

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 245439 WELL API NUMBER 30-015-44365 5. Indicate Type of Lease P 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name GOODMAN 22																																																
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)																																																		
1. Type of Well: O		8. Well Number 006H																																																
2. Name of Operator PERCUSSION PETROLEUM OPERATING, LLC		9. OGRID Number 371755																																																
3. Address of Operator 919 Milam, Suite 2475, Houston , TX 77002		10. Pool name or Wildcat																																																
4. Well Location Unit Letter <u>K</u> : <u>1474</u> feet from the <u>S</u> line and feet <u>2366</u> from the <u>W</u> line Section <u>22</u> Township <u>19S</u> Range <u>25E</u> NMPM _____ County <u>Eddy</u>																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3458 GR																																																		
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK ☐</td> <td>PLUG AND ABANDON ☐</td> <td>REMEDIAL WORK ☐</td> <td>ALTER CASING ☐</td> </tr> <tr> <td>TEMPORARILY ABANDON ☐</td> <td>CHANGE OF PLANS ☐</td> <td>COMMENCE DRILLING OPNS. ☐</td> <td>PLUG AND ABANDON ☐</td> </tr> <tr> <td>PULL OR ALTER CASING ☐</td> <td>MULTIPLE COMPL ☐</td> <td>CASING/CEMENT JOB ☐</td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> ☒</td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐	TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐	PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐		Other: _____		Other: <u>Drilling/Cement</u> ☒																													
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:																																																
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐																																															
TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐																																															
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐																																																
Other: _____		Other: <u>Drilling/Cement</u> ☒																																																
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Drill Yeso horizontal to 7998' TD. See comments.11/1/2017 Spudded well.																																																		
Casing and Cement Program <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>11/02/17</td> <td>Surf</td> <td>FreshWater</td> <td>12.25</td> <td>9.625</td> <td>36</td> <td>J55</td> <td>0</td> <td>1220</td> <td>617</td> <td>1.55</td> <td>C</td> <td>68</td> <td>900</td> <td>0</td> <td>N</td> </tr> <tr> <td>11/11/17</td> <td>Prod</td> <td>FreshWater</td> <td>8.75</td> <td>5.5</td> <td>17</td> <td>L80</td> <td>0</td> <td>7998</td> <td>2165</td> <td>1.41</td> <td>C</td> <td>0</td> <td></td> <td></td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	11/02/17	Surf	FreshWater	12.25	9.625	36	J55	0	1220	617	1.55	C	68	900	0	N	11/11/17	Prod	FreshWater	8.75	5.5	17	L80	0	7998	2165	1.41	C	0			N
Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole																																			
11/02/17	Surf	FreshWater	12.25	9.625	36	J55	0	1220	617	1.55	C	68	900	0	N																																			
11/11/17	Prod	FreshWater	8.75	5.5	17	L80	0	7998	2165	1.41	C	0			N																																			
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐																																																		
<table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Chief Operating Officer</u></td> <td>DATE</td> <td><u>12/4/2017</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Lupe Carrillo</u></td> <td>E-mail address</td> <td><u>Lupe@percussionpetroleum.com</u></td> <td>Telephone No.</td> <td><u>713-589-9509</u></td> </tr> </table>			SIGNATURE	<u>Electronically Signed</u>	TITLE	<u>Chief Operating Officer</u>	DATE	<u>12/4/2017</u>	Type or print name	<u>Lupe Carrillo</u>	E-mail address	<u>Lupe@percussionpetroleum.com</u>	Telephone No.	<u>713-589-9509</u>																																				
SIGNATURE	<u>Electronically Signed</u>	TITLE	<u>Chief Operating Officer</u>	DATE	<u>12/4/2017</u>																																													
Type or print name	<u>Lupe Carrillo</u>	E-mail address	<u>Lupe@percussionpetroleum.com</u>	Telephone No.	<u>713-589-9509</u>																																													
For State Use Only: <table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Raymond Podany</u></td> <td>TITLE</td> <td><u>Geologist</u></td> <td>DATE</td> <td><u>12/6/2017 8:52:06 AM</u></td> </tr> </table>			APPROVED BY:	<u>Raymond Podany</u>	TITLE	<u>Geologist</u>	DATE	<u>12/6/2017 8:52:06 AM</u>																																										
APPROVED BY:	<u>Raymond Podany</u>	TITLE	<u>Geologist</u>	DATE	<u>12/6/2017 8:52:06 AM</u>																																													

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Comments
 Permit 245439

DRILLING COMMENTS

Operator: PERCUSSION PETROLEUM OPERATING, LLC 919 Milam Houston , TX 77002	OGRID:
	371755
	Permit Number: 245439
	Permit Type: Drilling

Comments

Created By	Comment	Comment Date
LUPECARRILLO	11/1/2017: Spud well at 2:00 PM. Drilled 1220' of 12-1/4" surface hole and ran 9-5/8" 36# J55 LTC surface casing.	12/4/2017
LUPECARRILLO	11/3/2017: Basic Energy Services cemented w/ 550sx (225sx 12.8ppg lead, 325sx 14.8ppg tail) class C cement w/ additives (gel, salt, celloflake). 78sx cement circulated to surface but cement dropped. Ran temp log to determine TOC at 68'. Topped-off w/ 67sx 14.8ppg class C cement. WOC 8 hours and pressure tested to 900psi. Tested good.	12/4/2017
LUPECARRILLO	11/4/2017: Drilled 8-3/4" production hole from 1220' to 7998'.	12/4/2017
LUPECARRILLO	11/10/2017: TD'd well at 7998' and ran 5-1/2" 17# L80 MJB-T production casing.	12/4/2017
LUPECARRILLO	11/11/2017: Basic Energy Services cemented w/ 2165sx (230sx 12.6ppg lead, 1935sx 14.8ppg tail) class C cement w/ additives. 353sx cement circulated to surface.	12/4/2017
LUPECARRILLO	11/12/2017: Released rig at 6:00 AM.	12/4/2017
RKlein	Length of pressure tests on each string of casing needs to be included.	12/5/2017