



Percussion Petroleum LLC

Radiohead 3H and 4H

April 4, 2019

CASE NO. 20370

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF PERCUSSION
PETROLEUM OPERATING, LLC FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. 20370

AFFIDAVIT OF JOE DICHARA

Joe Dichara, of lawful age and being first duly sworn, declares as follows:

1. My name is Joe Dichara. I work for Percussion Petroleum Operating, LLC ("Percussion") as a Landman.
2. I have previously testified before the Oil Conservation Division by affidavit.
3. I am familiar with the application filed by Percussion in this matter and with the status of the lands in the subject area.
4. In Case No. 20370, Percussion seeks an order pooling all uncommitted interests in the Atoka; Glorieta Yeso Pool (3250) from a depth of 3,201 feet to the base of the Pool in the 200-acre horizontal spacing comprised of the N/2 S/2 of Section 28 and the NE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
5. The proposed horizontal spacing unit is to be dedicated to the following two wells: (1) the **Radiohead 3H Well**, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 27 to a standard bottom-hole location in the NE/4 SE/4 (Unit I) of Section 29; and (2) the **Radiohead 4H Well**, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 27 to a standard bottom-hole location in the NE/4 SE/4 (Unit I) of Section 29.

6. **Percussion Exhibit No. 1A** contains a draft Form C-102 for each of the proposed wells. All lands in the proposed spacing units is fee acreage.

7. A depth severance exists in the Yeso formation in the horizontal spacing unit. Accordingly, Percussion seeks to pool only a portion of the Atoka; Glorieta Yeso Pool from 3,201 feet to the bottom of the Yeso formation, at a stratigraphic equivalent of 4,460 feet measured depth, as defined in the Gamma Ray-Neutron Log of the Len Mayer 1 Well (API No. 30-015-05926).

8. The depth severance was created by virtue of an assignment between two predecessors in interest. This document defines the depth severance as 3,200 feet.

9. Ownership is different above and below the depth severance line. **Percussion Exhibit 1B** identifies ownership by tract in the proposed spacing unit. Percussion seeks to pool those interest owners highlighted in green. All interests that Percussion seeks to pool are working interest owners, overriding royalty interest owners, and unleased mineral interest owners.

10. Percussion has proposed to drill and complete horizontal wells and has filed a separate application to force pool all uncommitted interests within the Atoka; Glorieta Yeso Pool above the depth severance in this acreage. That case, designated Case No. 20229, was presented to the Division on March 7, 2019 and has been taken under advisement.

11. No interest owner that Percussion seeks to pool has indicated opposition to Percussion presenting this case by affidavit.

12. **Percussion Exhibit 1C** contains a sample of the well proposal letters and offers to lease along with an AFE that was sent to working interest owners for each well.

13. In addition to sending well proposal letters, AFEs, and offers to lease, I have called or emailed each of the interest owners Percussion seeks to pool and attempted to reach an

agreement with them. In my opinion, I have made a good faith effort to reach an agreement with each of the parties that Percussion seeks to pool.

14. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area in each of these formations.

15. In compiling these notice lists, Percussion conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. All interest owners were locatable.

16. In addition to parties Percussion seeks to compulsory pool, I provided notice of these applications to the vertical offsets who would be excluded from the spacing unit Percussion seeks to create. All parties received notice and did not object to Percussion's plan to pool only a portion of the pool in each of the cases.

17. Percussion has estimated the overhead and administrative costs for drilling and producing the proposed wells at \$7,000 per month while drilling and \$700 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

18. Percussion Exhibit Nos. 1A through 1C were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Joe Dichiara
Joe Dichiara

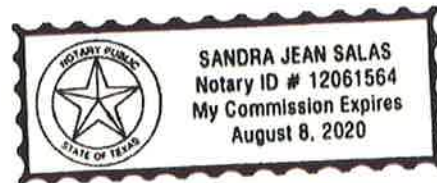
STATE OF TEXAS)
COUNTY OF Harris)

SUBSCRIBED and SWORN to before
me this 3rd day of April 2019 by Joe Dichiara.

Sandra Jean Salas
NOTARY PUBLIC

My Commission Expires:

August 8, 2020



12237180_1

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name RADIOHEAD			⁶ Well Number 3H
⁷ OGRID NO.		⁸ Operator Name PERCUSSION PETROLEUM, LLC			⁹ Elevation 3350'

¹⁰ Surface Location

UL or lot no. L	Section 27	Township 18S	Range 26E	Lot Idn	Feet from the 2079	North/South line SOUTH	Feet From the 673	East/West line WEST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. I	Section 29	Township 18S	Range 26E	Lot Idn	Feet from the 1726	North/South line SOUTH	Feet from the 1300	East/West line EAST	County EDDY
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶

GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 624679.8 - E: 528132.6
LAT: 32.7172779° N
LONG: 104.3762691° W

FIRST TAKE POINT (FTP)
1731' FSL & 100' FEL SEC. 28
N: 624333.8 - E: 527359.0
LAT: 32.7163259° N
LONG: 104.3787839° W

LAST TAKE POINT (LTP)
1726' FSL & 1220' FEL SEC. 29
N: 624355.5 - E: 520929.0
LAT: 32.7163762° N
LONG: 104.3996909° W

BOTTOM HOLE (BH)
N: 624355.6 - E: 520849.0
LAT: 32.7163764° N
LONG: 104.3999509° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND FENCE POST
N: 622614.8 - E: 516841.1

B: CALCULATED CORNER
N: 627902.6 - E: 516889.4

C: CALCULATED CORNER
N: 627898.4 - E: 522165.5

D: FOUND NAIL
N: 627894.1 - E: 527461.9

E: FOUND 5/8" REBAR
N: 627877.8 - E: 532755.3

F: FOUND 1.5'x0.6'x0.6' LIMESTONE ROCK
N: 625234.8 - E: 532747.8

G: FOUND REBAR
N: 622587.3 - E: 532746.3

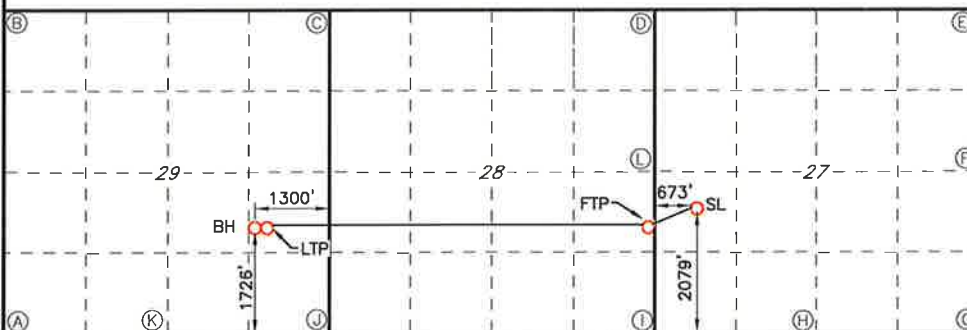
H: FOUND COTTON SPINDLE
N: 622595.8 - E: 530101.6

I: FOUND REBAR
N: 622603.2 - E: 527457.4

J: CALCULATED CORNER
N: 622625.1 - E: 522141.2

K: FOUND 3 / 8" REBAR
N: 622636.0 - E: 519499.8

L: FOUND COTTON SPINDLE
N: 625243.8 - E: 527459.



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 1A

Submitted by: PERCUSSION PETROLEUM

Hearing Date: April 4, 2019

Case Nos. 20370

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

12-27-2018

Date of Survey

Signature and Seal of Professional Surveyor

19680

Certificate Number



LS18121381

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
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¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name RADIOHEAD			⁶ Well Number 4H
⁷ OGRID NO.		⁸ Operator Name PERCUSSION PETROLEUM, LLC			⁹ Elevation 3349'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
L	27	18S	26E		2099	SOUTH	673	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	29	18S	26E		2271	SOUTH	1300	EAST	EDDY

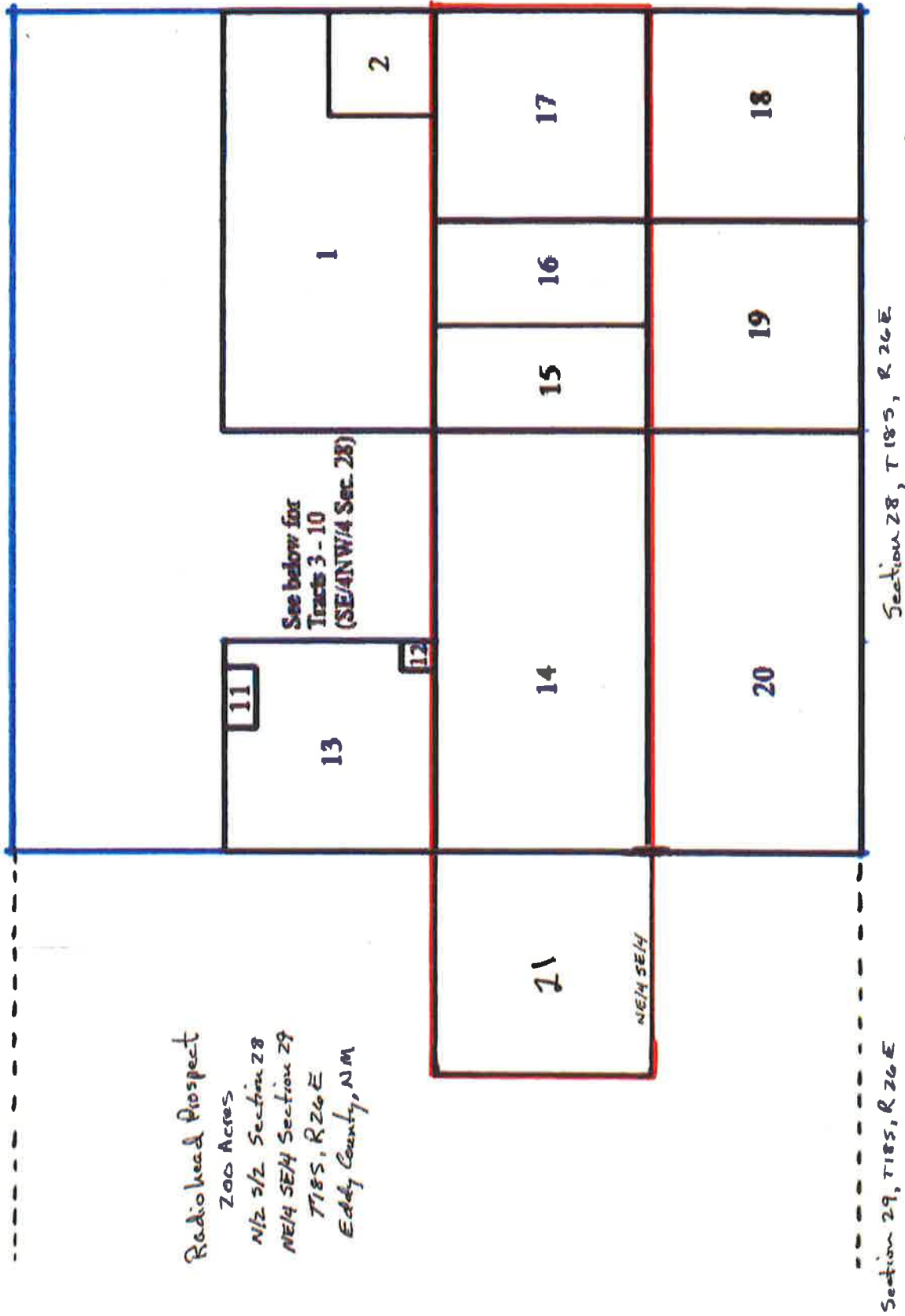
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p><u>GEODETIC DATA</u> NAD 83 GRID - NM EAST</p> <p><u>SURFACE LOCATION (SL)</u> N: 624699.8 - E: 528132.6 LAT: 32.7173329° N LONG: 104.3762692° W</p> <p><u>FIRST TAKE POINT (FTP)</u> 2281' FSL & 100' FEL SEC. 28 N: 624884.3 - E: 527359.5 LAT: 32.7178390° N LONG: 104.3787831° W</p> <p><u>LAST TAKE POINT (LTP)</u> 2271' FSL & 1220' FEL SEC. 29 N: 624901.1 - E: 520931.7 LAT: 32.7178760° N LONG: 104.3996833° W</p> <p><u>BOTTOM HOLE (BH)</u> N: 624901.1 - E: 520851.7 LAT: 32.7178758° N LONG: 104.3999433° W</p>	<p><u>CORNER DATA</u> NAD 83 GRID - NM EAST</p> <table> <tr> <td>A: FOUND FENCE POST N: 622614.8 - E: 516841.1</td> <td>G: FOUND REBAR N: 622587.3 - E: 532746.3</td> </tr> <tr> <td>B: CALCULATED CORNER N: 627902.6 - E: 516889.4</td> <td>H: FOUND COTTON SPINDLE N: 622595.8 - E: 530101.6</td> </tr> <tr> <td>C: CALCULATED CORNER N: 627898.4 - E: 522165.5</td> <td>I: FOUND REBAR N: 622603.2 - E: 527457.4</td> </tr> <tr> <td>D: FOUND NAIL N: 627894.1 - E: 527461.9</td> <td>J: CALCULATED CORNER N: 622625.1 - E: 522141.2</td> </tr> <tr> <td>E: FOUND 5/8" REBAR N: 627877.8 - E: 532755.3</td> <td>K: FOUND 3 / 8" REBAR N: 622636.0 - E: 519499.8</td> </tr> <tr> <td>F: FOUND 1.5"x0.6"x0.6" LIMESTONE ROCK N: 625234.8 - E: 532747.8</td> <td>L: FOUND COTTON SPINDLE N: 625243.8 - E: 527459.1</td> </tr> </table>	A: FOUND FENCE POST N: 622614.8 - E: 516841.1	G: FOUND REBAR N: 622587.3 - E: 532746.3	B: CALCULATED CORNER N: 627902.6 - E: 516889.4	H: FOUND COTTON SPINDLE N: 622595.8 - E: 530101.6	C: CALCULATED CORNER N: 627898.4 - E: 522165.5	I: FOUND REBAR N: 622603.2 - E: 527457.4	D: FOUND NAIL N: 627894.1 - E: 527461.9	J: CALCULATED CORNER N: 622625.1 - E: 522141.2	E: FOUND 5/8" REBAR N: 627877.8 - E: 532755.3	K: FOUND 3 / 8" REBAR N: 622636.0 - E: 519499.8	F: FOUND 1.5"x0.6"x0.6" LIMESTONE ROCK N: 625234.8 - E: 532747.8	L: FOUND COTTON SPINDLE N: 625243.8 - E: 527459.1	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>12-27-2018 Date of Survey</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>19680 Certificate Number</p>
A: FOUND FENCE POST N: 622614.8 - E: 516841.1	G: FOUND REBAR N: 622587.3 - E: 532746.3													
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LS18121382

Radiohead Prospect
 200 Acres
 N1/2 3/4 Section 28
 NE1/4 SE1/4 Section 29
 T18S, R26E
 Eddy County, NM



Radiohead 3H & 4H Wells
Proposed Yeso Formation Spacing Unit
Eddy County, NM
NOT TO SCALE

NOTE: INTERESTS TO BE FORCED POOLED ARE HIGHLIGHTED IN GREEN

21 T/O Tract			14 T/O Tract			15 T/O Tract			16 T/O Tract			17 T/O Tract		
NE/4SE/4 of Sec. 28-18S-26E			N/2SW/4 of Sec. 28-18S-26E			W/2NW/4SE/4 Sec. 28-18S-26E			E/2NW/4SE/4 Sec. 28-18S-26E			NE/4SE/4 Sec. 28-18S-26E		
All Depths	Interest	Type	From Top of the Yeso to 3,100'	Interest	Type	All Depths	St. Devote LLC (Participating)	Type	All Depths	St. Devote LLC (Participating)	Type	All Depths	Interest	Type
St. Devote LLC	100.000000%	WI	EOG M Resources, Inc.	25.000000%	WI	St. Devote LLC	(Participating)	WI	St. Devote LLC	(Participating)	WI	EOG A Resources, Inc.	25.000000%	WI
			EOG Y Resources, Inc.	25.000000%	WI							EOG M Resources, Inc.	25.000000%	WI
			Oxy Y-1 Company	9.375000%	WI							EOG Y Resources, Inc.	25.000000%	WI
Rolla R. Hinkle III	2.500000%	ORRI	EOG Resources Assets LLC	9.375000%	WI	COG Operating LLC	47.500000%	UMI	Carolyn Harmon		LSD	Oxy Y-1 Company	25.000000%	WI
Rosemary H. Hinkle	2.500000%	ORRI	Vladin, LLC (Participating Don't Force Pool)	9.375000%	WI	Goncho Oil & Gas LLC	2.500000%	UMI	Sandra S. Bateman		LSD			
Don't Force Pool These ORRI. Sufficient Pooling Language.			EOG A Resources, Inc.	6.250000%	WI				Richard H. Coats		LSD			
			3,101 to 3,200'	Interest	Type				Wendell W. Harpman, Jr.		LSD	All Depths	Interest	Type
			EOG Y Resources, Inc.	100.000000%	WI				Morgan Capital Group, Inc.		LSD	William J. McGaw	3.125000%	ORRI
									Stephen Royalties, Inc.		LSD	COG Operating LLC	2.062500%	ORRI
			3,201' to Base to the Yeso	Interest	Type				J.M. Mineral & Land Co., Inc.		LSD	Goncho Oil & Gas LLC	0.156250%	ORRI
			Devon Energy Production Company, L.P.	100.000000%	WI				Magnolia Royalty Company, Inc.		LSD			
									James W. Essman		LSD			
			From Top of the Yeso to 3,200'	Interest	Type				Angela Essman Spencer		LSD			
			Devon Energy Production Company, L.P.	15.625000%	ORRI									
			Helen Holt	3.125000%	ORRI									
			From 3,201' to Base of the Yeso	Interest	Type									
			Devon Energy Production Company, L.P.	3.125000%	ORRI									
			Helen Holt	3.125000%	ORRI									

Legend

WI Leasehold Working Interest
ORRI Overriding Royalty Interest
UMI Unleased Mineral Interest

Note

St. Devote is participating. Informational.

ORRI

Rolla R. Hinkle III and Rosemary H. Hinkle. Informational. Sufficient Pooling Language. Don't Force Pool.

Sent Certified Mail, Return Receipt Requested

February 6, 2019

Sandra S. Bateman
1181 Summit View Dr.
Rock Hill, SC 29732

RE: Well Proposal & Letter Agreement
Radiohead 3H well
Eddy County, New Mexico

Gentlemen/Ladies:

Percussion Petroleum LLC ("Percussion") hereby proposes to drill and complete the subject well as a horizontal Yeso well at the following proposed location (subject to change upon final staking of the well pad):

Radiohead 3H well – Horizontal Yeso Well, Eddy County, NM ("Well")

- Proposed Surface Hole Location – 2,079' FSL & 673' FWL, Section 27, T18S-R26E
- Proposed Bottom Hole Location – 1,726' FSL & 1,300' FEL, Section 29, T18S-R26E
- Proposed True Vertical Depth of approximately 3,400' or sufficient depth to test the Yeso Formation

Please find enclosed a well cost estimate indicating an estimated drilling, complication and facility cost.

In support of this well and future development, Percussion proposes to form a Working Interest Unit covering the N/2S/2 of Section 28 and the NE/4SE/4 of Section 29 in Township 18 South, Range 26 East, Eddy County, New Mexico, containing 200 acres of land, more or less, insofar, and only insofar, as the same covers rights from the top of the Yeso formation to the base of the Yeso formation (the "WIU"). For purposes herein, top of the Yeso formation shall be 2,279' MD and the base of the Yeso formation shall be 4,460' MD based on the Len Mayer 1 (30-015-05926) RDL_Neutron_Porosity_21N log from Section 28-T18S-R26E, Eddy County, NM.

Part of the proposed WIU is likely governed by operating agreements also covering the Yeso Formation which pertains to many of the same parties within this proposal and which would administer operations for vertical wells. For the mutually exclusive development within the WIU as to horizontal wells, and any concept wells (ie. micro seismic wells, pilot hole wells), under that certain operating agreement, previously provided, ("NOA") dated November 20, 2018, naming Percussion as Operator, a 1982 AAPL form, to govern proposals and operations within the WIU, and which shall supersede any existing agreements only as to said horizontal well development and operations.

Radiohead 3H Well Proposal
February 6, 2019
Page 2

As an alternative to participation, Percussion offers to lease your mineral rights as to the Yeso formation, only. Percussion will pay \$1,000/acre for a lease, granting a one-quarter (1/4th) royalty and three (3) year primary term. The leasing party will deliver its leasehold interest as to unleased depths within the Yeso formation.

Please indicate your election as to the Subject Well by marking any single item 1), 2) or 3) below in the space provided and returning a copy of this letter agreement to the undersigned within thirty (30) days of receipt. You may be subject to the compulsory pooling provisions of the State of New Mexico. If you mark the item that pertains to AFEs, then please execute and return copies of the same together with your executed copy of this letter agreement to Percussion within said thirty (30) day period.

If you have any questions regarding this proposal, please do not hesitate to contact the undersigned by e-mail at joe@percussionpetroleum.com or by phone at 713-331-5473. Thank you very much for your assistance and cooperation. We look forward to working with you on this matter.

Yours very truly,
Percussion Petroleum Operating, LLC

Joe Dichiaro, RPL
Sr. Consulting Landman

enclosures

Radiohead 3H Well Election

Sandra S. Bateman

1) Unit MI: from top of Yeso to the bottom of the Yeso: 0.086806%

_____ 1) Elect to participate and pay your proportionate share of all drilling, completing and facility cost of the Radiohead 3H well, and agrees to the terms and conditions of this letter agreement and NOA as stated above, including your proportionate share of the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the WIU.

_____ 2) Elect to lease the mineral rights for three (3) years as to the unleased portion of the Yeso formation, at a price of \$1,000.00 per acre, granting a one-quarter (1/4th) royalty.

_____ 3) The undersigned elects not to participate in the drilling and completing of the proposed Well.

Agreed to and Accepted this ____ day of _____, 2019, by:

Company: _____

By: _____

Name: _____

Title: _____

**PERCUSSION PETROLEUM, LLC****WELL COST ESTIMATE**FIELD:
WELL NAME:
DISTRICT:
LOCATION:
TYPE:N. Seven Rivers; Glorieta-Yeso
Radiohead #3H
Artesia (2)
2079' FSL, 673' FWL 27-18S-26E
HOR OILAFE #.:
TARGET RES:
COST:
START DATE:
DATE:

Acct Code

22223

4538
Yeso
Eddy Co, NM
6/1/2019
2/6/2019

Project Details: Drill and complete horizontal Yeso well. Frac with Slickwater and proppant. Construct production battery and SWD pumps. Install electricity to location and run ESP for primary artificial lift.

INTANGIBLE COSTSLAND SERVICES
LEGAL FEES
INSURANCE & BONDS
OVERHEAD
PERMITS & SURVEYING
LOC. ROW, SURF, COND RIG & ROAD
DRILL RIG MOB/DEMOB
RIG COST - DRILLING (DAYWORK)
RIG COST - DRILLING (FOOTAGE)
RIG COST - DRILLING (TURNKEY)
RIG FUEL, ELEC, WATER & FRAC WATER
WATER SOURCING
WATER HANLING
TELEPHONE & FAX
TRANSPOR / TRUCKING / HOTSHOT
CONTRACT SUPERV, ENGRG & DESIGN
WELDING & OTH CONTR SRVC/LABOR
RENTAL EQUIPMENT - DOWNHOLE
RENTAL EQUIPMENT - SURFACE
BITS
CASING CREW & EQUIPMENT
CEMENTING SERVICES & EQUIPMENT
DIRECTIONAL DRILLING & SURVEYS
FISHING TOOLS & SERVICE
DRILLING & COMPLETION FLUIDS
MUD LOGGING
LOGGING - OPENHOLE, FT, SWC
DRILL STEM TEST CORING & CORE ONLY
TUBULAR TESTING AND INSPECTION
CUTTINGS AND FLUIDS DISPOSAL
ABANDONMENT
CONTINGENCY AND MISC COSTS
ACCURUED IDC DRILLING
NON-OP IDC DRILLING
TRANSFER TO DRY/ABANDONMENT
TRANSFER TO PRODUCING PROPERTY
RIG COST - COMPLETION / WO
RIG COST - COIL TUB/SNUBB/NITRO
PERF, PLUG, WL SERV, PCE, C-H LOG
FRAC AND STIMULATION SERVICES
PROD WELL TESTING & SWABBING
ACCURUED IDC COMPLETION
NON-OP IDC COMPLETION**DRILLING****ACCOUNT CODE****AMOUNT****COMPLETION****ACCOUNT CODE****AMOUNT****FACILITY****ACCOUNT CODE****AMOUNT****TOTAL****WELL**

2250.05	\$5,000					\$5,000
2250.10	\$1,000					\$1,000
2250.15						\$0
2250.20		2300.20				\$0
2250.25	\$14,000					\$14,000
2250.30	\$74,000	2300.30	\$2,500			\$76,500
2250.35	\$45,000					\$45,000
2250.40	\$200,000					\$200,000
2250.45						\$0
2250.50						\$0
2250.65	\$36,000	2300.65	\$250,000			\$286,000
2250.66	\$4,000	2300.66	\$210,000			\$214,000
2250.67	\$7,500	2300.67	\$70,000			\$77,500
2250.70		2300.70				\$0
2250.75	\$10,000	2300.75	\$10,000			\$20,000
2250.80	\$45,000	2300.80	\$41,000			\$86,000
2250.85	\$23,000	2300.85	\$28,000			\$51,000
2250.90	\$34,000	2300.90	\$13,000			\$47,000
2250.95	\$75,000	2300.95	\$140,000			\$215,000
2250.100	\$45,000					\$45,000
2250.105	\$25,000	2300.105				\$25,000
2250.110	\$100,000	2300.110	\$13,000			\$113,000
2250.115	\$115,000					\$115,000
2250.120		2300.120				\$0
2250.125	\$22,000	2300.125	\$4,000			\$26,000
2250.130	\$10,000					\$10,000
2250.135						\$0
2250.145						\$0
2250.150	\$6,000	2300.150	\$5,000			\$11,000
2250.165	\$120,000	2300.165	\$14,000			\$134,000
2250.170						\$0
2250.200		2300.200		2500.200		\$0
2250.500						\$0
2250.700						\$0
2250.810		2300.810		2500.810		\$0
2250.820		2300.820		2500.820		\$0
		2300.55	\$75,000			\$75,000
		2300.60	\$5,000			\$5,000
		2300.140	\$175,000			\$175,000
		2300.155	\$1,250,000			\$1,250,000
		2300.180	\$20,000			\$20,000
		2300.500				\$0
		2300.700				\$0
TOTAL INTANGIBLE COSTS	\$1,016,500		\$2,325,500		\$0	\$3,342,000

TANGIBLE COSTSDRIVE PIPE, CONDUCTOR CASING
SURFACE CASING
INTERMEDIATE CASING
CASING LINER & HARDWARE
HANGER, DOWN HOLE CSG ACCESS,
WELLHEAD EQUIPMENT
ACCURUED TANGIBLE DRILLING
NON-OP TANGIBLE DRILLING
TRANSFER TO DRY/ABANDONMENT
TRANSFER TO PRODUCING PROPERTY
PRODUCTION CASING
PRODUCTION TUBING
TUBINGHEAD & TREE
PACKERS & SUBSURFACE EQUIPMENT
RODS, PUMPS, ANCHORS
ACCURUED TANGIBLE COMPLETION
NON-OP TANGIBLE COMPLETION
SURFACE EQUIP - ARTIFICIAL LIFT
SURF EQUIP - PUMP UNIT & MOTOR
VALVES, FITTINGS & MISC EQUIP
SEPARATOR, HEATER TREATER, DEHY
GUN BARREL, TANK & RELATE EQUIP
COMPRESSORS & RELATED EQUIP
METERS & LACT EQUIPMENT
SWD PUMP & EQUIPMENT
FLOWLINE L-PIPE P/L MAT'L & T-I
PROD FAC-FAB&INSTAL W/LAB&SUPR
POWER & ELECTRICAL INSTALLATION
CONTINGENCY AND MISC COSTS
ACCURUED FACILITY
NON-OP FACILITIES**DRILLING****ACCOUNT CODE****AMOUNT****COMPLETION****ACCOUNT CODE****AMOUNT****FACILITY****ACCOUNT CODE****AMOUNT****TOTAL****WELL**

2350.05						\$0
2350.10	\$32,000					\$32,000
2350.15	\$185,000					\$185,000
2350.25	\$12,000	2400.25				\$12,000
2350.30	\$10,000	2400.30				\$10,000
2350.40	\$6,000					\$6,000
2350.500						\$0
2350.700						\$0
2350.810		2400.810		2500.810		\$0
2350.820		2400.820		2500.820		\$0
		2400.20				\$0
		2400.35	\$28,000			\$28,000
		2400.45	\$15,000			\$15,000
		2400.50				\$0
		2400.55	\$25,000			\$25,000
		2400.500				\$0
		2400.700				\$0
				2500.80	\$58,000	\$58,000
				2500.65	\$50,000	\$50,000
				2500.70	\$75,000	\$75,000
				2500.75	\$60,000	\$60,000
				2500.80	\$68,000	\$68,000
				2500.85		\$0
				2500.90	\$20,000	\$20,000
				2500.95	\$8,000	\$8,000
				2500.100	\$5,000	\$5,000
				2500.105	\$70,000	\$70,000
				2500.106	\$90,000	\$90,000
				2500.200	\$2,000	\$2,000
				2500.500		\$0
				2500.700		\$0
TOTAL TANGIBLE COSTS	\$245,000		\$68,000	\$506,000		\$819,000
TOTAL WELL COSTS	\$1,261,500		\$2,393,500	\$506,000		\$4,161,000

Company Name Prepared By: _____

Date: _____

Non-Operator Approval By: _____

Date: _____

This AFE is only an estimate. By returning one signed copy, you agree to pay your share of the actual costs incurred.



Sent Certified Mail, Return Receipt Requested

February 6, 2019

Concho Oil & Gas, LLC
Attn: Rita Buress
600 W. Illinois Avenue
Midland, TX 79701

RE: Well Proposal & Letter Agreement
Radiohead 4H well
Eddy County, New Mexico

Gentlemen/Ladies:

Percussion Petroleum LLC ("Percussion") hereby proposes to drill and complete the subject well as a horizontal Yeso well at the following proposed location (subject to change upon final staking of the well pad):

Radiohead 4H well – Horizontal Yeso Well, Eddy County, NM ("Well")

- Proposed Surface Hole Location – 2,099' FSL & 673' FWL, Section 27, T18S-R26E
- Proposed Bottom Hole Location – 2,271' FSL & 1,300' FEL, Section 29, T18S-R26E
- Proposed True Vertical Depth of approximately 3,600' or sufficient depth to test the Yeso Formation

Please find enclosed a well cost estimate indicating an estimated drilling, complication and facility cost.

In support of this well and future development, Percussion proposes to form a Working Interest Unit covering the N/2S/2 of Section 28 and the NE/4SE/4 of Section 29 in Township 18 South, Range 26 East, Eddy County, New Mexico, containing 200 acres of land, more or less, insofar, and only insofar, as the same covers rights from the top of the Yeso formation to the base of the Yeso formation (the "WIU"). For purposes herein, top of the Yeso formation shall be 2,279' MD and the base of the Yeso formation shall be 4,460' MD based on the Len Mayer 1 (30-015-05926) RDL_Neutron_Porosity_21N log from Section 28-T18S-R26E, Eddy County, NM.

Part of the proposed WIU is likely governed by operating agreements also covering the Yeso Formation which pertains to many of the same parties within this proposal and which would administer operations for vertical wells. For the mutually exclusive development within the WIU as to horizontal wells, and any concept wells (ie. micro seismic wells, pilot hole wells), under that certain operating agreement, previously provided, ("NOA") dated November 20, 2018, naming Percussion as Operator, a 1982 AAPL form, to govern proposals and operations within the WIU, and which shall supersede any existing agreements only as to said horizontal well development and operations.

As an alternative to participation, Percussion offers to lease your mineral rights as to the Yeso formation, only. Percussion will pay \$1,000/acre for a lease, granting a one-quarter (1/4th) royalty and three (3) year primary term. The leasing party will deliver its leasehold interest as to unleased depths within the Yeso formation.

Please indicate your election as to the Subject Well by marking any single item 1), 2) or 3) below in the space provided and returning a copy of this letter agreement to the undersigned within thirty (30) days of receipt. You may be subject to the compulsory pooling provisions of the State of New Mexico. If you mark the item that pertains to AFEs, then please execute and return copies of the same together with your executed copy of this letter agreement to Percussion within said thirty (30) day period.

If you have any questions regarding this proposal, please do not hesitate to contact the undersigned by e-mail at joe@percussionpetroleum.com or by phone at 713-331-5473. Thank you very much for your assistance and cooperation. We look forward to working with you on this matter.

Yours very truly,
Percussion Petroleum Operating, LLC

Joe Dichiara, RPL
Sr. Consulting Landman

enclosures

Radiohead 4H Well Election

Concho Oil & Gas, LLC

- 1) Unit MI: from top of the Yeso to bottom of the Yeso: 0.25%

_____ 1) Elect to participate and pay your proportionate share of all drilling, completing and facility cost of the Radiohead 4H well, and agrees to the terms and conditions of this letter agreement and NOA as stated above, including your proportionate share of the cost and maintenance of all surface facilities, including any shared well pads, being reapportioned between each well drilled in the WIU.

_____ 2) Elect to lease the mineral rights for three (3) years as to the unleased portion of the Yeso formation, at a price of \$1,000.00 per acre, granting a one-quarter (1/4th) royalty.

_____ 3) The undersigned elects not to participate in the drilling and completing of the proposed Well.

Agreed to and Accepted this ____ day of _____, 2019, by:

Company: _____

By: _____

Name: _____

Title: _____



PERCUSSION PETROLEUM, LLC

WELL COST ESTIMATE

FIELD:
WELL NAME:
DISTRICT:
LOCATION:
TYPE:N. Seven Rivers; Gloria-Yeso
Radiohead #4H
Artesia (2)
2099' FSL, 673' FWL 27-16S-26E
HOR OILAFE #.:
TARGET RES:
COIST:
START DATE:
DATE:

Acct Code

22223

1539
Yeso
Eddy Co, NM
6/1/2019
2/6/2019

Project Details: Drill and complete horizontal Yeso well. Frac with Slickwater and proppant, battery and SWD pumps. Install electricity to location and run ESP for primary artificial lift.

INTANGIBLE COSTS

LAND SERVICES
LEGAL FEES
INSURANCE & BONDS
OVERHEAD
PERMITS & SURVEYING
LOC. ROW, SURF, COND RIG & ROAD
DRILL RIG MOB/DEMOB
RIG COST - DRILLING (DAYWORK)
RIG COST - DRILLING (FOOTAGE)
RIG COST - DRILLING (TURNKEY)
RIG FUEL, ELEC, WATER & FRAC WATER
WATER SOURCING
WATER HANLING
TELEPHONE & FAX
TRANSP / TRUCKING / HOTSHOT
CONTRACT SUPERV, ENGRG & DESIGN
WELDING & OTH CONTR SRVC/LABOR
RENTAL EQUIPMENT - DOWNHOLE
RENTAL EQUIPMENT - SURFACE
BITS
CASING CREW & EQUIPMENT
CEMENTING SERVICES & EQUIPMENT
DIRECTIONAL DRILLING & SURVEYS
FISHING TOOLS & SERVICE
DRILLING & COMPLETION FLUIDS
MUD LOGGING
LOGGING - OPENHOLE, FT, SWC
DRIL STEM TST CORING & CORE ANALY
TUBULAR TESTING AND INSPECTION
CUTTINGS AND FLUIDS DISPOSAL
ABANDONMENT
CONTINGENCY AND MISC COSTS
ACCURED IDC DRILLING
NON-OP IDC DRILLING
TRANSFER TO DRY/ABANDONMENT
TRANSFER TO PRODUCING PROPERTY
RIG COST - COMPLETION / WO
RIG COST - COIL TUB/SNUBB/NITRO
PERF, PLUG, WL SERV, PCE, C-H LOG
FRAC AND STIMULATION SERVICES
PROD WELL TESTING & SWABBING
ACCURED IDC COMPLETION
NON-OP IDC COMPLETION

TOTAL INTANGIBLE COSTS \$1,016,500 \$2,325,500 \$0 \$3,342,000

TANGIBLE COSTS

	DRILLING	COMPLETION	FACILITY	TOTAL
	ACCOUNT CODE	ACCOUNT CODE	ACCOUNT CODE	WELL
DRIVE PIPE, CONDUCTOR CASING	2350.05			\$0
SURFACE CASING	2350.10			\$32,000
INTERMEDIATE CASING	2350.15			\$185,000
CASING LINER & HARDWARE	2350.25	2400.25		\$12,000
HANGER, DOWN HOLE CSG ACCESS,	2350.30	2400.30		\$10,000
WELLHEAD EQUIPMENT	2350.40			\$6,000
ACCURED TANGIBLE DRILLING	2350.500			\$0
NON-OP TANGIBLE DRILLING	2350.700			\$0
TRANSFER TO DRY/ABANDONMENT	2350.810	2400.810	2500.810	\$0
TRANSFER TO PRODUCING PROPERTY	2350.820	2400.820	2500.820	\$0
PRODUCTION CASING		2400.20		\$0
PRODUCTION TUBING		2400.35	\$28,000	\$28,000
TUBINGHEAD & TREE		2400.45	\$15,000	\$15,000
PACKERS & SUBSURFACE EQUIPMENT		2400.50		\$0
RODS, PUMPS, ANCHORS		2400.55	\$25,000	\$25,000
ACCURED TANGIBLE COMPLETION		2400.500		\$0
NON-OP TANGIBLE COMPLETION		2400.700		\$0
SURFACE EQUIP -ARTIFICIAL LIFT			2500.60	\$58,000
SURF EQUIP - PUMP UNIT & MOTOR			2500.65	\$50,000
VALVES, FITTINGS & MISC EQUIP			2500.70	\$75,000
SEPARATOR, HEATER TREATER, DEHY			2500.75	\$60,000
GUN BARREL, TANK & RELATE EQUIP			2500.80	\$68,000
COMPRESSORS & RELATED EQUIP			2500.85	\$0
METERS & LACT EQUIPMENT			2500.90	\$20,000
SWD PUMP & EQUIPMENT			2500.95	\$8,000
FLOWLINE, L-PIPE, P/L MAT'L & T-I			2500.100	\$5,000
PROD FAC-FAB&INSTAL W/LAB&SUPR			2500.105	\$70,000
POWER & ELECTRICAL INSTALLATION			2500.106	\$90,000
CONTINGENCY AND MISC COSTS			2500.200	\$2,000
ACCURED FACILITY			2500.500	\$0
NON-OP FACILITIES			2500.700	\$0
TOTAL TANGIBLE COSTS	\$245,000	\$68,000	\$506,000	\$819,000
TOTAL WELL COSTS	\$1,261,500	\$2,393,500	\$506,000	\$4,161,000

Prepared By: Lelan J. Anders

Date:

Approved By: John H. Campbell III

Date:

This AFE is only an estimate. By returning one signed copy, you agree to pay your share of the actual costs incurred.

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF PERCUSSION
PETROLEUM OPERATING, LLC FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 20370

AFFIDAVIT OF C.J. LIPINSKI

CJ Lipinski, of lawful age and being first duly sworn, declares as follows:

1. My name is CJ Lipinski. I work for Percussion Petroleum Operating, LLC.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Percussion in this case and I have conducted a geologic study of the Glorieta and Yeso formations underlying the subject acreage.
4. The Len Mayer 1 (30-015-05926) log shows the top of the pool at 2,279 feet measured depth and the bottom of the pool/base of the Yeso at 4,460 feet measured depth.
5. **Percussion Exhibit 2A** is a location map that I prepared for the subject spacing unit. This map shows the proposed spacing unit in N/2 S/2 of Section 28 and the NE/4 SE/4 of Section 29 in red, and the proposed **Radiohead 3H Well** in light green and **Radiohead 4H Well** in tan. Offset Glorieta/Yeso horizontal producers are shown in green.
6. **Percussion Exhibit 2B** is a structure map that I prepared for the top of the Glorieta. The contour interval is 25 feet. The structure map shows that the area is gently dipping to the southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval with a horizontal well.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: **PERCUSSION PETROLEUM**
Hearing Date: April 4, 2019
Case Nos. 20370

7. **Percussion Exhibit 2C** is a cross section location map showing the five wells penetrating the Yeso formation that I used to construct the cross-section from A to A'. I consider these wells to be representative of the geology of the area.

8. **Percussion Exhibit 2D** is a cross section using the representative wells depicted on Exhibit 2C. Each well in the cross-section contains gamma ray, resistivity, and or porosity logs. The target interval for the proposed **Radiohead 3H Well** is marked with green line at approximately 3,400 feet, the target interval for the **Radiohead 4H Well** is labeled with tan line at approximately 3,600 feet. The cross-section demonstrates that the targeted intervals extends across the proposed spacing unit.

9. This exhibit also shows a depth severance in a red line at 3,200 feet. Both the initial proposed wells are located more than 200 feet from the depth severance line. Accordingly, neither well will produce hydrocarbons from across the depth severance line. Moreover, Percussion has proposed to drill and complete horizontal wells and has filed a separate application to force pool all uncommitted interests within the Atoka; Glorieta Yeso Pool above the depth severance in this acreage. That case, designated Case No. 20229, was presented to the Division on March 7, 2019 and has been taken under advisement.

10. In my opinion, the east to west well orientation in the Yeso formation is appropriate for proper exploitation because of the consistent rock properties throughout the spacing unit and the lack of preferred fracture orientation in this portion of the trend.

11. Based on my geologic study of the area, the Yeso formation underlying the subject area and subject spacing units is suitable for development by horizontal wells and the tracts comprising the proposed spacing units will contribute more-or-less equally to the production in the well.

12. In my opinion, the granting of Percussion's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

FURTHER AFFIANT SAYETH NOT.


CJ Lipinski

STATE OF TEXAS)
)
COUNTY OF Darwin)

SUBSCRIBED and SWORN to before me this 3rd day of April 2019 by CJ Lipinski.


NOTARY PUBLIC

My Commission Expires:

August 8, 2020

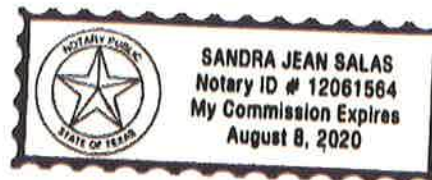


Exhibit 2A Location Map

Radiohead 3H and 4H with Offset Horizontal Producers



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
Exhibit No. 2A
 Submitted by: **PERCUSSION PETROLEUM**
 Hearing Date: April 4, 2019
 Case Nos. 20370

T18S-R26E

Structure Map

Glorieta Structure Map (Subsea Depth)

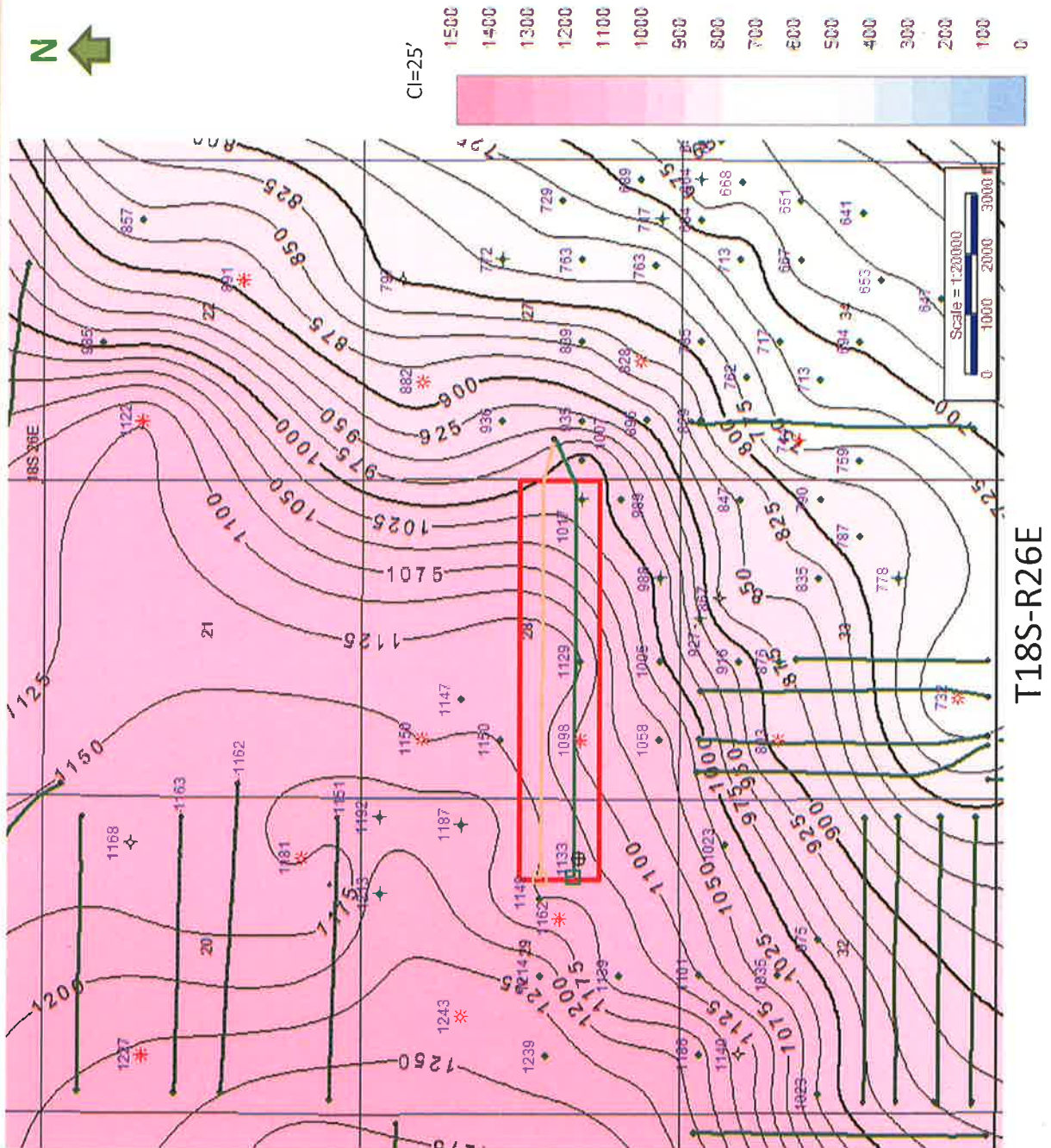
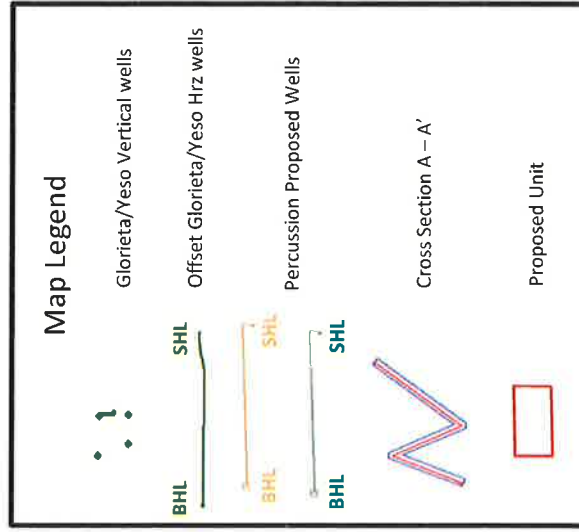
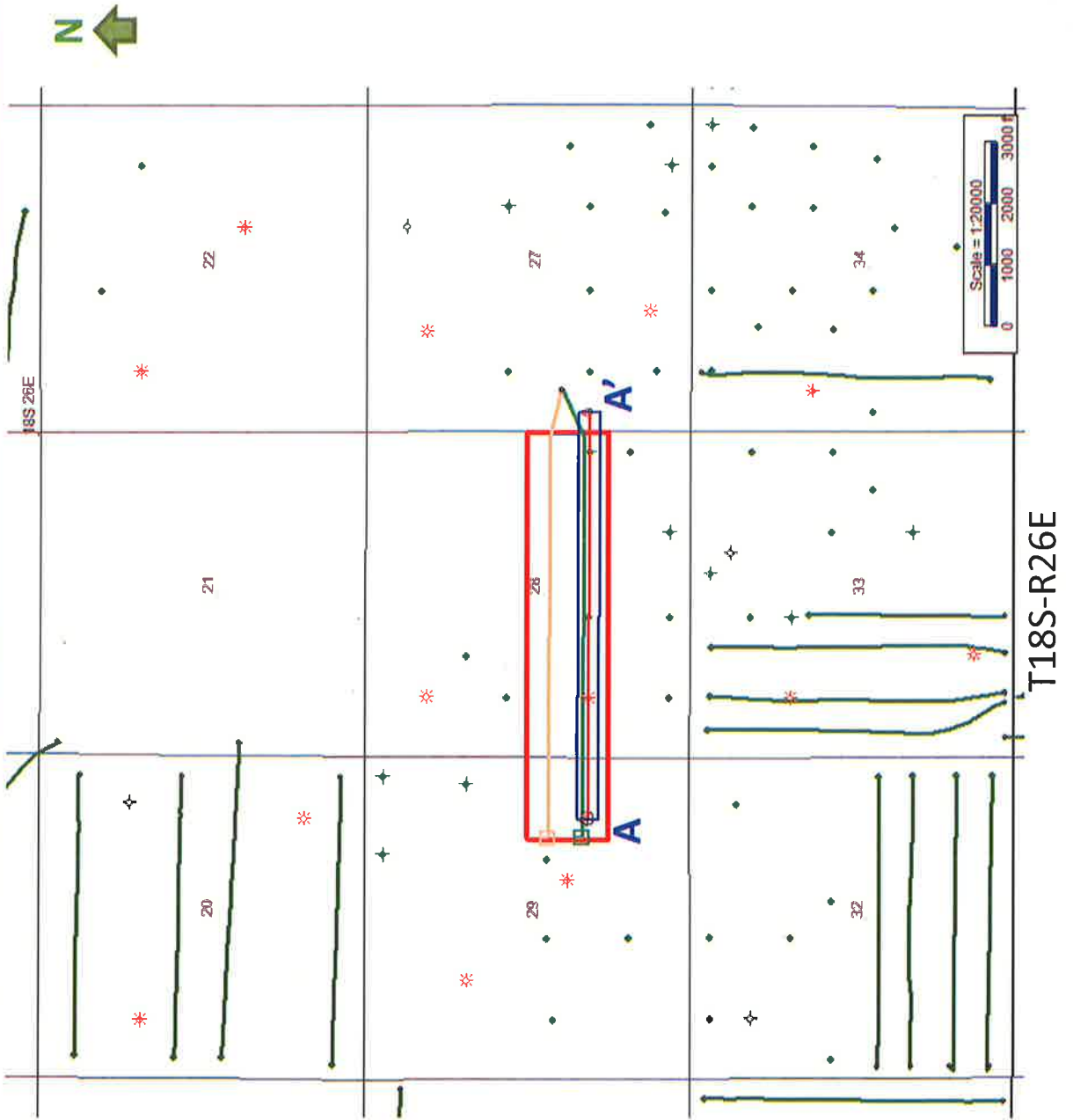


Exhibit 2B Cross Section Location Map

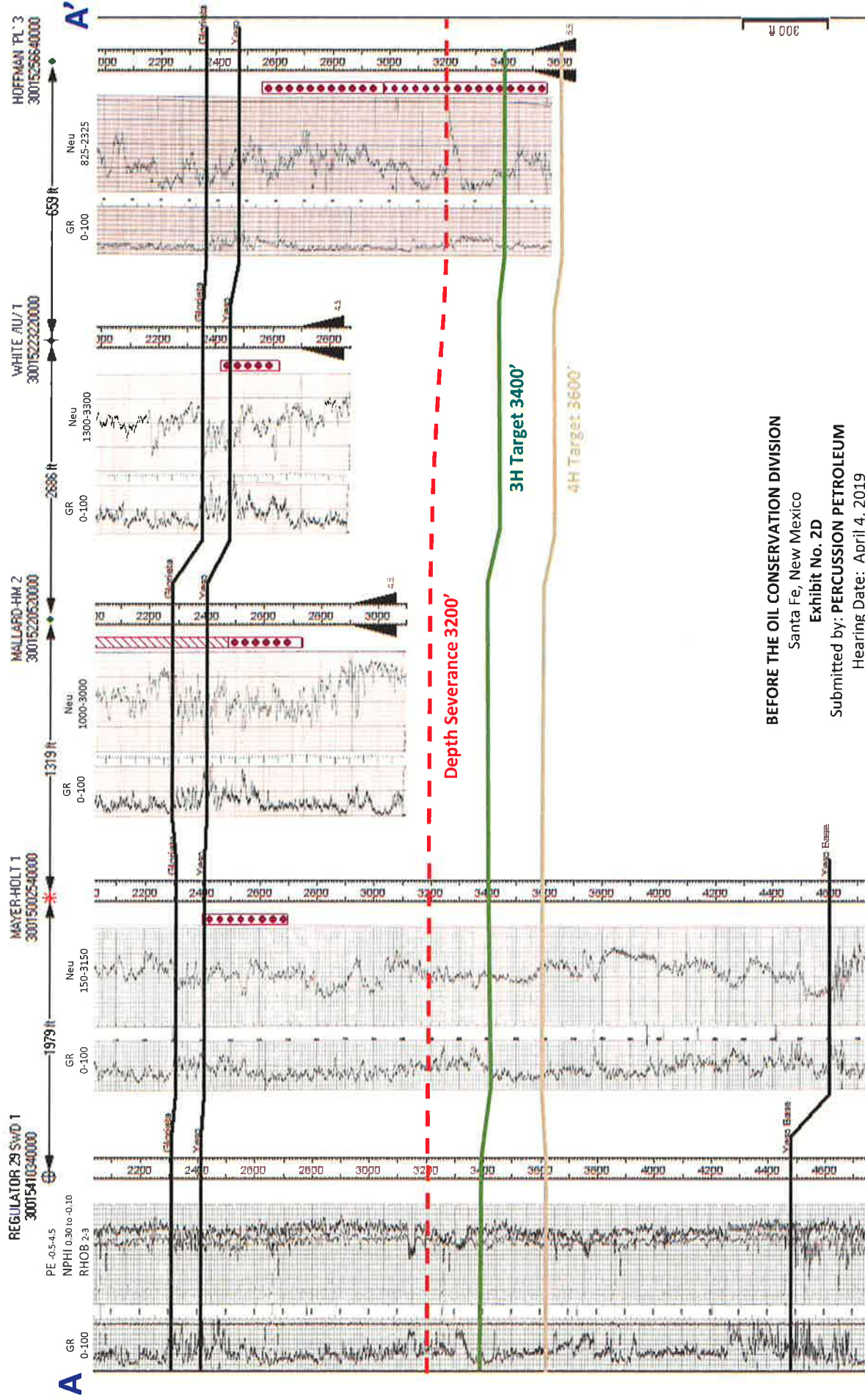
Cross Section Map with Glorieta/Yeso Producing Wells



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. 2C
 Submitted by: **PERCUSSION PETROLEUM**
 Hearing Date: April 4, 2019
 Case Nos. 20370

Exhibit 2D Logs for Cross Section

Structural Cross Section A – A'



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2D

Submitted by: PERCUSSION PETROLEUM

Hearing Date: April 4, 2019

Case Nos. 20370

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF PERCUSSION PETROLEUM LLC
FOR COMPULSORY POOLING, EDDY NEW MEXICO.**

CASE NO. 20370

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Adam G. Rankin, attorney for Percussion Petroleum LLC the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letter and proof of receipts attached hereto.

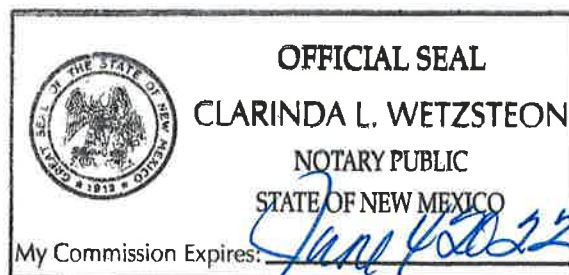


Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 3rd day of April 2019 by Adam G. Rankin.



Notary Public



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 3
Submitted by: **PERCUSSION PETROLEUM**
Hearing Date: April 4, 2019
Case Nos. 20370



March 15, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS


**Re: Application of Percussion Petroleum Operating, LLC for compulsory pooling,
Eddy County, New Mexico.
Radiohead 3H and 4H Wells**

Ladies & Gentlemen:

This letter is to advise you that Percussion Petroleum Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 4, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Josh Grisham at (713) 589-2337 or josh@percussionpetroleum.com.

Sincerely,

Adam G. Rankin

**ATTORNEY FOR PERCUSSION PETROLEUM
OPERATING, LLC**



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

4 Radiohead
Percussion Weezer 3H 4H
CM# 100391.0001 20190404 Eocket
Notice List

Shipment Date: 03/11/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	26
Total	26

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

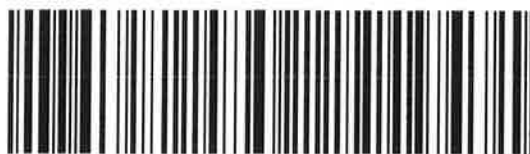
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0013 1951 81



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code TM)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8379 9649 12		EOG M Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210		0.65	3.50								1.60			
2. 9214 8901 9403 8379 9649 29		EOG A Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210		0.65	3.50								1.60			
3. 9214 8901 9403 8379 9649 36		EOG Y Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210		0.65	3.50								1.60			
4. 9214 8901 9403 8379 9649 43		EOG Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210		0.65	3.50								1.60			
5. 9214 8901 9403 8379 9649 50		OXY Y-1 Company Attn: Lauren Guest 5 Greenway Plaza #110 Houston TX 77046		0.65	3.50								1.60			
6. 9214 8901 9403 8379 9649 67		Devon Energy Production Company L P Attn: Carl Allen 333 W Sheridan Avenue Oklahoma City OK 73102		0.65	3.50								1.60			
7. 9214 8901 9403 8379 9649 74		COG Operating LLC 600 W Illinois Ave Midland TX 79701		0.65	3.50								1.60			
8. 9214 8901 9403 8379 9649 81		Concho Oil & Gas LLC 600 W Illinois Ave Midland TX 79701		0.65	3.50								1.60			
Total Number of Pieces Listed by Sender 26		Total Number of Pieces Received at Post Office		Handling Charge - if Registered and over \$50,000 in value												
Postmaster, Per (Name of receiving employee)																

PS Form 3877, April 2015
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9. 9214 8901 9403 8379 9649 98		Brenda Kay Christie M/ia Brenda Kay Shell 3154 Vickers Dr Colorado Springs CO 80919		0.65	3.50								1.60			
10. 9214 8901 9403 8379 9650 01		Sandra S Bateman 1181 Summit View Dr Rock Hill SC 29732		0.65	3.50								1.60			
11. 9214 8901 9403 8379 9650 18		Wendell W Iverson Jr PO BOX 205 Midland TX 79702		0.65	3.50								1.60			
12. 9214 8901 9403 8379 9650 25		Sapphire Royalties Inc PO BOX 682 Midland TX 79702		0.65	3.50								1.60			
13. 9214 8901 9403 8379 9650 32		Morgan Capital Group Inc PO BOX 969 Mabank TX 75147		0.65	3.50								1.60			
14. 9214 8901 9403 8379 9650 49		J M Mineral & Land Co Inc PO BOX 1015 Midland TX 79702		0.65	3.50								1.60			
15. 9214 8901 9403 8379 9650 56		Beatrice V Cook PO BOX 1076 Roswell NM 88202		0.65	3.50								1.60			
16. 9214 8901 9403 8379 9650 63		Carolyn S Curtis 141 State Highway 224 #57 Commerce TX 75428		0.65	3.50								1.60			
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17. 9214 8901 9403 8379 9650 70		Michael Curtis 12 Sweet Clover Ln Glorieta NM 87535		0.65		3.50														1.60							
18. 9214 8901 9403 8379 9650 87		Mitchell Minerals LLC Tr 3 only PO BOX 448 Henryetta OK 74437		0.65		3.50														1.60							
19. 9214 8901 9403 8379 9650 94		Eitz Oil Properties Ltd T 3-4-7-8 1307 West Third Roswell NM 88201		0.65		3.50														1.60							
20. 9214 8901 9403 8379 9651 00		Elizabeth Ingram Wingfield 1007 South Kentucky Roswell NM 88201		0.65		3.50														1.60							
21. 9214 8901 9403 8379 9651 17		Mary Jo Ingram ROUTE 1-5200 Roswell NM 88203		0.65		3.50														1.60							
22. 9214 8901 9403 8379 9651 24		Virginia Lynn Moore 506 South Kentucky Avenue Roswell NM 88203		0.65		3.50														1.60							
23. 9214 8901 9403 8379 9651 31		Devon Energy Production Company L.P. Attn: Carl Allen 333 W Sheridan Avenue Oklahoma City OK 73102		0.65		3.50														1.60							
24. 9214 8901 9403 8379 9651 48		Amcon Resources Inc Tr 3 only PO BOX 3025 Oklahoma City OK 73101		0.65		3.50														1.60							

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Percussion Weezer Radiohead 3H

Recipient

Mary Jo Ingram ROUTE 1-5200 Roswell NM 88203
 Virginia Lynn Moore 506 South Kentucky Avenue Roswell NM 88203
 Devon Energy Production Company L P Attn: Cari Allen 333 W Sheridan Avenue Oklahoma City OK 73102
 Amcon Resources Inc Tr 3 only PO BOX 3025 Oklahoma City OK 73101
 George H Etz III 1105 Xanthisma McAllen TX 78504
 Benjamin Cole Etz 9134 Park Trail San Antonio TX 78250
 EOG M Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210
 EOG A Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210
 EOG Y Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210
 EOG Resources Inc Attn: Janet Richardson 104 South 4th Street Artesia NM 88210
 OXY Y-1 Company Attn: Lauren Guest 5 Greenway Plaza #110 Houston TX 77046
 Devon Energy Production Company L P Attn: Cari Allen 333 W Sheridan Avenue Oklahoma City OK 73102
 COG Operating LLC 600 W Illinois Ave Midland TX 79701
 Concho Oil & Gas LLC 600 W Illinois Ave Midland TX 79701
 Brenda Kay Christie f/k/a Brenda Kay Shell 3154 Vickers Dr Colorado Springs CO 80919
 Sandra S Bateman 1181 Summit View Dr Rock Hill SC 29732
 Wendell W Iverson Jr PO BOX 205 Midland TX 79702
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 Michael Curtis 12 Sweet Clover Ln Glorietta NM 87535
 Mitchell Minerals LLC Tr 3 only PO BOX 448 Henryetta OK 74437
 Etz Oil Properties Ltd T 3-5 7-9 1307 West Third Roswell NM 88201
 Elizabeth Ingram Wingfield 1007 South Kentucky Roswell NM 88201

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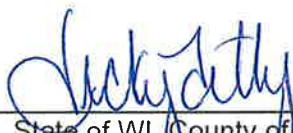
SANTA FE NM 87504

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/19/19


Legal Clerk

Subscribed and sworn before me this
19th of March 2019.


State of WI, County of Brown
NOTARY PUBLIC

9/19/21
My Commission Expires

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of Affidavits :0.00



**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO**

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **April 4, 2019**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **March 25, 2019**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO:All overriding royalty interest owners and pooled parties, including: EOG M Resources Inc.; EOGA Resources, Inc.; EOGY Resources Inc.; EOG Resources Assets, LLC; Oxy Y-1 Company; Devon Energy Production Company, L.P.; COG Operating LLC; Concho Oil & Gas LLC; Brenda Kay Christie, f/k/a Brenda Kay Shell, her heirs and devisees; Sandra S. Bateman, her heirs and devisees; Wendell W. Iverson, Jr., his heirs and devisees; Sapphire Royalties, Inc.; Morgan Capital Group, Inc.; J. M. Mineral & Land Co., Inc.; Helen Holt, her heirs and devisees; William J. McCaw, c/o McCaw Properties LLC, his heirs and devisees;

Case No. 20370: Application of Percussion Petroleum Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Atoka; Glorieta Yeso Pool (3250) from a depth of 3,201 feet to the base of the Pool in the 200-acre horizontal spacing comprised of the N/2 S/2 of Section 28 and the NE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. Percussion proposes to dedicate the above-referenced spacing unit to the following two wells: (1) the

Radiohead3H Well, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 27 to a standard bottom-hole location in the NE/4 SE/4 (Unit I) of Section 29; and (2) the **Radiohead4H Well**, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 27 to a standard bottom-hole location in the NE/4 SE/4 (Unit I) of Section 29. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Percussion Petroleum Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 3.8 miles southeast of Atoka, New Mexico.

March 19, 2019