

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*Release Serial No.
15291

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
HUBER FEDERAL 15H

2. Name of Operator

PERCUSSION PETRO OPERATING LLC

Contact: LELAN ANDERS

Email: leland@percussionpetroleum.com

9. API Well No.
30-015-44719-00-X1

3a. Address

919 MILAM STREET SUITE 2475
HOUSTON, TX 77002

3b. Phone No. (include area code)

Ph: 713-429-1291

10. Field and Pool or Exploratory Area
SEVEN RIVERS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 T19S R25E SESW 476FSL 1523FWL
32.611042 N Lat, 104.476295 W Lon

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☒ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Hydraulic Fracturing☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Changing the production casing due to new frac designs and ESP limits - see attached revised drill plan.

RECEIVED

AUG 07 2018

DISTRICT II-ARTESIA O.C.D.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #426674 verified by the BLM Well Information System
For PERCUSSION PETRO OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 07/10/2018 (18PP2167SE)

Name (Printed/Typed) BRIAN WOOD

Title CONSULTANT

Signature (Electronic Submission)

Date 07/09/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

/s/ Jonathon Shepard

Title

Petroleum Engineer
Carlsbad Field OfficeJUL 18 2018
Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

RuP - 8-8-18.

Percussion Petroleum Operating, LLC
Huber Federal 15H
SHL 476' FSL & 1523' FWL 34-19S-25E
BHL 20' FSL & 1372' FWL 3-20S-25E
Eddy County, NM

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Drilling Program

1. ESTIMATED TOPS (no change)

Formation/Lithology	TVD	MD	Contents
Quaternary caliche	000'	000'	water
Grayburg dolomite	651'	651'	hydrocarbons
San Andres dolomite	836'	836'	hydrocarbons
(KOP	2000'	2000'	hydrocarbons)
Glorieta silty dolomite	2396'	2438'	hydrocarbons
Yeso dolomite	2551'	3200'	hydrocarbons & goal
TD	2569'	8030'	hydrocarbons

2. NOTABLE ZONES (no change)

Yeso is the goal. Closest water well (RA 02958) is $\geq 2315'$ northeast. Depth to water was not recorded in this 450' deep well.

3. PRESSURE CONTROL (no change)

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 10-minutes 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.

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4. CASING & CEMENT (change to tapered string & reduce cement volume)

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' - 1286'	0' - 1286'	Surface 9.625"	36	J-55	STC	1.125	1.125	1.8
8.87"	0' - 2275'	0' - 2272'	1 st Product. 7"	32	L-80	BTC	1.125	1.125	1.8
8.75"	2275' - 8030'	2272' - 2569'	2 nd Product. 5.5"	17	L-80	BTC	1.125	1.125	1.8

Casing Name	Type	Sacks	Yield	Cu. Ft.	Weight	Blend
Surface	Lead	640	1.32	845	14.8	Class C + 2% CaCl + ¼ pound per sack celloflake
TOC = GL		100% Excess			centralizers per Onshore Order 2	
Production	Lead	440	1.97	867	12.6	65/65/6 Class C + 6% gel + 5% salt + ¼ #/sack celloflake + 0.2% C41-P
	Tail	1420	1.32	1874	14.8	Class C + 2% CaCl + ¼ pound per sack celloflake
TOC = GL		>50% Excess			1 centralizer on 1 st collar and every 10 th collar to 1200' + 1 inside the surface casing	

5. MUD PROGRAM (no change)

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.

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Type	Interval (MD)	lb/gal	Viscosity	Fluid Loss	Plastic Viscosity	Yield Point
fresh water/gel	0' - 1286'	8.4 - 9.2	36-42	NC	3-5	5-7
fresh water/cut brine	1286' - 2000'	8.3 - 9.2	28-30	NC	1	1
cut brine	2000' - 8030'	8.6 - 9.2	29-32	NC	4-5	6-10

6. CORES, TESTS, & LOGS (no change)

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 change)

No abnormal pressure or temperature is expected. Maximum expected bottom hole pressure is ≈ 1101 psi. Expected bottom hole temperature is $\approx 108^{\circ}$ F.

A Hydrogen Sulfide Drilling Operation Plan is attached.

8. OTHER INFORMATION (no change)

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.