilities map: Huber_8H_Production_Diagram_20170906112947.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Well Name: HUBER FEDERAL

Well Number: 8H

Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING Describe type:	Water source type: GW WELL
Source latitude:	Source longitude:
Source datum:	
Water source permit type:	
Source land ownership:	
Water source transport method: PIPELINE	
Source transportation land ownership:	
Water source volume (barrels): 10000	Source volume (acre-feet): 1.288931
Source volume (gal): 420000	
Water source use type: INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING Describe type:	Water source type: GW WELL
Source latitude:	Source longitude:
Source datum:	
Water source permit type: PRIVATE CONTRACT	
Source land ownership: PRIVATE	
Water source transport method: PIPELINE	
Source transportation land ownership: FEDERAL	
Water source volume (barrels): 10000	Source volume (acre-feet): 1.288931
Source volume (gal): 420000	

Water source and transportation map:

Huber_8H_Water_Source_Map_20170906113011.pdf

Water source comments: Water will be piped via one temporary surface 12" Kevlar lay flat pipeline from one of two water wells to a fresh water pond at Percussion's Huber Federal 3H well. Pipeline routes will not be bladed or excavated. Existing unlined pond will be expanded to 2.75 acres and lined with geotextile fabric and 12-30 mil liner. Primary source will be Seven Rivers' well RA 10949 in NWNE 6-20s-29e. That route is 14,750' long (2950' private + 5350' State + 6450' BLM). Secondary source will be Seven Rivers' well RA 10918 in NESE 11-20s-25e. That route is 14,000' long (6850' of private land + 7150' of BLM). Two temporary surface 10" Kevlar lay flat pipelines will then be laid 915' along a road from the pond to 7H. Pipeline route will not be bladed or excavated.

New water well? NO

New Water Well Info

Well latitude:	Well Longitude:	Well datum:
Well target aquifer:		
Est. depth to top of aquifer(ft):	Est thickness of aquifer:	

Well Name: HUBER FEDERAL

Well Number: 8H

Aquifer comments:	
Aquifer documentation:	
Well depth (ft):	Well casing type:
Well casing outside diameter (in.):	Well casing inside diameter (in.):
New water well casing?	Used casing source:
Drilling method:	Drill material:
Grout material:	Grout depth:
Casing length (ft.):	Casing top depth (ft.):
Well Production type:	Completion Method:
Water well additional information:	
State appropriation permit:	
Additional information attachment:	

Section 6 - Construction Materials

Construction Materials description: NM One Call (811) will be notified before construction starts. Top 6" of soil and brush will be stockpiled southeast of the pad. V-door will face southwest. Closed loop drilling system will be used. Caliche will be hauled from existing caliche pits on private land. Arkland caliche pit is in NWNE 23-19s-25e. Seven Rivers caliche pit is in SWSW 6-20s-26e. Griffin caliche pit is in NWNE 14-20s-25e. **Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Cuttings, mud, salts, and other chemicals

Amount of waste: 2000 barrels

Waste disposal frequency : Daily

Safe containment description: Steel tanks

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: PRIVATE FACILITY Disposal type description:

Disposal location description: R360's state approved (NM-01-0006) disposal site at Halfway, NM

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Well Name: HUBER FEDERAL

Well Number: 8H

 Reserve pit depth (ft.)
 Reserve pit volume (cu. yd.)

 Is at least 50% of the reserve pit in cut?

 Reserve pit liner

 Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Top 6" of soil and brush will be stockpiled southeast of the pad. V-door will face southwest.

Cuttings area length (ft.)Cuttings area width (ft.)Cuttings area depth (ft.)Cuttings area volume (cu. yd.)Is at least 50% of the cuttings area in cut?WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram: Huber_8H_Well_Site_Layout_20170906113040.pdf Comments: Well Name: HUBER FEDERAL

Well Number: 8H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance	Multiple Well Pad Name: HUBER
	Multiple Well Pad Number: 7H
Recontouring attachment:	
Huber_8H_Recontour_Plat_20170906113051.pdf	
Drainage/Erosion control construction: Crowned a	nd ditched
Drainage/Erosion control reclamation: Harrowed of	on the contour
Wellpad long term disturbance (acres): 1.83	Wellpad short term disturbance (acres): 2.33
Access road long term disturbance (acres): 0.29	Access road short term disturbance (acres): 0
Pipeline long term disturbance (acres): 0	Pipeline short term disturbance (acres): 0.973
Other long term disturbance (acres): 2.75	Other short term disturbance (acres): 11.44

Total long term disturbance: 4.87

cres): 0.29): 0.97300273 11.44 Total short term disturbance: 15.033003

Reconstruction method: Interim reclamation will be completed within 6 months of completing the well. Interim reclamation will consist of shrinking the pad 21% (0.50 acre) by removing caliche and reclaiming 25' on the northeast, southeast, and southwest sides. This will leave 1.83 acres for the anchors, pump jacks, and tractor-trailer turn around. Disturbed areas will be contoured to match pre-construction grades. Soil and brush will be evenly spread over disturbed areas and harrowed on the contour. Disturbed areas will be seeded in accordance with BLM's requirements.

Topsoil redistribution: Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. Once the well is plugged, then the rest of the pad and new road will be similarly reclaimed within 6 months of plugging. Noxious weeds will be controlled. Soil treatment: None

Existing Vegetation at the well pad:

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road:

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline:

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances:

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Well Name: HUBER FEDERAL

Well Number: 8H

Total pounds/Acre:

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table	
Seed type:	Seed source:
Seed name:	
Source name:	Source address:
Source phone:	
Seed cultivar:	
Seed use location:	
PLS pounds per acre:	Proposed seeding season:

Seed Type Pounds/Acre

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name:	Last Name:
Phone:	Email:
Seedbed prep:	
Seed BMP:	
Seed method:	
Existing invasive species? NO	
Existing invasive species treatment description:	
Existing invasive species treatment attachment:	
Weed treatment plan description: To BLM standards	
Weed treatment plan attachment:	

Well Name: HUBER FEDERAL

Well Number: 8H

Monitoring plan description: To BLM standards Monitoring plan attachment: Success standards: To BLM's satisfaction Pit closure description: None Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office:

Well Name: HUBER FEDERAL

Well Number: 8H

NPS Local Office:	
State Local Office:	
Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USFS Forest/Grassland:	USFS Ranger District:

Disturbance type: NEW ACCESS ROAD	
Describe:	
Surface Owner: BUREAU OF LAND MANAGEMENT	
Other surface owner description:	
BIA Local Office:	
BOR Local Office:	
COE Local Office:	
DOD Local Office:	
NPS Local Office:	
State Local Office:	
Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USFS Forest/Grassland:	USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NC)
ROW Type(s):	

Use APD as ROW?

ROW Applications

Well Name: HUBER FEDERAL

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Well Number: 8H

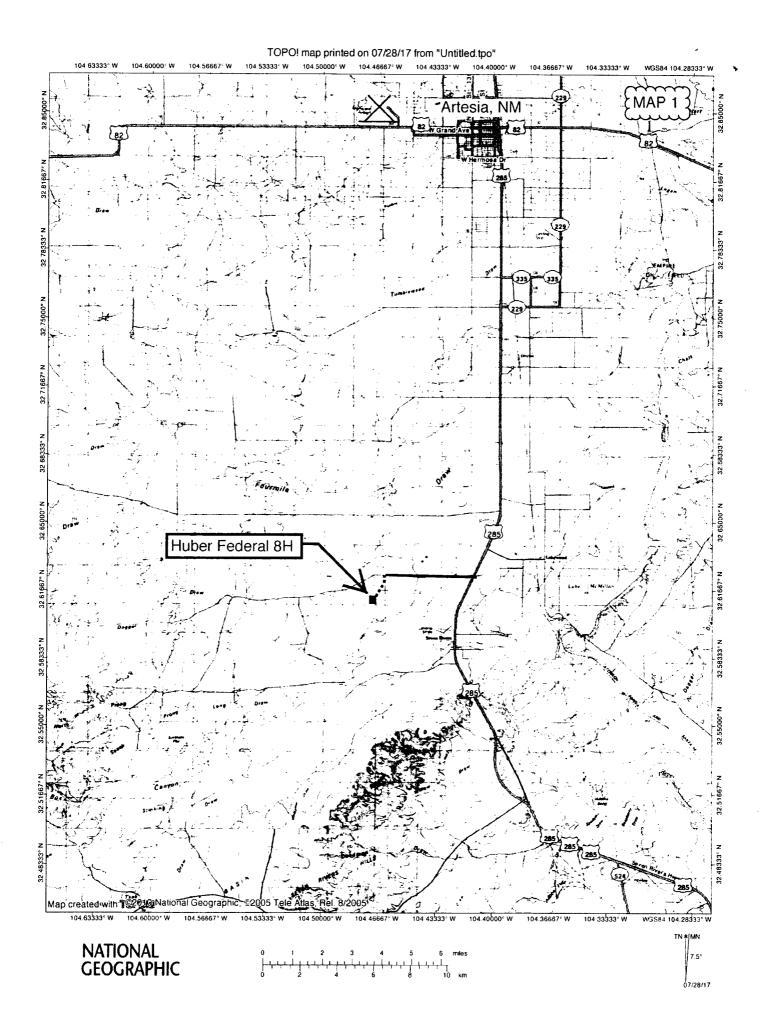
SUPO Additional Information:

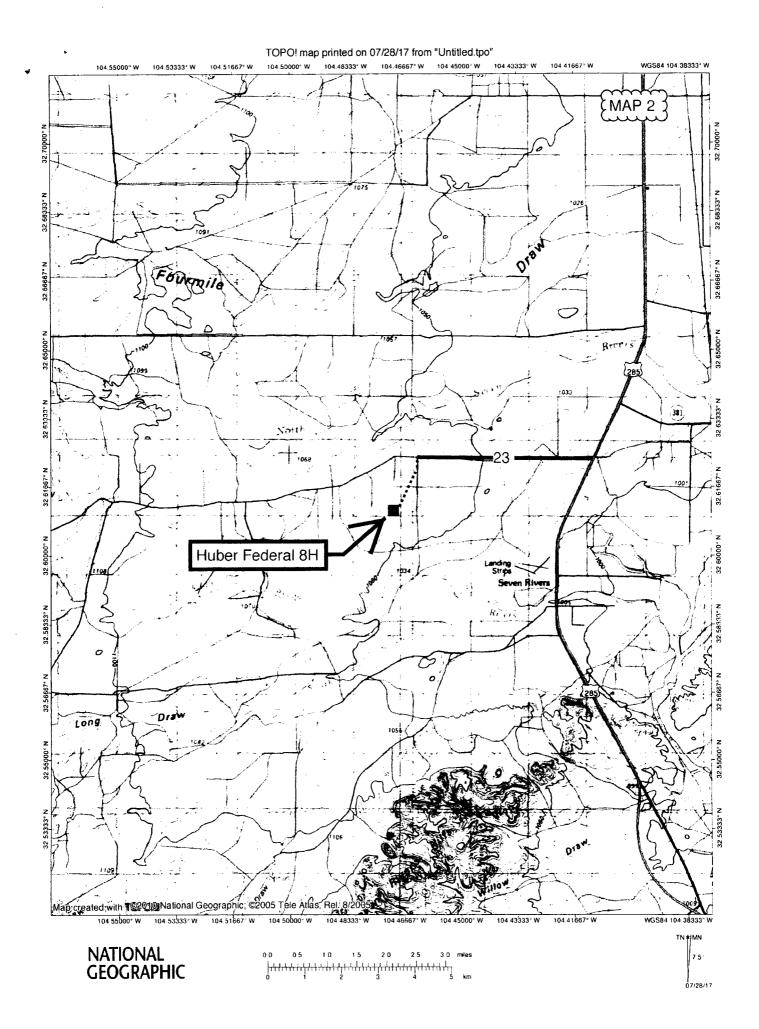
Use a previously conducted onsite? YES

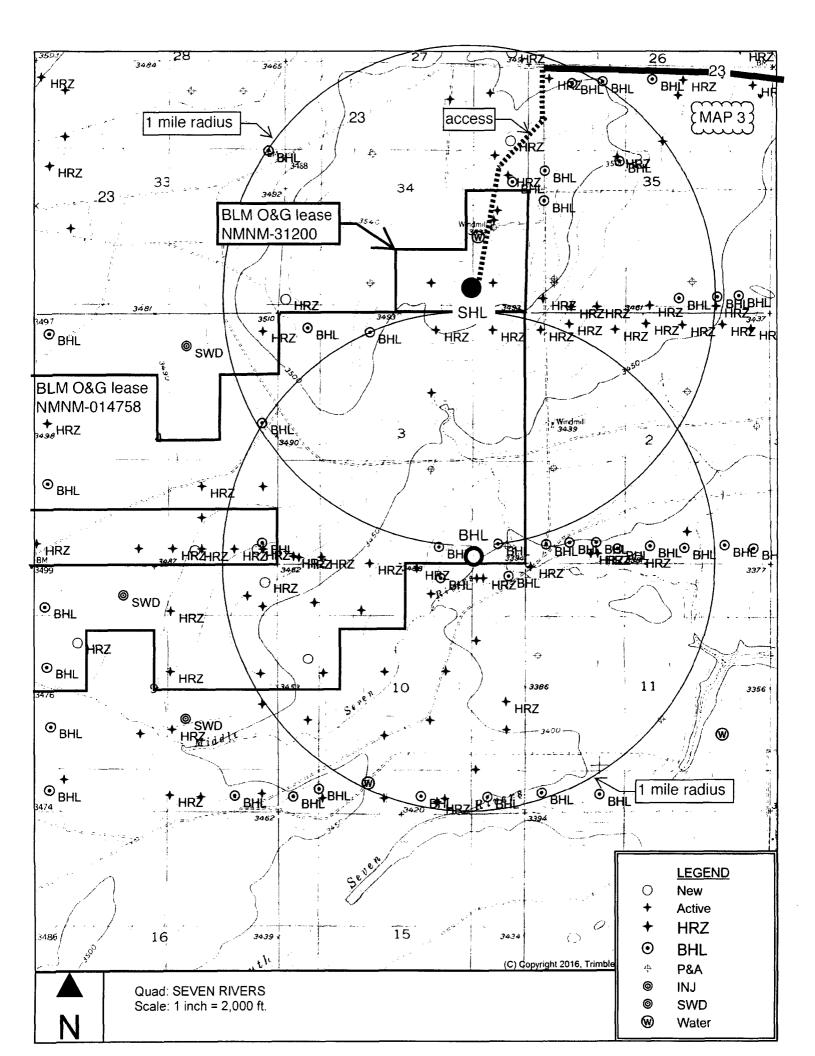
Previous Onsite information: On site inspection was held with Jim Goodbar and Jessie Bassett (both BLM) on July 18, 2017. Lone Mountain consulted (LMAS 2311) with BLM's Bruce Boeke on May 22, 2017 and August 9 (LMAS 2362). It was determined no archaeology survey was needed due to previous coverage.

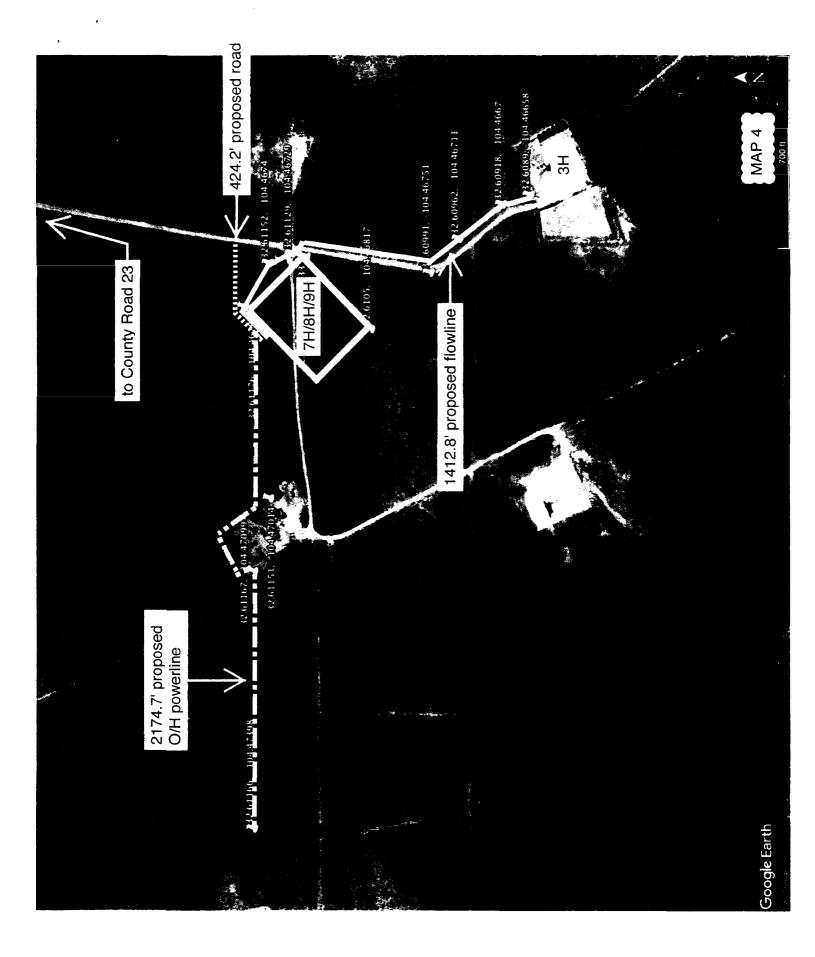
Other SUPO Attachment

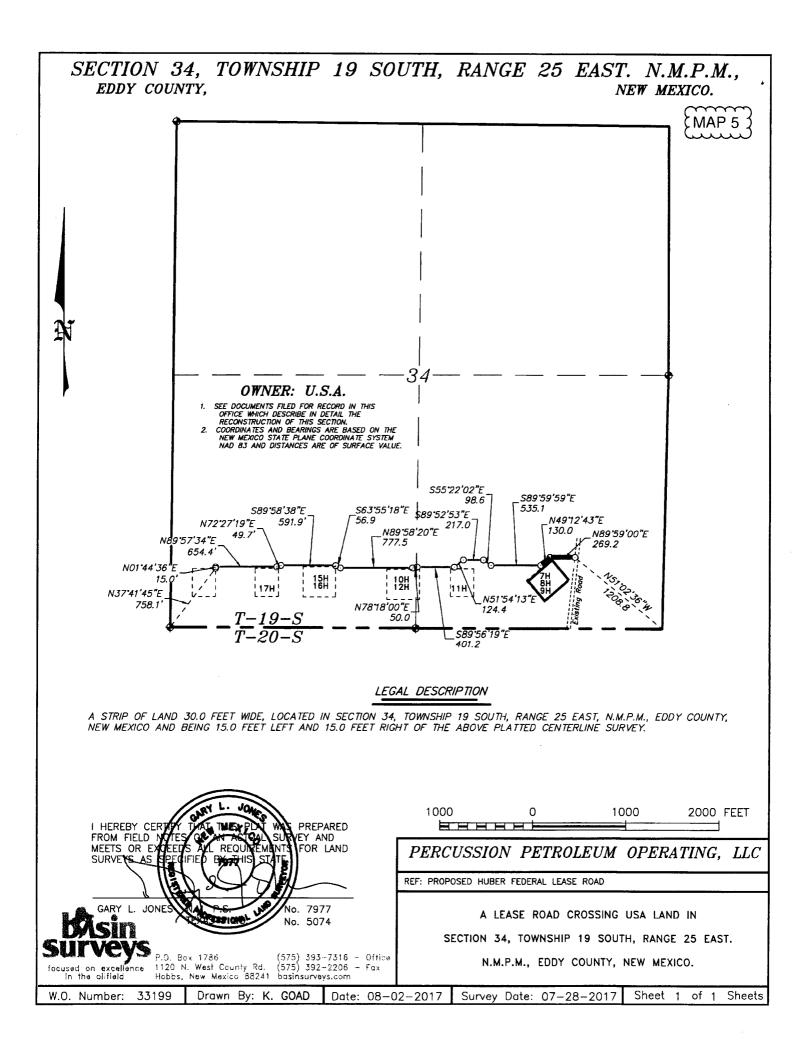
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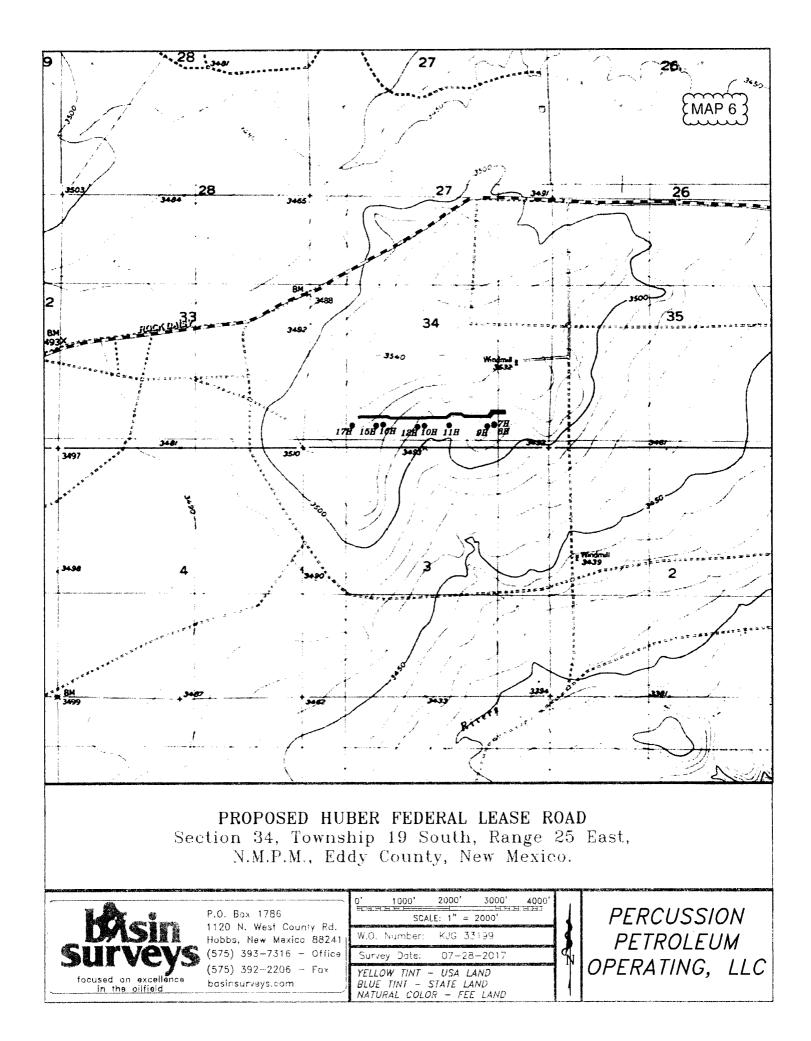


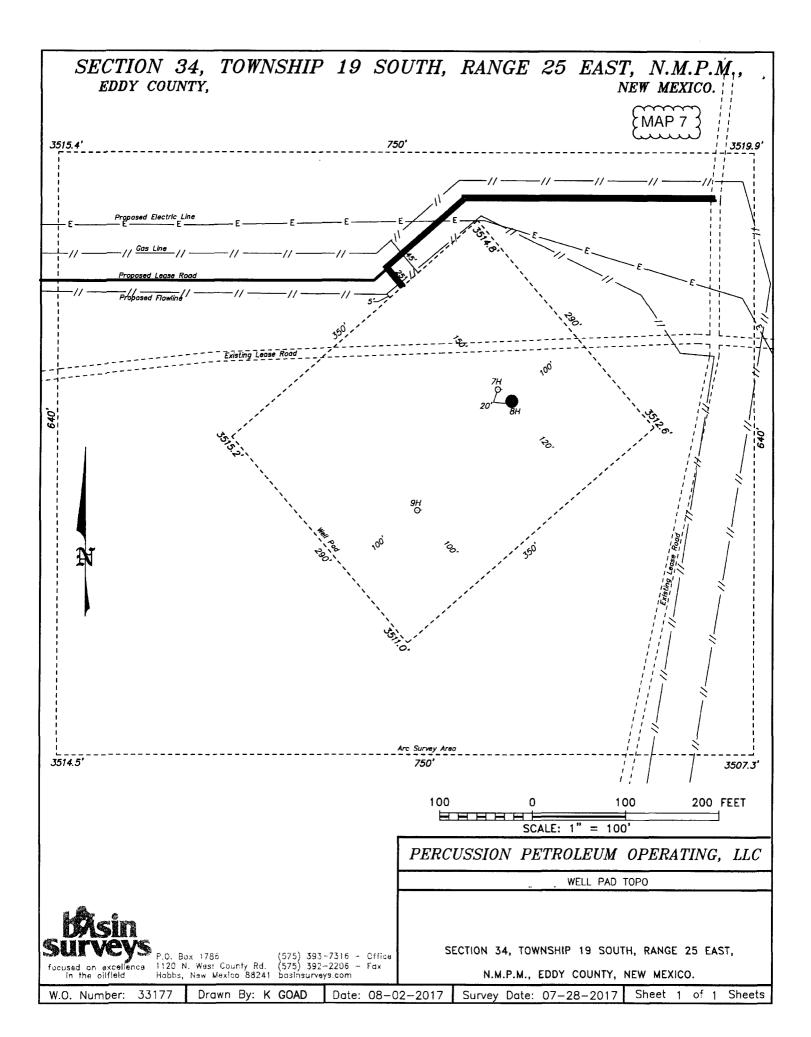


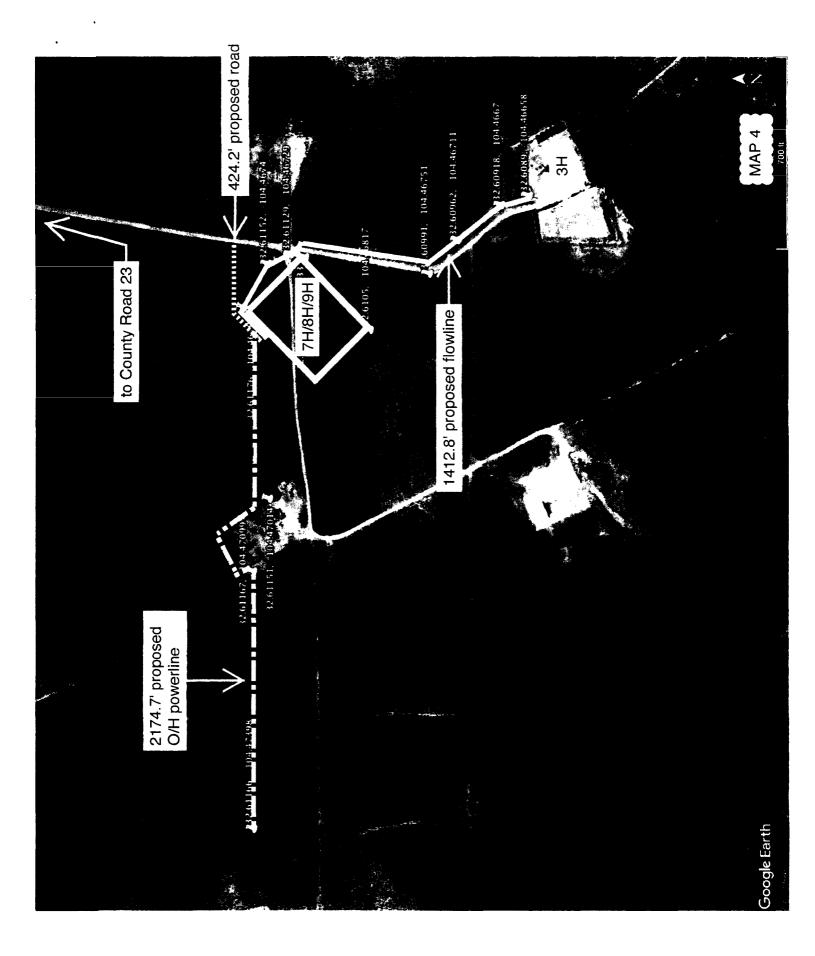


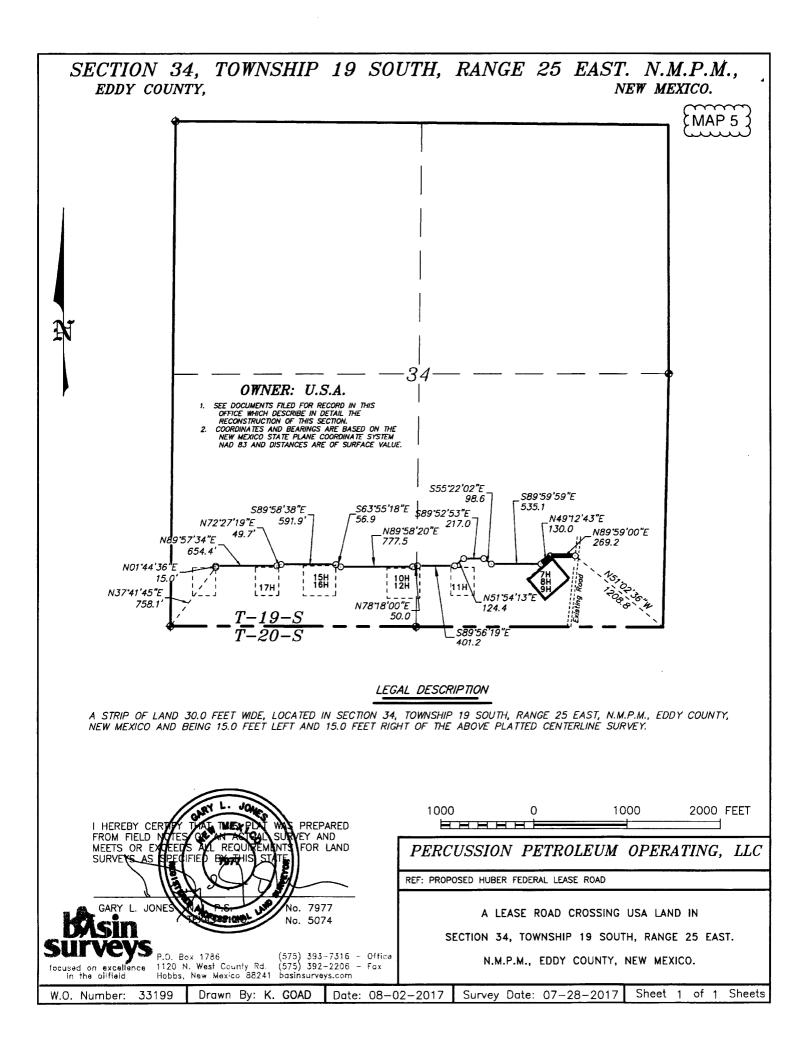


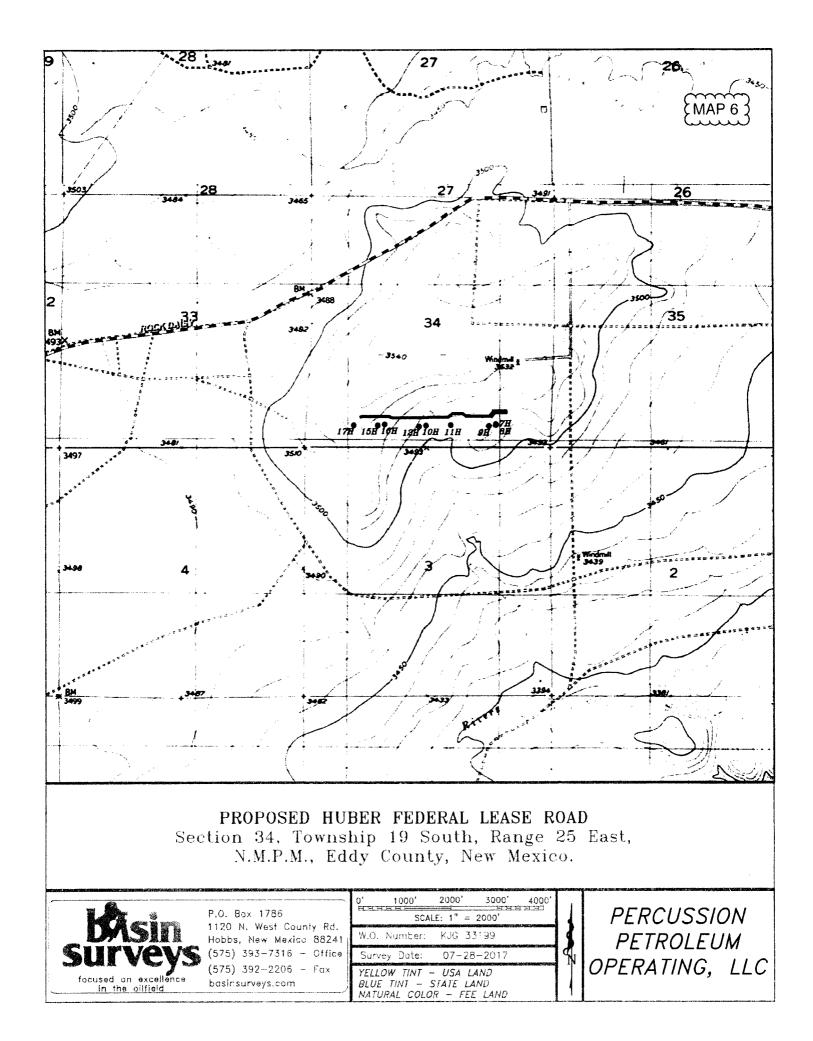


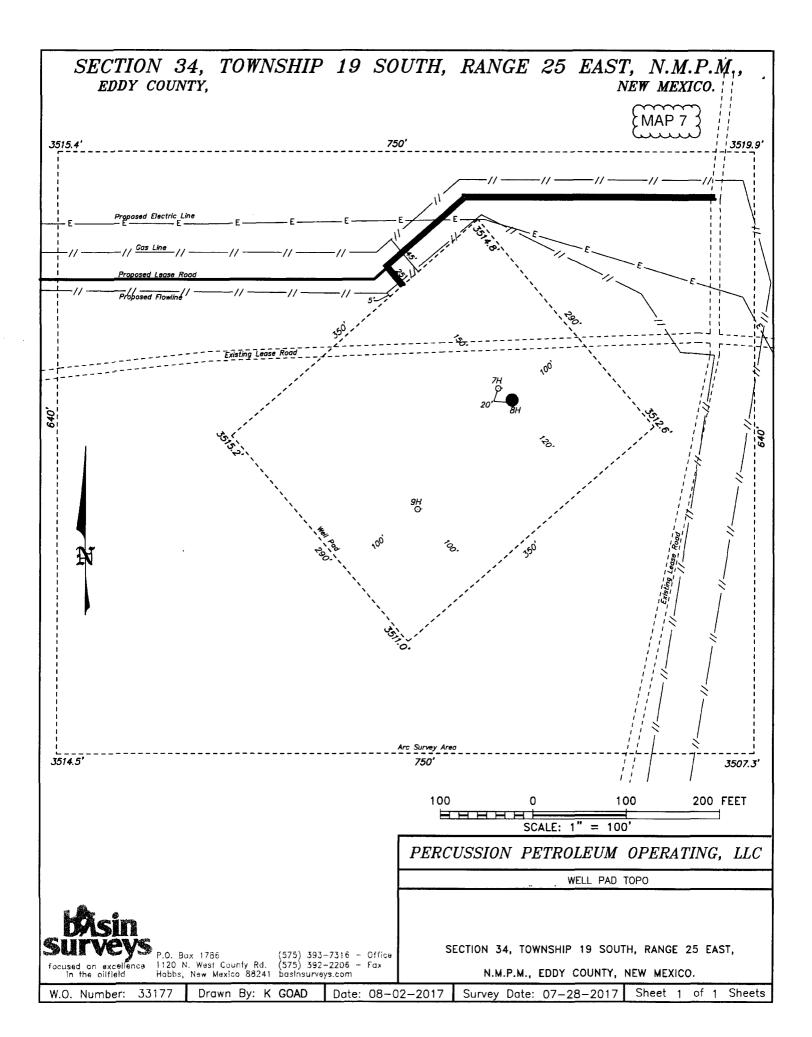


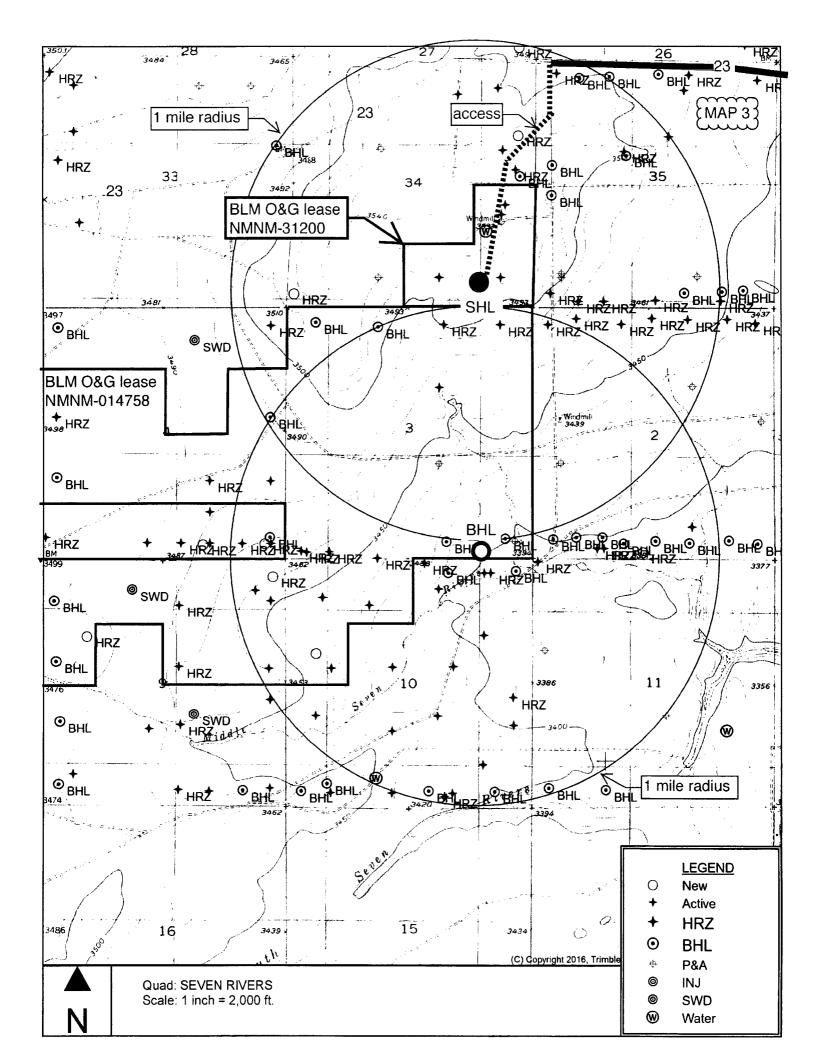


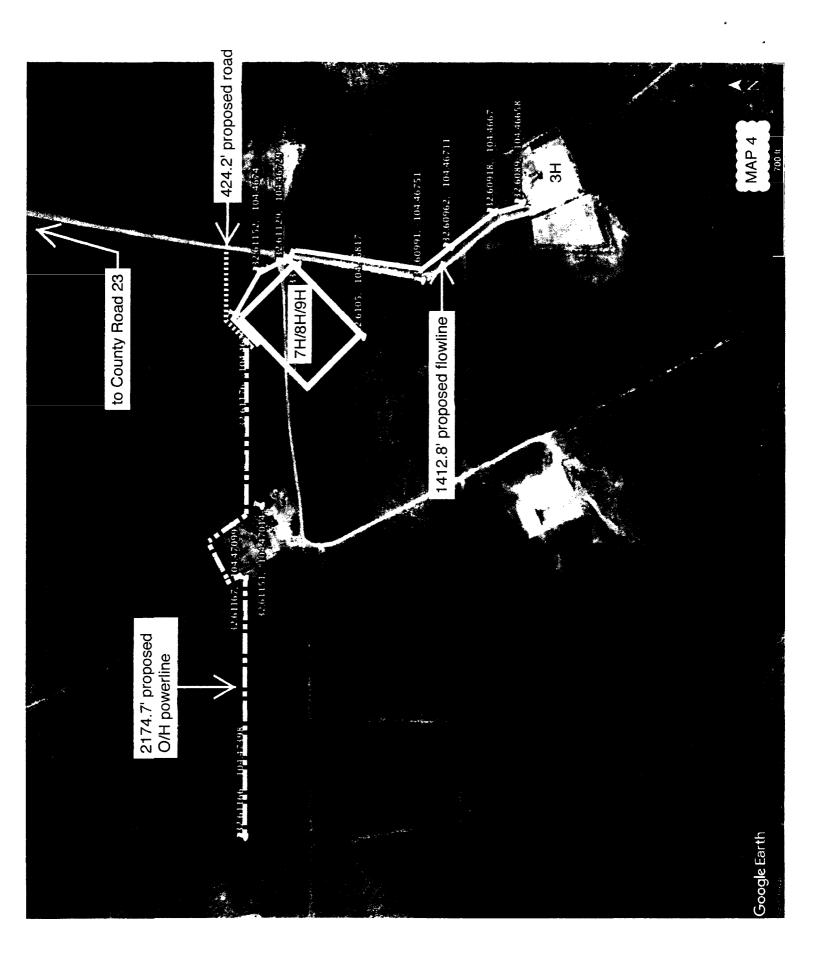


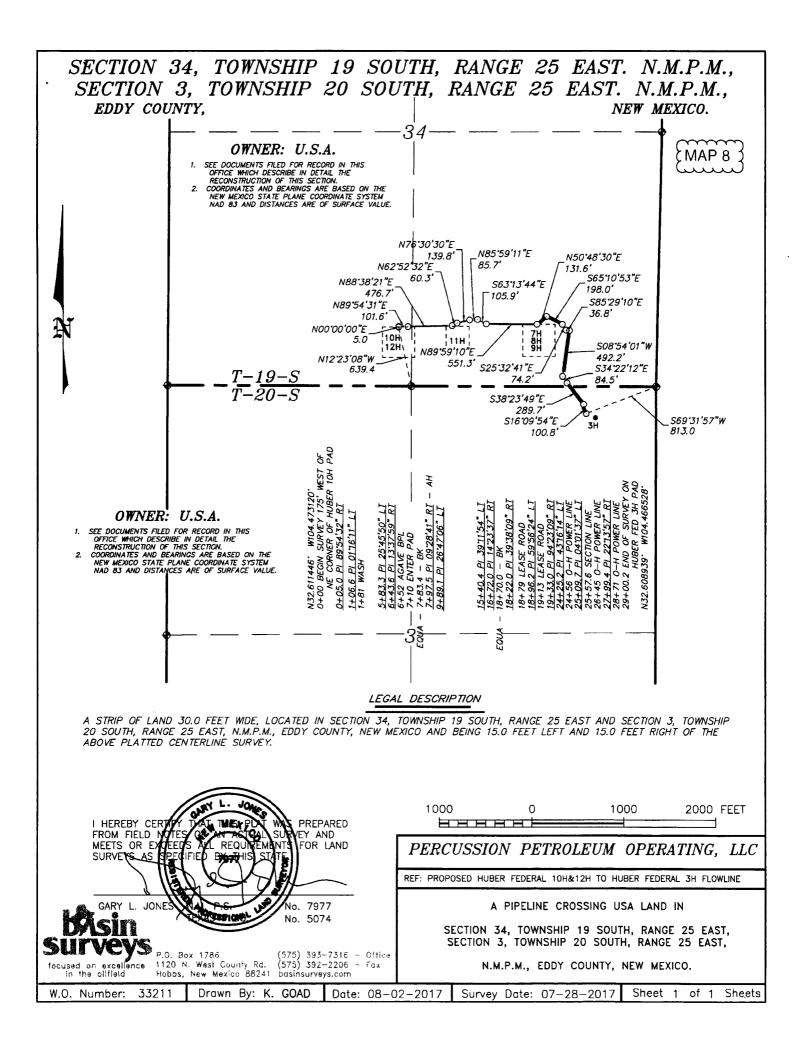


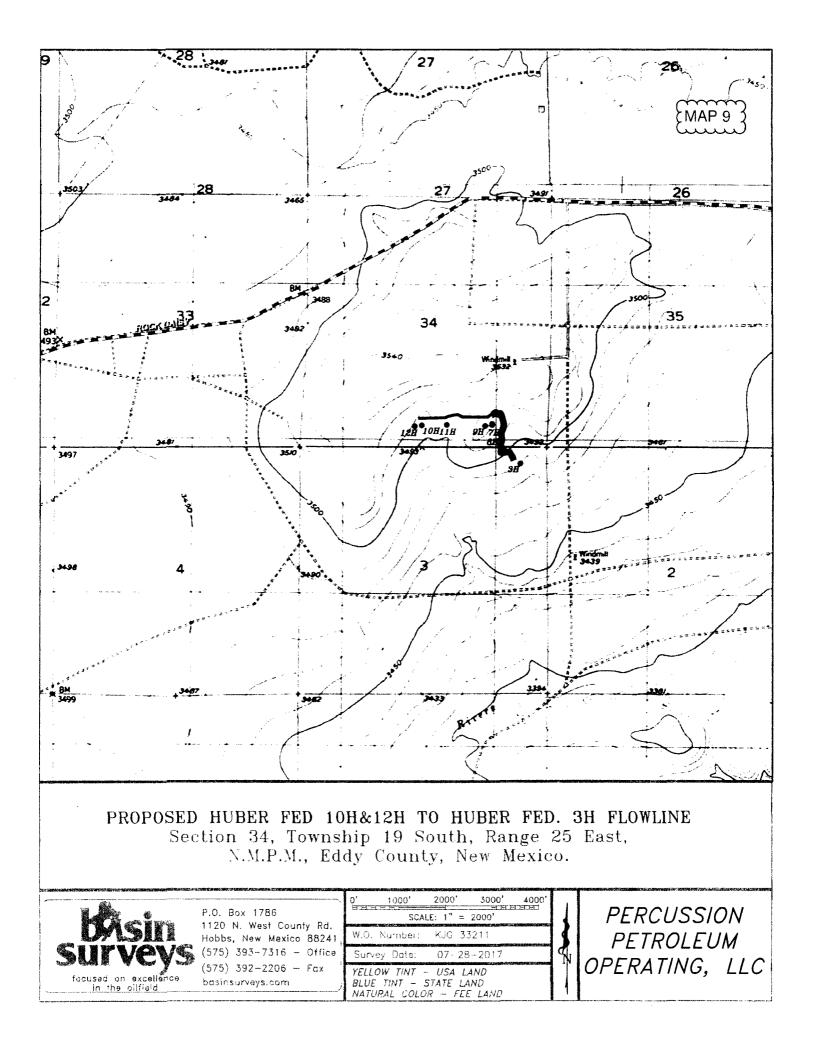


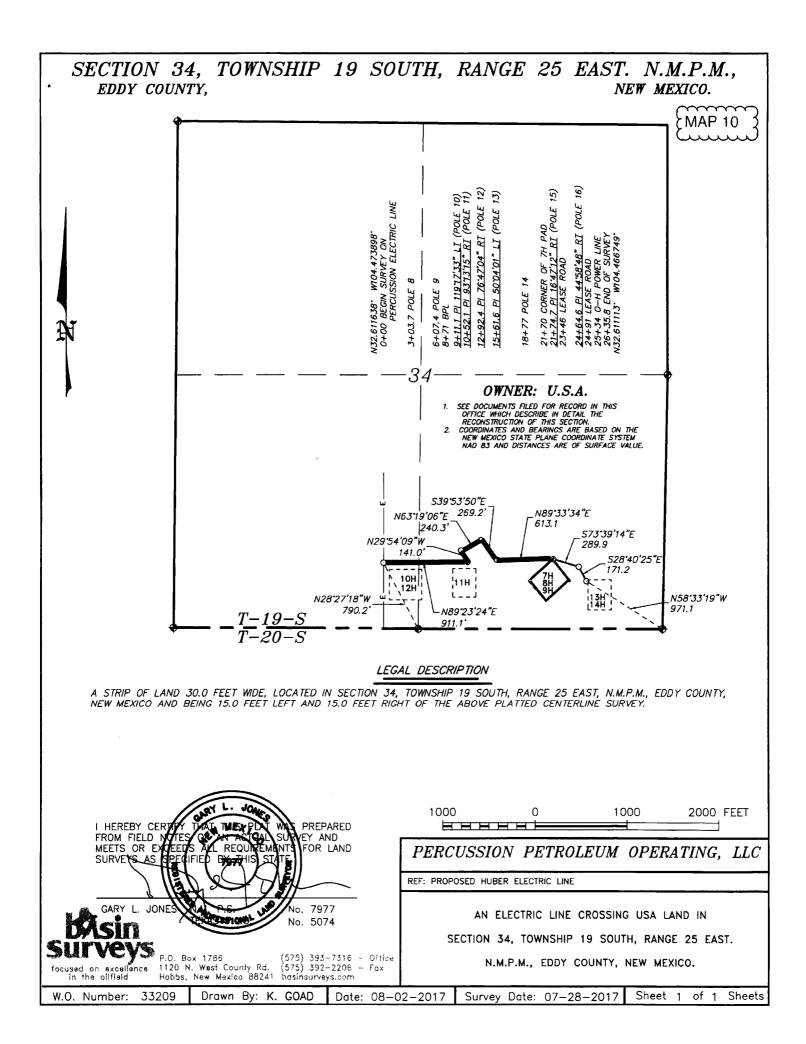


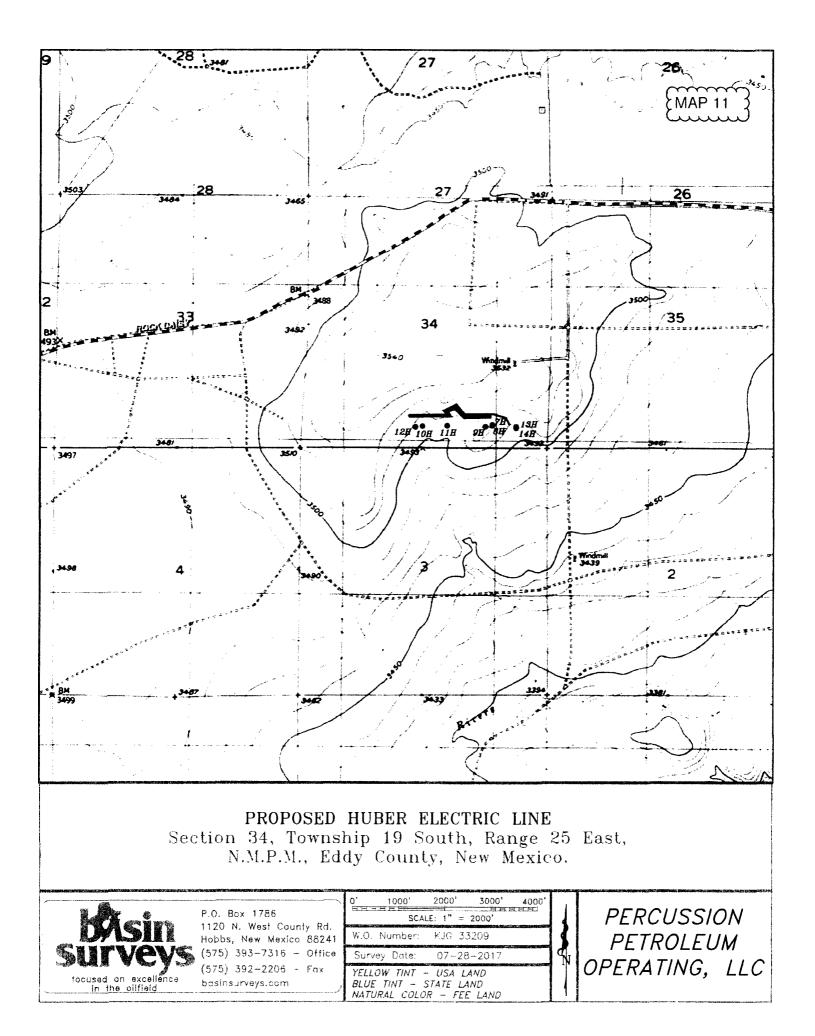




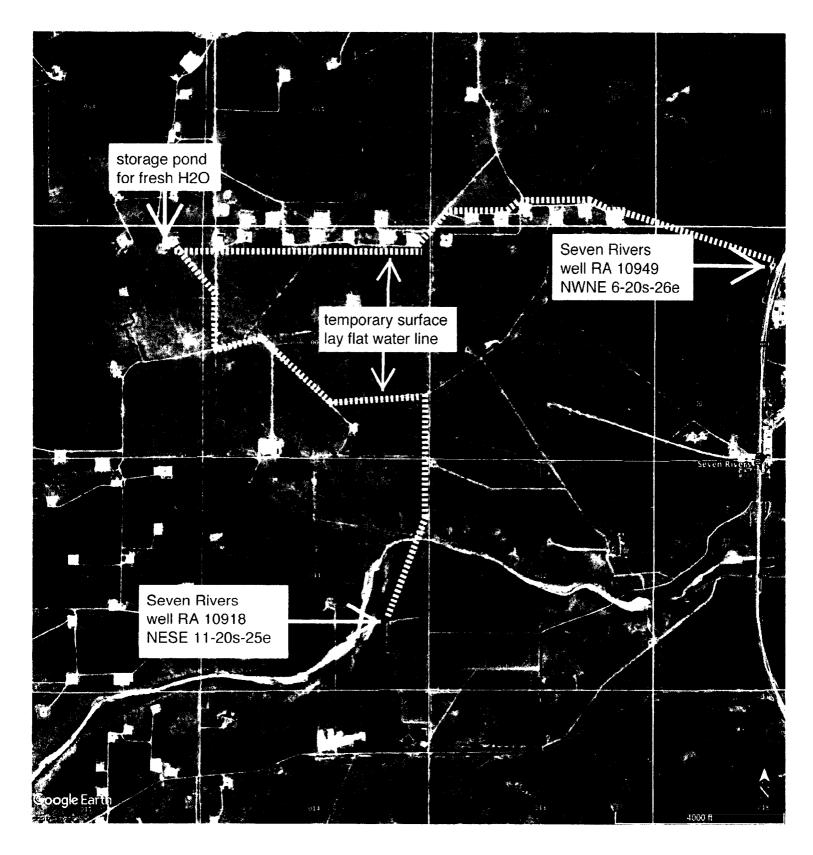


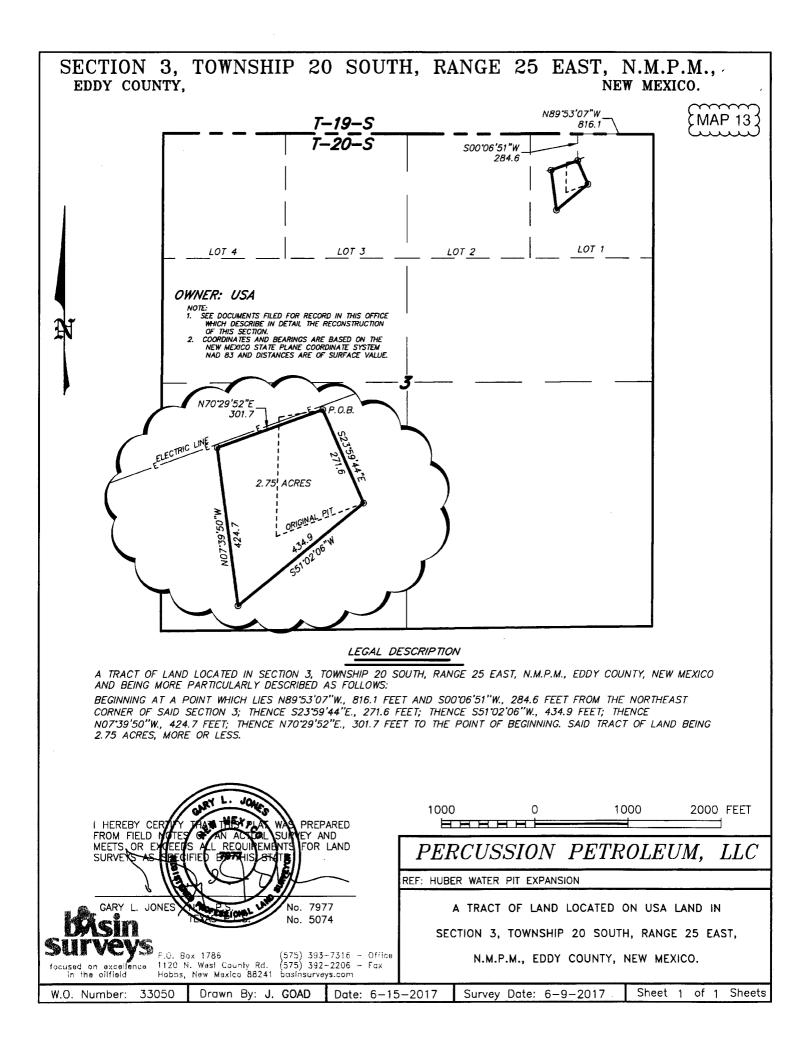


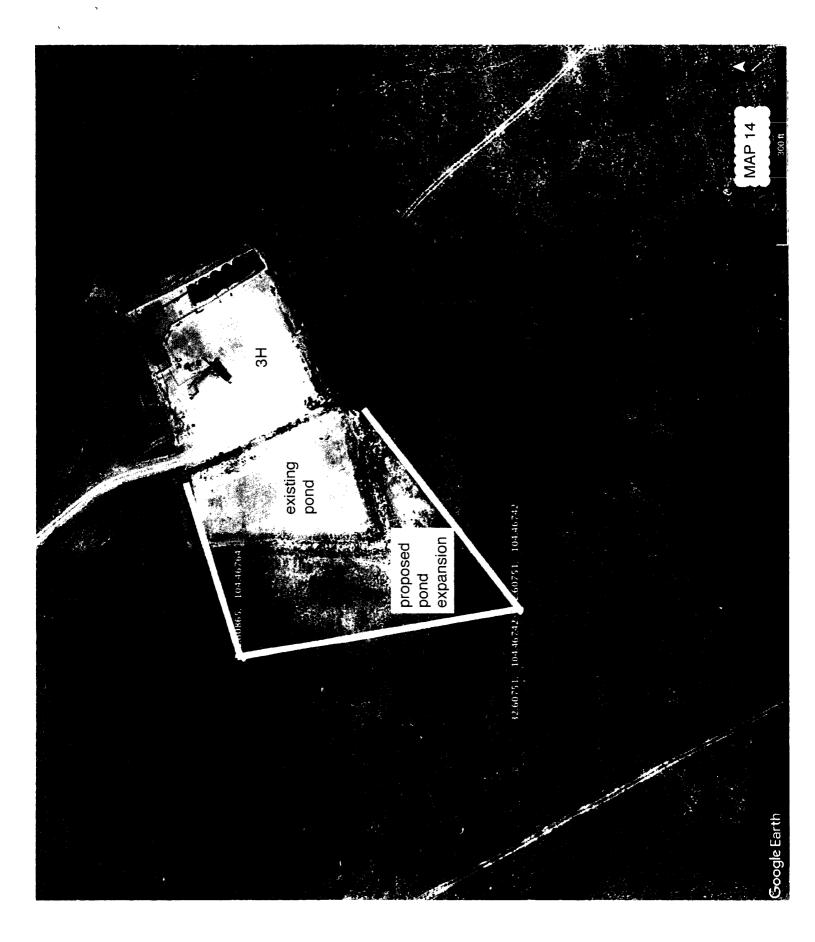


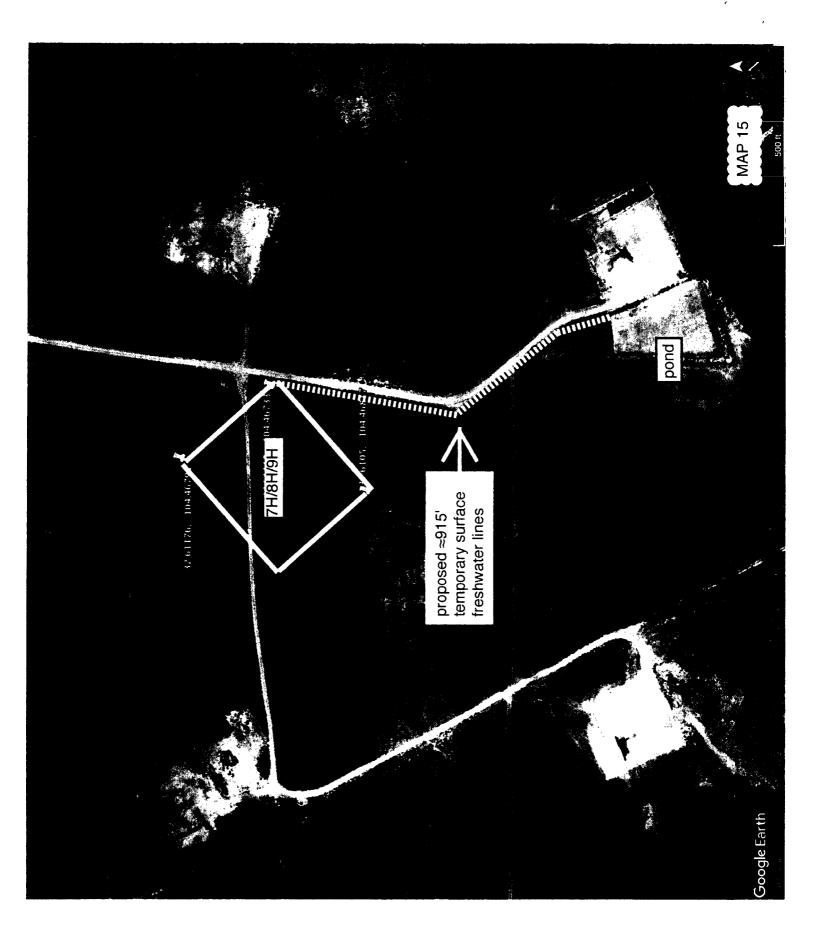


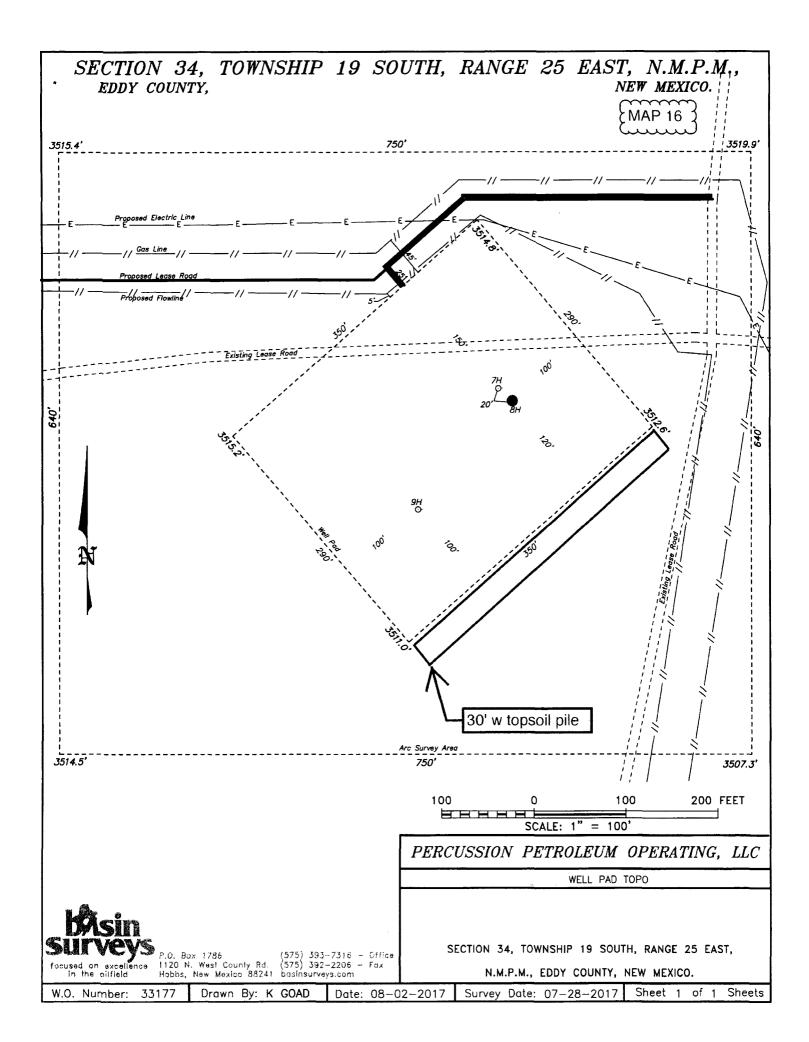
MAP 12

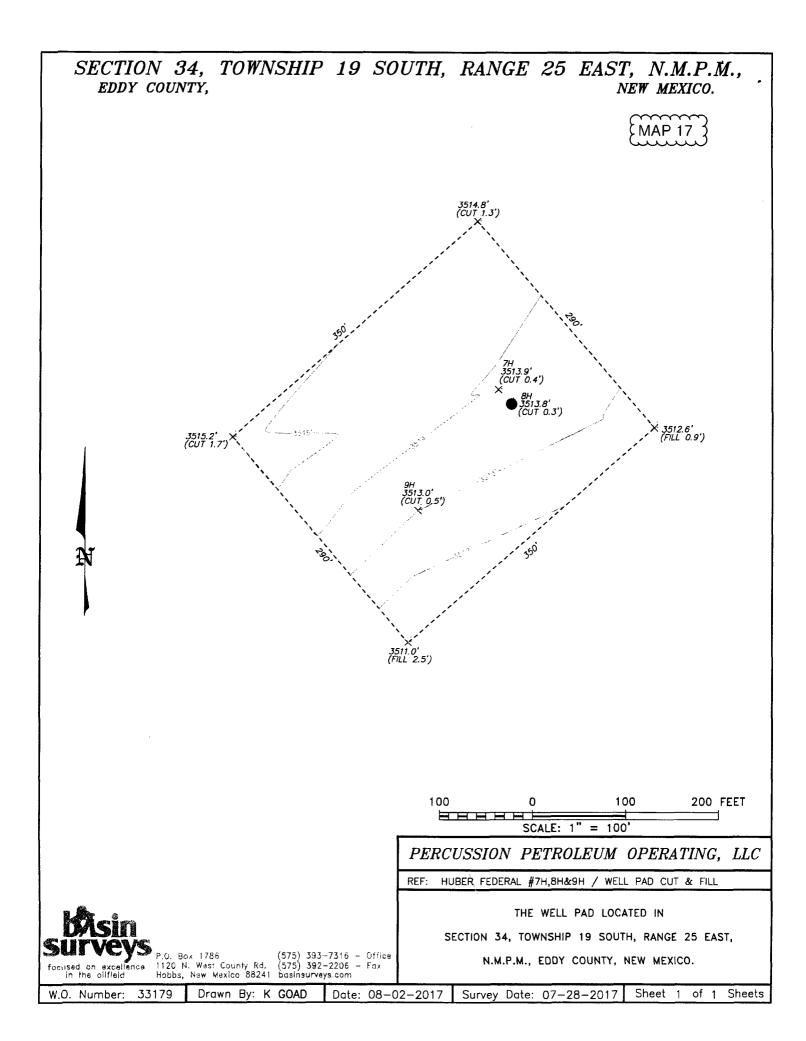




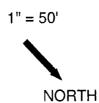




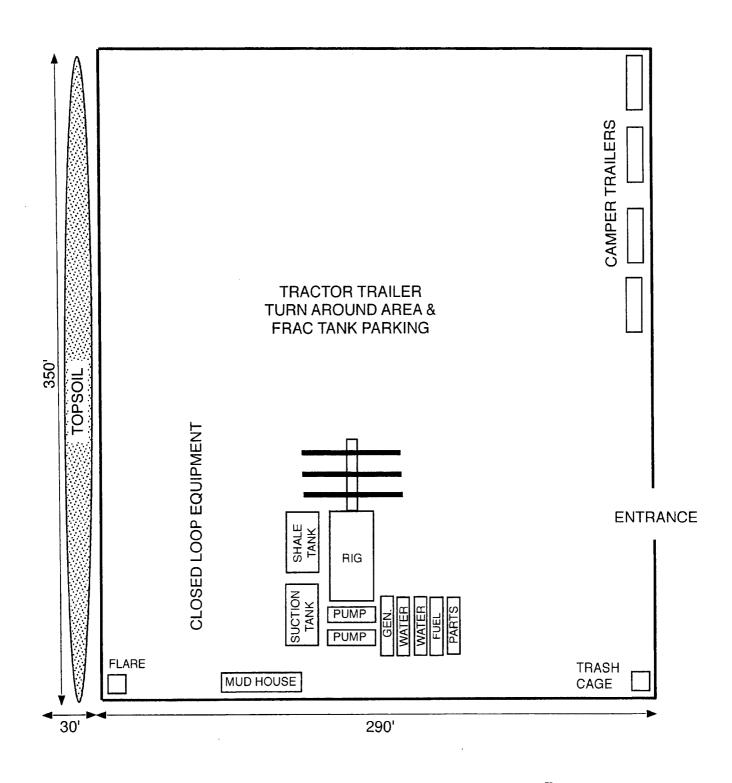




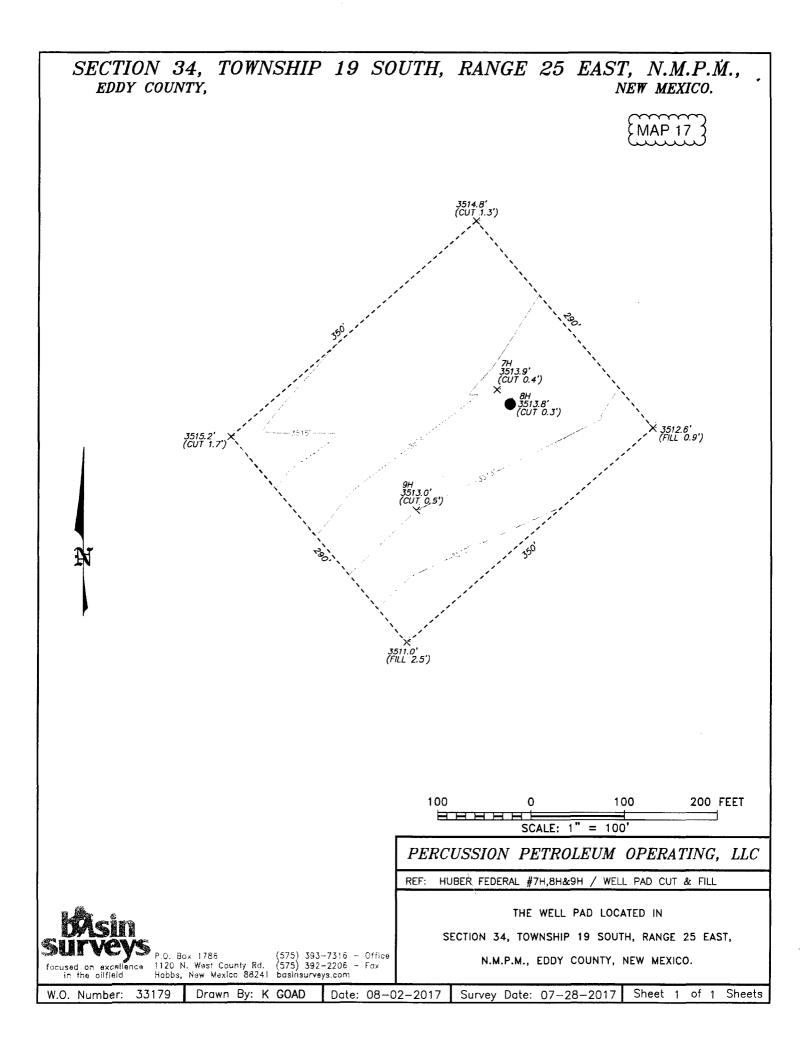
Percussion's Huber Federal 8H rig diagram



Prevailing Wind out of South or SSE







Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM SURFACE PLAN PAGE 1

Surface Use Plan

1. <u>ROAD DIRECTIONS & DESCRIPTIONS</u> (See MAPS 1 – 7)

From the junction of US 82 & US 285 in Artesia... Go South 15.6 miles on US 285 to the equivalent of Mile Post 53.6 Then turn right and go West 3.05 miles on paved County Road 23 (Rock Daisy) Then turn left and go S 0.2 mile on a caliche road Then bear right and go SW 0.75 miles on a caliche road Then turn right and go West 269.2 and Southwest 130' cross-country Then turn left and go Southeast 25' cross-country to the proposed pad

Non-county roads will be maintained as needed to Gold Book standards. This includes pulling ditches, preserving the crown, and cleaning culverts. This will be done at least once a year, and more often as needed.

2. <u>ROAD TO BE BUILT OR UPGRADED</u> (See MAPS 4 - 7)

The 424.2' of new resource road will be crowned and ditched, have a 14' wide driving surface, and be surfaced with caliche. Maximum disturbed width = 30'. Maximum grade = 1%. Maximum cut or fill = 1'. No culvert, cattle guard, or vehicle turn out is needed. Upgrading will consist of patching potholes with caliche and installing a drainage dip in the existing road \approx 100 yards north of the new road.

3. EXISTING WELLS (See MAP 3)

Existing oil, gas, water, and P & A wells are within a mile. No disposal or injection wells are within a mile radius.



Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

4. PROPOSED PRODUCTION FACILITIES (See MAPS 4 & 8-11)

A 2174.7' long overhead raptor safe 3-phase power line will be built west to Percussion's existing power line. A 1412.8' long <6" O D. HDPE flow line will be laid on the surface east and south to the existing tank battery on the 3H pad. Additional equipment will be added west of the existing battery.

5. WATER SUPPLY (See MAPS 12-15)

Water will be piped via one temporary surface 12" Kevlar lay flat pipeline from one of two water wells to a fresh water pond at Percussion's Huber Federal 3H well. Pipeline routes will not be bladed or excavated. Existing unlined pond will be expanded to 2.75 acres and lined with geotextile fabric and 12-30 mil liner.

Primary source will be Seven Rivers' well RA 10949 in NWNE 6-20s-29e. That route is \approx 14,750' long (\approx 2950' private + \approx 5350' State + \approx 6450' BLM).

Secondary source will be Seven Rivers' well RA 10918 in NESE 11-20s-25e. That route is \approx 14,000' long (\approx 6850' of private land + \approx 7150' of BLM).

Two temporary surface 10" Kevlar lay flat pipelines will then be laid \approx 915' north along a road from the pond to 8H. Pipeline route will not be bladed or excavated.

6. <u>CONSTRUCTION MATERIALS & METHODS</u> (See MAPS 16-18)

NM One Call (811) will be notified before construction starts. Top \approx 6" of soil and brush will be stockpiled southeast of the pad. V-door will face southwest. Closed loop drilling system will be used. Caliche will be hauled from existing caliche pits on private land. Arkland caliche pit is in NWNE 23-19s-25e. Seven Rivers caliche pit is in SWSW 6-20s-26e. Griffin caliche pit is in NWNE 14-20s-25e.



SURFACE PLAN PAGE 3

Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage. It will be hauled to the Eddy County landfill. There will be no trash burning. Contents (drill cuttings, mud, salts, and other chemicals) of the mud tanks will be hauled to R360's state approved (NM-01-0006) disposal site at Halfway. Human waste will be disposed of in chemical toilets and hauled to the Artesia wastewater treatment plant.

8. ANCILLARY FACILITIES

There will be no airstrip or camp. Camper trailers will be on location for the company man, tool pusher, and mud logger.

9. WELL SITE LAYOUT (See MAPS 16 & 17)

Also see Rig Layout diagram for depictions of the well pad, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. <u>RECLAMATION</u>

Interim reclamation will be completed within 6 months of completing the well. Interim reclamation will consist of shrinking the pad $\approx 21\%$ (0.50 acre) by removing caliche and reclaiming 25' on the northeast, southeast, and southwest sides. This will leave 1.83 acres for the anchors, pump jacks, and tractor-trailer turn around. Disturbed areas will be contoured to match pre-construction grades. Soil and brush will be evenly spread over disturbed areas and harrowed on the contour. Disturbed areas will be seeded in accordance with BLM's requirements.

Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. Once the well is plugged, then the rest of the pad and



SURFACE PLAN PAGE 4

Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

new road will be similarly reclaimed within 6 months of plugging. Noxious weeds will be controlled.

Land use:

 $424.2' \times 30' \operatorname{road} = 0.29 \operatorname{acres}$ $1412.8' \times 30' \operatorname{flow} \operatorname{line} = 0.97 \operatorname{acres}$ $2174.7' \times 30' \operatorname{power} \operatorname{line} = 1.50 \operatorname{acres}$ $20' \times 14,750' \operatorname{water} \operatorname{line} \operatorname{to} \operatorname{pond} = 6.77 \operatorname{acres}$ $20' \times 915' \operatorname{water} \operatorname{line} \operatorname{from} \operatorname{pond} = 0.42 \operatorname{acres}$ $\operatorname{fresh} \operatorname{water} \operatorname{pond} = 2.75 \operatorname{acres}$ $+ 290' \times 350' \operatorname{pad} = 2.33 \operatorname{acres}$ $15.03 \operatorname{acres} \operatorname{short} \operatorname{term}$ $- 0.97 \operatorname{acres} \operatorname{flow} \operatorname{line}$ $- 1.50 \operatorname{acres} \operatorname{power} \operatorname{line}$ $- 20' \times 14,750' \operatorname{water} \operatorname{line} \operatorname{to} \operatorname{pond} = 6.77 \operatorname{acres}$ $4.87 \operatorname{acres} \operatorname{long} \operatorname{term} (2.75 \operatorname{ac}, \operatorname{pond} + 0.29 \operatorname{ac}, \operatorname{road} + 1.83 \operatorname{ac}, \operatorname{pad})$

11. SURFACE OWNER

All construction will be on BLM land managed by the Carlsbad Field Office, 620 E. Greene St., Carlsbad NM 88220. Phone number is 575 234-5972.

12. OTHER INFORMATION

On site inspection was held with Jim Goodbar and Jessie Bassett (both BLM) on July 18, 2017.

Lone Mountain consulted (LMAS 2311) with BLM's Bruce Boeke on May 22, 2017 and August 9 (LMAS 2362). It was determined no archaeology survey was needed due to previous coverage.



Percussion Petroleum Operating, LLC Huber Federal 8H SHL 542' FSL & 1172' FEL 34-19S-25E BHL 20' FSL & 1054' FEL 3-20S-25E Eddy County, NM

CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of false statements. Executed this 2nd day of September, 2017.

Brian Wood, Consultant Permits West, Inc. 37 Verano Loop, Santa Fe, NM 87508 (505) 466-8120 FAX: (505) 466-9682

Cellular: (505) 699-2276

Field representative will be: Lelan Anders, Operations Manager Percussion Petroleum Operating, LLC 919 Milam, Suite 2475 Houston TX 77002 Office: (713) 429-1291 Mobile: (281) 908-1752





BUREAU OF LAND MANAGEMENT



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO **Produced Water Disposal (PWD) Location:** PWD surface owner: Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: Pit liner description: Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount: Additional bond information attachment:

PWD disturbance (acres):

Šection 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type: Injection well number: Assigned injection well API number? Injection well new surface disturbance (acres): Minerals protection information: Mineral protection attachment: Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Surface discharge PWD discharge volume (bbl/day): Surface Discharge NPDES Permit? Surface Discharge NPDES Permit attachment: Surface Discharge site facilities information: Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment: Have other regulatory requirements been met? Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):

FAFMSS

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U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001424

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

