Initial Application Part I

Received: **05/29/2019**

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

Revised March 23, 2017

RECEIVED: 5/29/19	REVIEWER: BLL	TYPE: SWD	APP NO: pBL1936139076

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Geological & Engineering Bureau –
1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Percussion Petroleum Operating, LLC **OGRID Number: 371755**
Well Name: Ross Ranch 23 SWD No. 1 **API: 30-015-**
Pool: SWD; Cisco-Canyon **Pool Code: 96186**

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]
A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP(PROJECT AREA) ☐ NSP(PRORATION UNIT) ☐ SD

SWD-2360

B. Check one only for [I] or [II]
[I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ■ SWD ☐ IPI ☐ EOR ☐ PPR

FOR OCD ONLY
☐ Notice Complete
☐ Application Content Complete

2) **NOTIFICATION REQUIRED TO:** Check those which apply.
A. ■ Offset operators or lease holders
B. ☐ Royalty, overriding royalty owners, revenue owners
C. ■ Application requires published notice
D. ☐ Notification and/or concurrent approval by SLO
E. ☐ Notification and/or concurrent approval by BLM
F. ■ Surface owner
G. ■ For all of the above, proof of notification or publication is attached, and/or,
H. ☐ No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ramona Hovey – Agent for Percussion Petroleum
Print or Type Name

Ramona K Hovey
Signature

May 29, 2019
Date

(512) 600-1777
Phone Number

ramona@lonquist.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X___Disposal _____Storage
Application qualifies for administrative approval? ___X___Yes _____No

II. OPERATOR: Percussion Petroleum Operating, LLC

ADDRESS: 919 Milam St. Suite 2475, Houston, TX 77002

CONTACT PARTY: Ryan Barber PHONE: (979) 292-6279

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ___X___No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Ramona K. Hovey TITLE: Consulting Engineer

SIGNATURE: Ramona K Hovey DATE: May 29, 2019

E-MAIL ADDRESS: ramona@lonquist.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Percussion Petroleum Operating, LLC

WELL NAME & NUMBER: Ross Ranch 23 SWD No. 1

WELL LOCATION: 1,920' FSL & 2,356' FWL | J | 23 | 19S | 25E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 12-1/4" Casing Size: 9-5/8"

Cemented with: 600 sacks ***or*** _____ ft^3

Top of Cement: Surface Method Determined: Circulate returns

Intermediate Casing

Hole Size: Casing Size:

Cemented with: ***or*** _____ ft^3

Top of Cement: Method Determined:

Production Casing

Hole Size: 8-3/4" Casing Size: 7"

Cemented with: 1400 sacks ***or*** _____ ft^3

Top of Cement: Surface Method Determined: Circulate returns

Total Depth: 8,300'

Injection Interval

7,700' feet to 8,200 feet

(Perforated Interval)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 3-1/2" L-80, 9.3 lb/ft, Upset from 0' – 7,650'

Lining Material: Internal Plastic Coated (IPC)

Type of Packer: 7" x 2-7/8" non-permanent nickel-plated w/ 3-1/2" to 2-7/8" crossover

Packer Setting Depth: 7,650'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? ___X___Yes _____No

   If no, for what purpose was the well originally drilled?

2. Name of the Injection Formation: Cisco-Canyon

3. Name of Field or Pool (if applicable): SWD; Cisco-Canyon (96186)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   Yeso: 2,480'
   Bone Spring: 4,115'
   Wolfcamp: 6,345'

Percussion Petroleum Operating, LLC

Ross Ranch 23 SWD No. 1

FORM C-108 Supplemental Information

III. Well Data

A. Wellbore Information

1.

Well Information	
Lease Name	Ross Ranch 23 SWD
API	30-015-
Well No.	1
Location	S-23 T-19S R-25E
Footage Location	1,920' FSL & 2,356' FWL

2.

a. Wellbore Description

Type	Surface	Production
OD	9-5/8"	7"
WT	0.352"	0.408"
ID	8.921"	6.184"
Drift ID	8.765"	6.059"
COD	10.625"	7.875"
Weight	36 lb/ft	29 lb/ft
Grade	J-55 STC	L-80 LTC
Hole Size	12-1/4"	8-3/4"
Depth Set	1,250'	8,300'

b. Cementing Program

Casing String	Conductor	Production
Cement Type	Class C	Class C
Total Volume	600 sks	1,400 sks
TOC	Surface	Surface
Method	Circulate to Surface	Circulate to Surface

3. Tubing Description

Tubing Information	
OD	3.5"
WT	0.254"
ID	2.992"
Drift ID	2.867"
COD	3.75"
Weight	9.3 lb/ft
Grade	L-80 Upset
Depth Set	0-7,650'

Tubing will be Internal Plastic Coated (IPC)

4. Packer Description

7" X 2-7/8" Non-permanent Nickle Plated Packer with 2-7/8" x 3-1/2" crossover

B. Completion Information

1. Injection Formation: Cisco/Canyon
2. Gross Injection Interval: 7,700' - 8,200'

Completion Type: Perforated interval

3. Drilled for injection
4. See the attached wellbore schematic.

5. Oil and Gas Bearing Zones within area of well:

Formation	Depth
Yeso	2,480'
Bone Spring	4,115'
Wolfcamp	6,345'

VI. Area of Review

Two (2) wells within a half-mile radius penetrate the proposed Cisco-Canyon injection zone. The Parino #001 is a vertical well that previously produced from the Morrow and Strawn formations. The Parino #001 was plugged back in July 2010 and became an oil producer from the Glorieta-Yeso formation. The Parino 23L #002 is another vertical well that is currently producing gas from the Morrow formation, this well experienced no plugbacks. Both wells are operated by the applicant, Percussion Petroleum Operating, LLC. A plugback schematic is attached to this application for the Parino #001. Additionally, completion records for both wells are attached in this application.

Well Name	API (30-015-...)	Well Type	Date Drilled	Reservoir	Depth
PARINO #001	23049	Active Oil	3/1/1990	Glorieta-Yeso	3,310 (PBTD)
PARINO 23L #002	25939	Active Gas	7/13/1988	Morrow	9600 (TVD)

VII. Proposed Operation Data

1. Proposed Daily Rate of Fluids to be Injection:

   Average Volume: 8,500 BPD
   Maximum Volume: 10,000 BPD

2. Closed System

3. Anticipated Injection Pressure:

   Average Injection Pressure: 1,155 PSI (surface pressure)
   Maximum Injection Pressure: 1,540 PSI (surface pressure)

4. The injection fluid is to be locally produced water. It is expected that the source water will predominantly be from the Seven Rivers, Glorieta-Yeso, Pennsylvanian, and Morrow formations. Attached are produced water sample analyses taken from offset wells that feature samples from the Abo, Cisco-Canyon, Morrow, Pennsylvanian, San Andreas/Yeso, and Wolfcamp formations.

5. The disposal interval is generally non-productive in this region. However, recorded water samples are attached in the Produced Water Summary for the Cisco and Canyon formations from the same township and range. These records were retrieved from the Petroleum Recovery Research Center of New Mexico.

VIII. Geological Data

Cisco Formation Lithology

The Cisco Formation is an Upper Pennsylvanian (Virgilian) carbonate reservoir that occurs below the Wolfcamp and above the Strawn formation in the Northwest Shelf of the Permian Basin. Reservoirs formed in the Northwest Shelf were created in shallow-water ramp structures across North Eddy County. Sediments in the Cisco are composed of carbonates and shales. The Northwest Shelf is more dolomitized than the equivalent succession in the rest of the Permian Basin, several beds of dolomite are present in this specific region of the Northwest Shelf. Carbonate facies of this formation include beach grainstones and lagoonal mudstones and packstones. Dolomitized fusulinid and crinoid wackestone-grainstones create reservoirs with optimal porosity and permeability. These characteristics allow for this formation to be a suitable saltwater disposal horizon.

Canyon Formation Lithology

The Canyon Formation is a Pennsylvanian Missourian aged carbonate deposited over preexisting platforms around basin margins. On the Northwest Shelf, the Canyon sequence is characterized by aggradation and progradation as this region of the Permian Basin was known to form in a platform to ramp structure in shallow water. The Canyon formation rests beneath the Cisco formation in the northern region of Eddy County. The Strawn is the lower confining layer for the proposed well. Facies such as phylloid-algal-dominated bioherms and ooid grainstones create high quality carbonate reservoirs in the Canyon formation. This carbonate reservoir provides an ideal disposal horizon.

A. Injection Zone: Cisco-Canyon Formation

Formation	Depth
San Andreas	840'
Yeso	2,480'
Bone Spring	4,115'
Wolfcamp	6,345'
Canyon	7,695'

B. Underground Sources of Drinking Water

One (1) water well exists within one-mile of the proposed well. Across the area, fresh water wells are usually drilled at an average depth of 250 feet. Water is found at an average depth of 100 feet generally producing from the Roswell Artesian Basin. These freshwater basins will be protected by setting surface casing at 1,250 feet.

IX. Proposed Stimulation Program

Percussion plans to perforate optimal intervals determined by log analysis and acidize the new perforations with 110 barrels of 15% NEFE acid.

X. Logging and Test Data on the Well

There are no logs or test data on the well. During the process of drilling and completion resistivity, gamma ray, and density logs will be run.

XI. Chemical Analysis of Fresh Water Wells

Attached is a map of the one (1) water well that exists within one-mile of the well location. Samples from the well will be obtained and analysis results will be provided as soon as possible. A Water Right Summary from the New Mexico Office of the State Engineer is attached for the water well RA-10407.

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 and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address	2. OGRID Number
Percussion Petroleum Operating, LLC 919 Milam St. Suite 2475 Houston, TX 77002	371755
	3. API Number 30-015-

4. Property Code	5. Property Name	6. Well No.
	Ross Ranch 23 SWD	1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
J	23	19S	25E		1920	South	2356	West	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name	Pool Code
SWD; Cisco-Canyon	96186

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New	S		P	3436
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
No	8300	Cisco-Canyon		
Depth to Ground water	**Distance from nearest fresh water well**		**Distance to nearest surface water**	

☒ **We will be using a closed-loop system in lieu of lined pits**

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12.25	9.625	36	1250	600	0
Prod.	8.75	7	29	8300	1400	0

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	2500	Shaffer
Annular	5000	1500	Shaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify that I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.** Signature: Ryan Barber		OIL CONSERVATION DIVISION	
		Approved By:	
Printed name: Ryan Barber		Title:	
Title: Petroleum Engineer		Approved Date:	Expiration Date:
E-mail Address: ryan@percussionpetroleum.com			
Date: 5/7/19	Phone: 713-300-1853	Conditions of Approval Attached	

District I
1625 N. French Dr., Hobbs, NM 88240
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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
30-015-	96186	SWD; Cisco-Canyon

4 Property Code	5 Property Name	6 Well Number
	ROSS RANCH 23 SWD	1

7 OGRID NO.	8 Operator Name	9 Elevation
371755	PERCUSSION PETROLEUM, LLC	3436'

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
J	23	19S	25E		1920	SOUTH	2356	WEST	EDDY

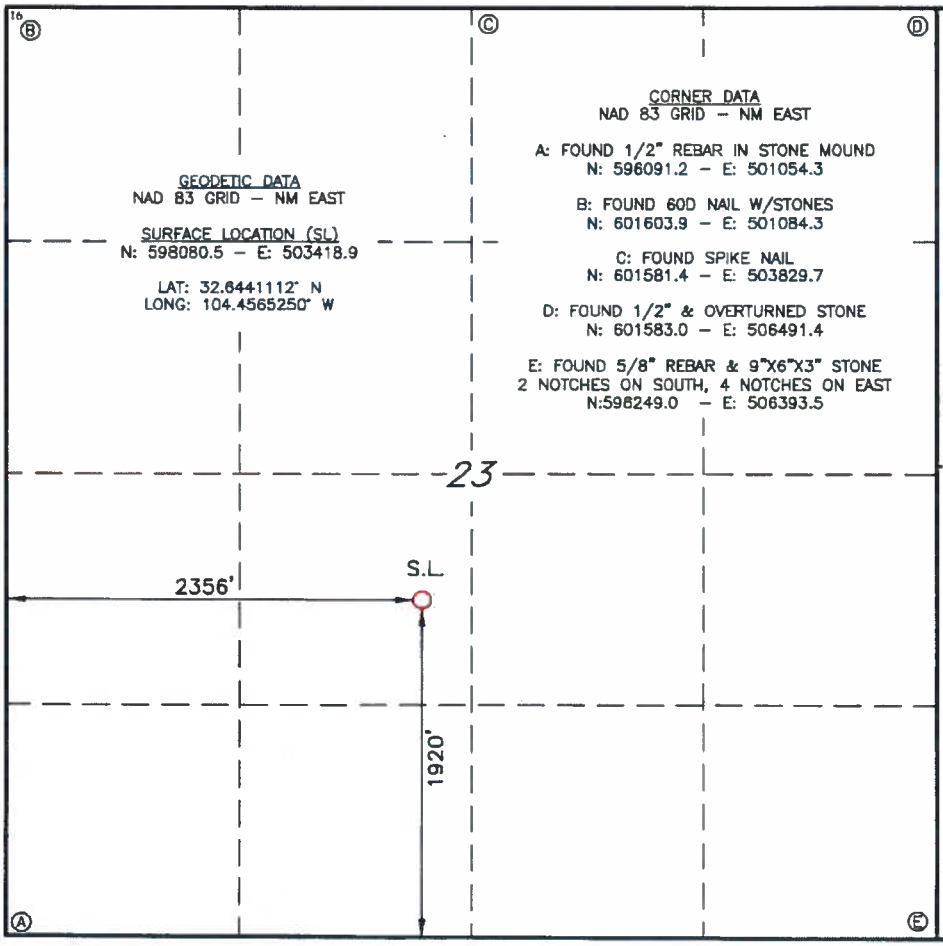
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

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



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.

Signature 5/7/19 Date

Ryan Barber
Printed Name

ryan@percussionpetroleum.com
E-mail Address

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.

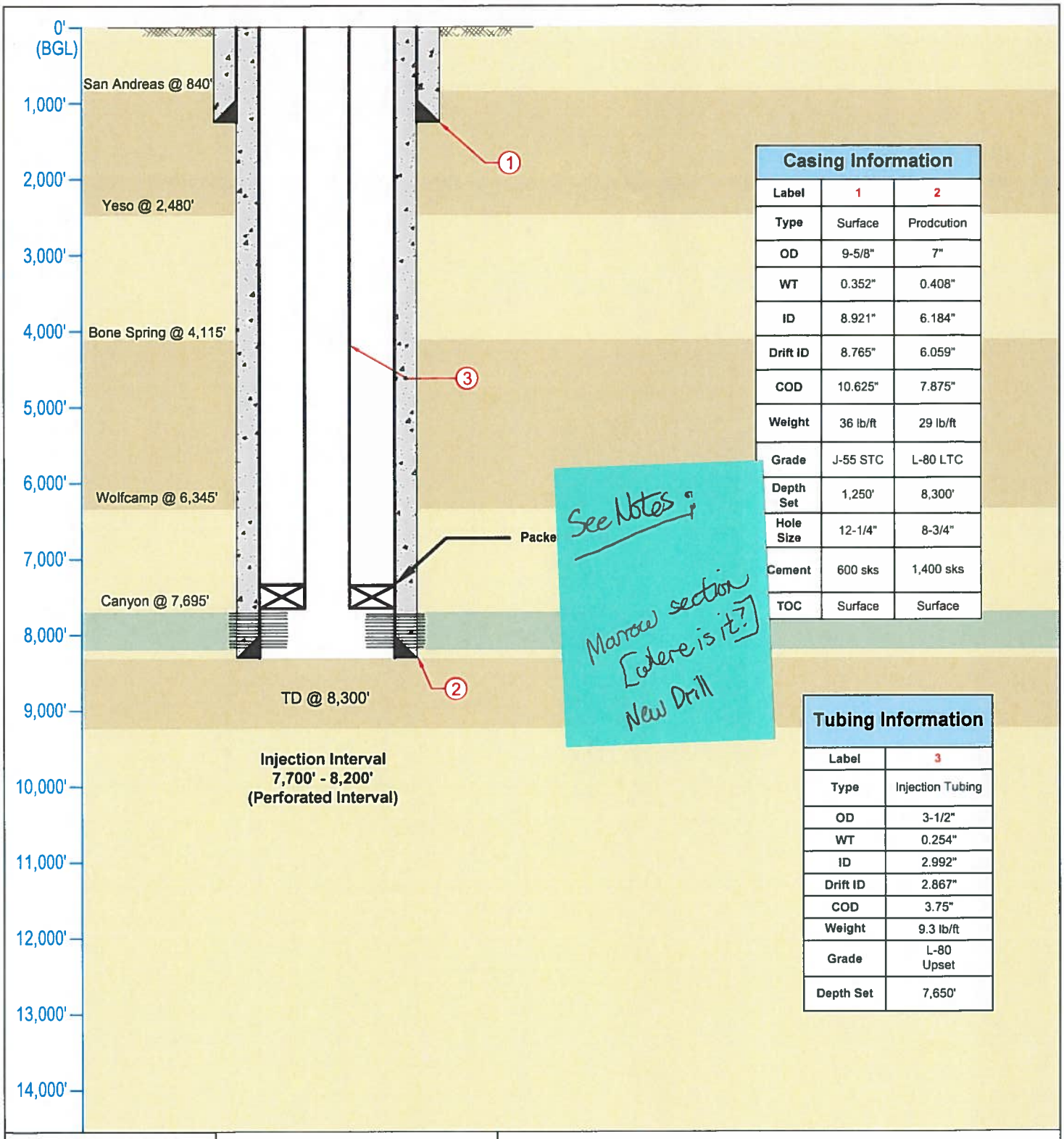
4-16-19
Date of Survey

Signature and Seal of Professional Surveyor

ROBERT M. HOWETT
NEW MEXICO
19680
PROFESSIONAL SURVEYOR

19680
Certificate Number

LS19030437



Casing Information		
Label	1	2
Type	Surface	Prodcution
OD	9-5/8"	7"
WT	0.352"	0.408"
ID	8.921"	6.184"
Drift ID	8.765"	6.059"
COD	10.625"	7.875"
Weight	36 lb/ft	29 lb/ft
Grade	J-55 STC	L-80 LTC
Depth Set	1,250'	8,300'
Hole Size	12-1/4"	8-3/4"
Cement	600 sks	1,400 sks
TOC	Surface	Surface

Tubing Information	
Label	3
Type	Injection Tubing
OD	3-1/2"
WT	0.254"
ID	2.992"
Drift ID	2.867"
COD	3.75"
Weight	9.3 lb/ft
Grade	L-80 Upset
Depth Set	7,650'

LONQUIST & CO. LLC
PETROLEUM ENGINEERS | ENERGY ADVISORS
AUSTIN · HOUSTON · CALGARY · WICHITA
DENVER · COLLEGE STATION · BATON ROUGE · EDMONTON

Texas License F-8952

3345 Bee Cave Road, Suite 201
Austin, Texas 78746
Tel: 512.732.9812
Fax: 512.732.9816

Percussion Petroleum Operating, LLC	**Ross Ranch 23 SWD No. 1**	
Country: USA	**State/Province:** New Mexico	**County/Parish:** Eddy
Location: 1,920' FSL, 2,356' FWL	**Site:**	**Status:** SWD Permit
Survey/STR: S-23 T-19S R-25E	**Field:** SWD; Cisco-Canyon (96186)	**Serial No:**
Well API No: 30-015-	**Project No:** 2045	**Date:** 5/24/2019
Drawn: TFM	**Reviewed:** RKH	**Approved:**
Rev No: 1	**Notes:** Configuration to change from Morrow gas producer to Cisco-Canyon SWD	

AFFIRMATIVE STATEMENT OF EXAMINATION OF GEOLOGIC AND ENGINEERING DATA

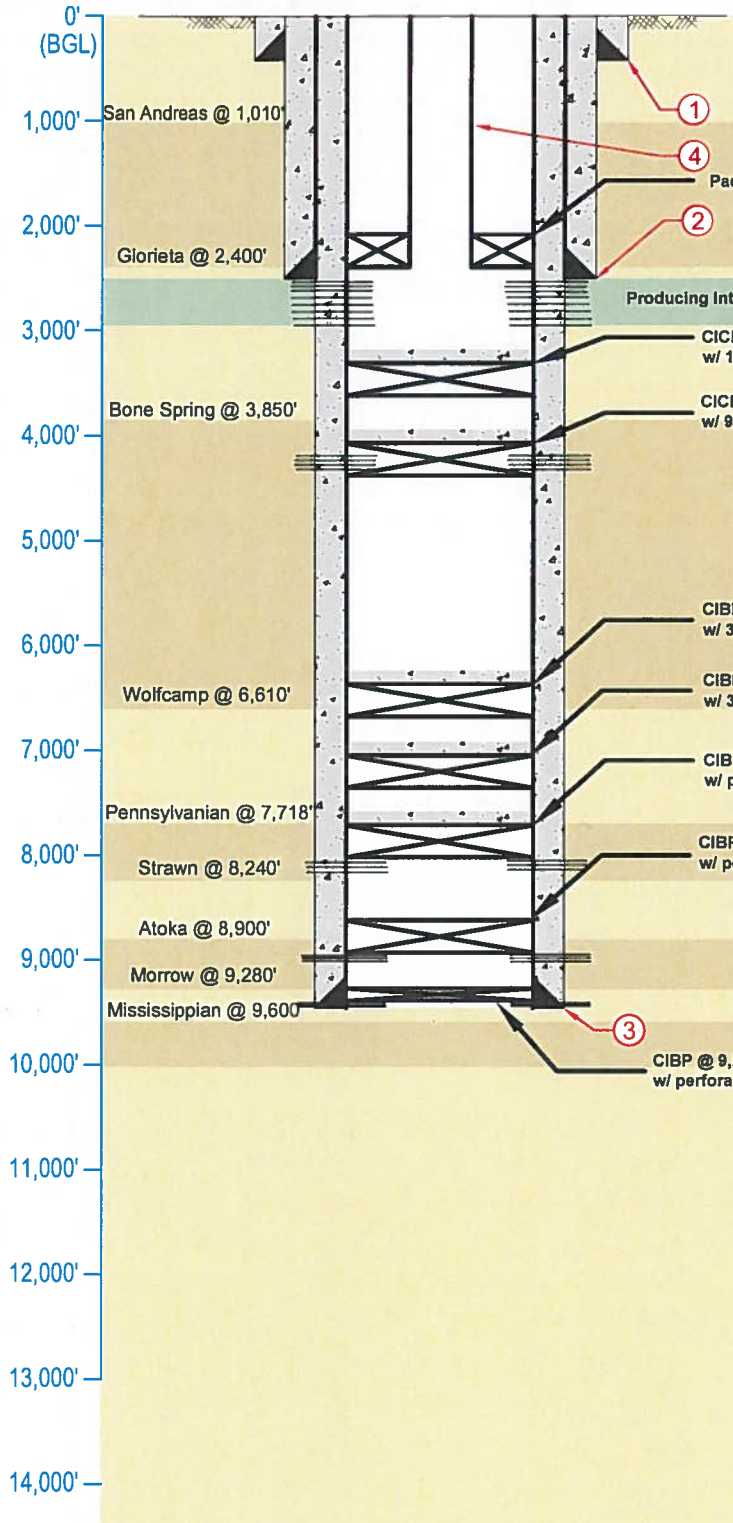
Based on the available engineering and geologic data, we find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

Name: Ryan Barber

Title: Petroleum Engineer

Signature: Ryan C

Date: 5/22/19



Casing Information

Label	1	2	3
Type	Surface	Intermediate	Production
OD	13-3/8"	9-5/8"	4-1/2"
Depth Set	417'	2,501'	9,460'
Hole Size	17-1/2"	12-1/4"	8-3/4"
Cement	700 sks	1,500 sks	1,375 sks
TOC	Surface	Surface	Surface

Tubing Information

Label	4
Type	Production Tubnig
OD	2-3/8"
Depth Set	2,395'

LONQUIST & CO. LLC
PETROLEUM ENGINEERS | ENERGY ADVISORS
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DENVER · COLLEGE STATION · BATON ROUGE · EDMONTON

Texas License F-8952

3345 Bee Cave Road, Suite 201
Austin, Texas 78746
Tel: 512.732.9812
Fax: 512.732.9816

Percussion Petroleum Operating, LLC	# Parino #001	
Country: USA	**State/Province:** New Mexico	**County/Parish:** Eddy
Location: 1,980' FSL & 660' FEL	**Site:**	**Status:** Active Oil Producer
Survey/STR: S-23 T-19S R-25E	**Field:** N. Seven Rivers, Glorieta-Yeso	**Serial No:**
Well API No: 30-015-23049	**Project No:** 2045	**Date:** 5/28/2019
Drawn: TFM	**Reviewed:** RKH	**Approved:**
Rev No: 1	**Notes:** Morrow & Strawn Producer, plugback to Glorieta-Yeso oil production	

RM

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

WELL API NO. 30-015-23049	
5. Indicate Type of Lease STATE ☐ FEE ☒	
6. State Oil & Gas Lease No.	
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.)	7. Lease Name or Unit Agreement Name: Parino
1. Type of Well: Oil Well ☒ Gas Well ☐ Other	8. Well Number 1
2. Name of Operator Nearburg Producing Company	9. OGRID Number 015742
3. Address of Operator 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705	10. Pool name or Wildcat Dagger Draw; Upper Penn, North
4. Well Location Unit Letter I : 1980 feet from the South line and 660 feet from the East line Section 23 Township 19S Range 25E NMPM County Eddy	
	11. Elevation (Show whether DR, RKB, RT, GR, etc) 3417

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER ☐		OTHER: TA Extension	☒

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.

Per request from NMOCD Santa Fe office, on 3/16/09, a MIT test was run on the subject well and witnessed by NMOCD rep Richard Inge. Mr. Inge took chart with him to office. The CIBP is set at 7750' w/ 35' cmt on top. No other tubular goods are in the hole.

MPC has Order #E-39, Case #14296, with an approval till March 31, 2009.

Temporary Abandoned status Approved Until 3/31/2010

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE S Jordan TITLE Production/ Regulatory Analyst DATE 3/17/09

Type or print name Sarah Jordan E-mail address: sjordan@nearburg.com PHONE 432/686-8235

For State Use Only

APPROVED BY Richard Inge TITLE Compliance Officer DATE 3/24/09

Conditions of Approval (if any):

Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.	30-015-23049
5 Indicate Type of Lease	STATE ☐ FEE ☒
6 State Oil & Gas Lease No.	

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.)

7 Lease Name or Unit Agreement Name	Parino
1 Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER	
2 Name of Operator	Nearburg Producing Company
8 Well No.	1
3 Address of Operator	3300 North A Street, Building 2, Suite 120, Midland, Texas 79705
9 Pool name or Wildcat	Dagger Draw; Upper Penn, North

4 Well Location
Unit Letter I : 1980 Feet From The South Line and 660 Feet From The East Line

Section 23 Township 19S Range 25E NMPM Eddy County

10 Elevation (*Show whether DF, RKB, RT, GR, etc.*) 3,417' GR

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ANBANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER: Temporarily Abandon			☒

12 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.

1) POOH w/completion setting on 07/26/97.

2) RDMO well service unit. Final report. TA'd well.

NOV 1998
RECEIVED
OCD - ARTESIA

Exp 2003

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. Scott Kimbrough TITLE Manager of Drilling and Production DATE 10/30/98

TYPE OR PRINT NAME E. Scott Kimbrough TELEPHONE NO. (915) 686-8235

(This space for State Use) 3160

APPROVED BY ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR TITLE _____ DATE 12-23-98

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

RECEIVED
BLM
ARTESIA

WELL API NO.
30-015-23049

Indicate Type of Lease
STATE ☐ FEE ☒

State Oil & Gas Lease No.

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.)

Lease Name or Unit Agreement Name
Parino

Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER

Name of Operator
Nearburg Producing Company

Well No.
1

Address of Operator
3300 N A St., Bldg 2, Suite 120, Midland, TX 79705

Pool name or Wildcat
Dagger Draw; Upper Penn, N

Well Location
Unit Letter I : 1980 Feet From The South Line and 660 Feet From The East Line

Section 23 Township 19S Range 25E NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3,417'GR

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☒	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ANBANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER:	☐		

12 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.

Nearburg Producing Company requests approval to temporarily abandon the well by the procedure listed below:

1) POH w/ production setting.
2) Set CIBP @ 7,700' w/ 18' cmt on top. New PBTD @ 7,682'
3) Test csg and CIBP to 500 psi.
4) RDMO well service unit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE T. Scott Lumbard TITLE Mgr Drlg & Prod DATE 12/8/98

TYPE OR PRINT NAME TELEPHONE NO.

(This space for State Use)

APPROVED BY Mike Stanfield TITLE Field Rep. II DATE Dec. 14 98

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.	30-015-23049
Indicate Type of Lease	STATE ☐ FEE ☒
State Oil & Gas Lease No.	

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.)

Lease Name or Unit Agreement Name	Parino
Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER	
Name of Operator	Nearburg Producing Company
Well No.	1
Address of Operator	3300 North A Street, Building 2, Suite 120, Midland, Texas 79705
Pool name or Wildcat	Dagger Draw; Upper Penn, North

Well Location
Unit Letter I : 1980 Feet From The South Line and 660 Feet From The East Line

Section 23 Township 19S Range 25E NMPM Eddy County

Elevation (*Show whether DF, RKB, RT, GR, etc.*) 3,417' GR

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ANBANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER: Amended Workover Report dated (4/18/97).			☒

12 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.

RECEIVED
NOV 1998
OCD - ARTESIA

1) MIRU 3/24/97.

2) POOH w/tubing and packer. Set CIBP at 8,624' w/18' cmt on top. New PBTD at 8,587'.

3) Perforate from 7,796' - 7,820' using 4 JSPF.

4) Stimulate perfs using 4' spaced PPI tool & 4 bbls 15% NEFE acid per setting. Pump 2100 gals 15% NEFE acid at 5 BPM & 2500 psi.

5) TIH w/submersible pump and completion setting. ND BOPE and NU wellhead.

6) RDMO workover unit 03/29/97.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. Scott Kimbrough TITLE Manager of Drilling and Production DATE 10/30/98

TYPE OR PRINT NAME E. Scott Kimbrough TELEPHONE NO. (915) 686-8235

(This space for State Use)

APPROVED BY Tim W. Gum BES TITLE District Supervisor DATE 11-3-98

CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

July 10, 1997

Nearburg Producing Company
P.O. Box 823085
Dallas, Tx. 75382-308

Re: **Well Placed In Pool**

Gentlemen:

As the result of Division Order R-10822 the following described well has been placed in the pool shown below. This change in nomenclature has been made in our files. Please change your records to reflect the proper pool name effective March 1, 1997. All subsequent reports must show this nomenclature until further notice.

Dagger Draw; Upper Penn., North Oil Pool
Parino #1
Unit I , Section 23, Township 19 South, Range 25 East, NMPM
Poolcode: 15472

Transporters are advised, by copy of this letter, to change their records to reflect the pool name as established by this order.

Sincerely,

Bryan Arrant
District Geologist

cc: Texaco Trading & Transporation
GPM
Mae
Well File
Santa Fe

Submit 3 Copies to Appropriate District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

c/SF
DP

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED
JAN 10 '89
O. C. D.
ARTESIA, OFFICE

WELL API NO.
30-015-23049

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
PARINO

1. Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER

2. Name of Operator
Nearburg Producing Company ✓

8. Well No.
1

3. Address of Operator
P.O. Box 31405 Dallas, TX 75231-0405

9. Pool name or Wildcat
Boyd Morrow

4. Well Location
Unit Letter I : 1980 Feet From The South Line and 660 Feet From The East Line

Section 23 Township 19S Range 25E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3417.2' G.L.

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☒	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			OTHER:			☐

12. 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.

12-22-88: Set cast iron bridge plug @ 9270'. Dumped 35' of cement on bridge plug with dump bailer. Ran Baker Lock-set packer on 2-3/8" EUE tubing and set @ 8307'. Perforated Strawn from 8724-32' with 2 JSPF. Well started flowing on second swab run. Flowing on 32/64" choke.

Post ID-2
3-3-89
PwA mon.

12-23-88: Flow testing
12-24-88: Flow testing
12-25-88: Shut In
12-28-88: 72 hour Shut In 2600#. Blew well down, acidized with 1,000 gal MOD acid, 1,000 SCF N_2 per bbl., and 32 ball sealers. Opened well to pit, flowing back load.
12-29-88: All load recovered, flow testing well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Eddie J. Gelwick TITLE Operations Coordinator DATE January 9, 1989

TYPE OR PRINT NAME EDDIE J. GELWICK TELEPHONE NO. 214/739-177

(This space for State Use)

APPROVED BY Original Signed By TITLE DATE JAN 1

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W Grand Ave , Artesia, NM 88210
District III
1000 Rio Brazos Rd , Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

WELL API NO. 30-015-23049

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: Parino

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

RECEIVED
JUL 12 2010
NMOCD ARTESIA

8. Well Number 1

2. Name of Operator Nearburg Producing Company

9. OGRID Number 015742

3. Address of Operator 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705

10. Pool name or Wildcat Dagger Draw; Upper Penn, North

4. Well Location

Unit Letter I : 1980 feet from the South line and 660 feet from the East line

Section 23 Township 19S Range 25E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3417

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER:	☐			OTHER: Plugback work	☒		

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.

Please see attached for work performed during plugback of the subject well.

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sarah Jordan TITLE Production/ Regulatory Analyst DATE 7-9-10

sjordan@nearburg.com

Type or print name Sarah Jordan E-mail address: PHONE 432/818-2950

For State Use Only

APPROVED BY TITLE Geologist DATE 7/12/2010

Conditions of Approval (if any):

Nearburg Producing Company

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

Parino #1
Legal
Dagger, Draw, Upper Penn North
Eddy County, New Mexico
** ALL COSTS ARE FIELD ESTIMATES **

02/26/10 Had Malone backhoe backdrag all mesquite bushes and growth off location & clean for pulling unit. Had Hobbs anchor truck pull test all anchors. Will have JSI wireline bring mast truck to run CBL on Monday AM. SDFW.
Current Operation: RU JSI to run CBL.

02/27/10 Had RWI roustabouts remove B1 bonnet & valve from wellhead (break loose old bolts). Also remove old gate valve from B-section on csg and replace with new 2" flange and 2" ball valve. MIRU JSI mast truck & electricline truck to RIH w/ 3.795" gauge ring/JB/CCL to 5500' with no obstructions. POOH & LD GR/JB/CCL tools. PU & RIH w/ CBL/GR/CCL to log csg from 5500' up to 5000' w/ no pressure on repeat section. Had good cement on repeat pass. RIH w/ tools to log main pass holding 500# on csg while logging. Had TRM truck pressure csg w/ fresh wtr & hold while logging. Start logging from 5500' up to 4080' finding the TOC approximately @ 4610'. Bled off csg pressure. PUH & log through perforated interval looking for short jt to correlate when perforating new formation. POOH & LD CBL/GR/CCL tools. Did not have open hole log to correlate CBL log to, but had a gamma ray strip from procedure showing perfs picked that we correlated to (approx 1' deep). RDMO JSI trucks & TRM pump truck. SI well. SDFN.
Current Operation: Wait for completion rig.

03/18/10 Road rig & crew to location from Pennzoil "1" Fed #3. MIRU Lucky Services pulling unit. ND B1 bonnet wellhead flange & NU BOP. Had Malone backhoe deliver 140 jts- 2 3/8" J-55 4.7# EUE 8rd tubing from yard & set on pipe racks on location. Had JSI electricline truck on location ready to RIH w/ CIBP and start plugging well back. Had Two-State bring 500 Bbl flowback frac tank and also open top 250 Bbl frac tank & set on location. SI well. Found out from OCD we did not have procedure approved yet and could not start working on well until Jackie Reeves (Geologist w/ OCD) approves. Will call OCD in the AM to check on.

Current Operation: Waiting for OCD to approve procedure, may move to B&B 22 #10 to repair tbg.

03/19/10 Open BOP blinds. PU & RIH w/ 2 3/8" API SSN on btm of 241 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. Tag TOC above CIBP @ 7715' by tbg tally. Had Malone backhoe/truck deliver another 110 jts- 2 3/8" J-55 4.7# EUE 8rd tubing to location from yard. Had TRM vac truck bring 80 Bbls abandonment mud (10# brine wtr w/ salt gel) to spot in csg from TOC @ 7715' up to 5800'. Pumped 30 Bbls abandonment mud dn tbg and displaced out csg to frac tank flushing w/ 30 Bbls fresh wtr @ 2.5 bpm. RDMO TRM pump truck. POOH & LD 101 jts- 2 3/8" J-55 tbg on pipe racks. Continue to POOH standing back 140 jts- 2 3/8" J-55 4.7# EUE 8rd tubing in derrick. RU JSI electricline truck to PU & RIH w/ 3.5" Alpha CIBP w/ gamma gun/CCL to set in 4 1/2" csg @ 7050' correlated on depth w/ open hole log. POOH w/ setting tool. Close BOP blinds. SI well. SDFW. Will have JSI dump bail 35' cmt on CIBP @ 7050' and set another CIBP @ 6372' Monday AM.

Current Operation: JSI to set CIBP/dump bail cmt, shoot squeeze holes, RIH & set CICR on tbg, establish inj. rate.

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

Parino #1
Legal
Dagger, Draw, Upper Penn North
Eddy County, New Mexico
** ALL COSTS ARE FIELD ESTIMATES **

03/20/10 MIRU JSI electricline truck to RIH and dump bail cmt on CIBP @ 7050'. Made 2 dump bailer runs putting 35' cmt w/ TOC @ 7015'. PU & RIH w/ 3.5 Alpha CIBP/GR/CCL and set @ 6372' in 4 1/2" csg after correlating on depth w/ open hole log. Made 2 dump bailer runs putting 35' cmt on top w/ TOC @ 6337'. LD cmt dump bailer. RIH w/ csg gun to shoot 4 squeeze holes in 4 1/2" csg @ 4194'. POOH w/ shot gun. RDMO JSI electricline truck. PU & RIH w/ 4 1/2" CICR, 128 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. RU TRM pump truck to pump 15 Bbls fresh wtr through cement retainer and broke circulation up 4 1/2" csg to surface. Set CICR @ 4072'. Pull 5 pts into retainer and test tbg to 2000#. Held good pressure. Bled dn. Unsting from retainer. Sting back into retainer. Pressure test csg to 1000#. Held good pressure. Bled dn. Had TRM pump truck tie onto tbg swivel and pump through retainer & out squeeze holes to break circulation to surface. Pumped a total of 459 Bbls fresh wtr @ 3.0 bpm w/ 1500# tbg pressure and did not break circulation to surface. Pressured wellbore to hold 1000#. Bled psi off to frac tank. Decided to pump dn 9 5/8" csg to see if we would pressure up. Pumped 5 Bbls freely then pressured up to 1500#. Pumped a total of 15 Bbls dn 9 5/8" csg @ .5 bpm w/ 1500# csg pressure. SD pressure was 1000#. Bled dn tbg pressure again to frac tank, but 9 5/8" csg held 1000#. Have restriction between 4 1/2" & 9 5/8" casings. SI well. SDFN. Will try to break circulation pumping through retainer in the AM.

Current Operation: Try breaking circulation through CICR.

03/21/10 Checked pressure on tbg stung into retainer when arriving on location. Tbg pressure was 400#. Checked csg pressure also. Csg pressure was 600#. Bled dn 9 5/8" csg to frac tank (1/2 Bbl oil little gas). RU TRM pump truck to tbg swivel and tried to break circulation again pumping 100 Bbls fresh wtr @ 1.5 bpm w/ 1200# tbg pressure. Did not break circulation to surface. SD pump. Visit w/ Phil Hawkins w/ OCD & Matt. Wait on proceeding orders. MIRU Rising Star cement pump truck and equipment. Test line and manifold to 2500#. Had TRM pump truck pressure 4 1/2" csg to 500# and hold while pumping cement job. Start pumping dn tbg to get injection rate and pressure. Pumped 3 Bbls fresh wtr @ 2 bpm w/ 1600#. SD. Batch up cmt slurry mixing 100 sxs Class C neat w/ 15 Bbls fresh wtr (Cmt wt- 14.8, Yield 1.34). Squeeze cmt slurry pumping 2 bpm w/ 800# tbg pressure pumping 24 Bbl total slurry. Displace w/ 13.5 Bbls fresh wtr @ 2 bpm w/ 1100# leaving 2 Bbls in tbg when SD pump. Bleed dn csg pressure. Unsting from retainer. POOH w/ tbg leaving approximately 40' +/- cement on top of retainer. Reverse circulate by pumping 25 Bbls fresh wtr dn 4 1/2" csg and out tbg bringing back 2 Bbls cement to frac tank. RDMO Rising Star cement trucks. POOH w/ 128 jts- 2 3/8" J-55 4.7# EUE 8rd tubing and retainer stinger. LD stinger. Close BOP blinds. SI well. SDFN. Will RU JSI to dump bail cmt on existing plug before shooting squeeze holes in the AM.

Current Operation: RU JSI to dump bail cmt, shoot squeeze holes @ 3400', TRM to break circulation to surface.

Nearburg Producing Company

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

Parino #1
Legal
Dagger, Draw, Upper Penn North
Eddy County, New Mexico
** ALL COSTS ARE FIELD ESTIMATES **

03/22/10 MIRU JSI electricline truck to RIH w/ 3 1/2" cmt dump bailer and make 3 runs putting a total of 94' cmt on top of CICR @ 4072'. Tagged TOC above retainer @ 4032' (what was left after squeeze job). TOC @ 3978'. LD cmt dump bailer. RIH w/ gun to shoot 4 squeeze holes @ 3390'. POOH w/ shot gun. MIRU TRM pump truck to break circulation to surface w/ fresh wtr. Pumped 220 Bbls dn 4 1/2" csg through squeeze holes and broke circulation after pumping 10 Bbls wtr. RDMO JSI electricline truck. Had a 4 bpm rate @ 1000# pressure. PU & RIH w/ 4 1/2" CICR, 2 3/8" API SSN, 104 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. RU TRM pump truck to pump 15 Bbls fresh wtr through retainer. Set CICR @ 3310'. Pulled 5 pts into retainer and tested tbg to 2000#. Held good pressure. Bled dn. Unsting from retainer then sting back into it. Pressure test csg to 500# and held good pressure. Bled dn psi. Wait for Rising Star cement trucks to get to location. MIRU Rising Star cement pump truck & equipment. Test line & Lea County manifold to 2500#. Had TRM pump truck pressure 4 1/2" csg to 500# and hold while pumping cement job. Start pumping dn tbg to break circulation w/ 3 Bbls wtr. Pumped 3 Bbls fresh wtr @ 3 bpm w/ 1490#. Start mixing cmt slurry pumping 244 Bbls total Class C neat (Cmt wt-14.8#, Yield-1.34). Displace w/ 10.5 Bbls fresh wtr @ 2 bpm w/ 1350# leaving 2 Bbls in tbg when SD pump. Bleed dn csg pressure. Unsting from retainer. POOH w/ tbg leaving approximately 20' +/- cement on top of retainer. Reverse circulate by pumping 24 Bbls fresh wtr dn 4 1/2" csg and out tbg bringing back 2 Bbls cement to frac tank. RDMO Rising Star cement trucks. POOH w/ 104 jts- 2 3/8" J-55 4.7# EUE 8rd tubing and retainer stinger. LD stinger. Close BOP blinds. SI well. SDFN. Will RIH w/ tbg and LD tbg on racks before pickling tbg & csg in the AM. Had good cement to surface.

Current Operation: RIH w/tbg. LD tbg on rack. Pickle tbg.

03/23/10 Open BOP blinds. RIH w/ 2 3/8" x 4' Perforated Tbg sub (bullplugged), 104 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. Tag TOC above CICR @ 3295'. POOH w/ 36 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. RIH w/ 36 jts- 2 3/8" tbg (that was stood back in derrick before running original 104 jts) and POOH & LD on pipe racks. RIH w/ 35 jts- 2 3/8" tbg to have EOT @ 3265'. Wait for Rising Star acid truck to get to location (ran late from earlier job). Had Malone backhoe & truck haul 36 jts- 2 3/8" J-55 tbg back to yard. MIRU Rising Star acidizing trucks to pickle tubing w/ 300 gals (7 Bbls) xylene followed by 1000 gals (26 Bbls) 15% NEFE HCL acid and flush/displace hole w/ 64 Bbls 2% KCL wtr. Pumped dn tbg & out csg to frac tank @ 1.5 bpm w/ 160# avg. RDMO Rising Star acid trucks. POOH w/ 103 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. LD 2 3/8" x 4' Perf Tbg sub and bullplug. Close BOP blinds. SI well. SDFW. Will let cement cure tomorrow (Friday) and over the weekend before proceeding.

Current Operation: WOC to cure over weekend before RU JSI to perforate.

03/29/10 Open BOP blinds. RIH w/ 2 3/8" API SSN on btm of 104 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. ND BOP & NU B1 bonnet wellhead w/ 2" valve on top. SI well. RDMO Lucky Services pulling unit. Release all equipment.

Current Operation: Well shut-in. Waiting to perforate

Nearburg Producing Company

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

Parino #1
Legal
Dagger, Draw, Upper Penn North
Eddy County, New Mexico
** ALL COSTS ARE FIELD ESTIMATES **

06/17/10 Arrived on location, tubing had 0 pressure. Casing was on slight vac. Rigged up Lucky KT to load, and test packer. Took two barrels to load, held 500#. Released packer and POOH w/ tubing and packer. SDFN.
Current Operation This AM: RU JSI to add perfs.

06/18/10 MIRU JSI to add new perfs; 2537', 2658', 2761', 2859', 2865', 2869', 2908', 2909', and 2949'. RIH got on depth w/ log, shot new perfs. POOH RDMO JSI. PU 4 1/2" 32A packer SN and 75 joints of 2 3/8" J-55 4.7# EUE 8rd tubing. Set packer @ 2395'. Closed BOP, took 1bbl to load backside. Pressured to 500# held fine. MIRU Rising Star to acidize following perfs w/ 3000gals 15% NEFE HCl using 50 balls.2502', 2508', 2519', 2524', 2526', 2543', 2550', 2561', 2569', 2573', 2597', 2602', 2612', 2614', 2635', 2689', 2704', 2537', 2638', 2761', 2859', 2865', 2869', 2908', 2909', 2949. Tested lines to 7991#. Started on acid well broke @ 3030#. Pumped 12bbls dropped 7 balls, Pumped 12bbls dropped 7 balls, Pumped 12bbls dropped 7 balls Well balled out on 21 balls. Pressure 4801# Let balls drop resumed acid and dropped 12 more balls. Started flush pumped 20bbls to bottom perf. Pumped 74bbls of acid, dropped 33balls Min pressure was 2740#, Max pressure was 4801# and Avg pressure2440# Min rate was 3bpm, Max rate was a 6bpm, ans Avg pressure was 6bpm. ISIP was 1290, 5min 1220, 10min 1200, 15min 1170#. Let acid set for 1.5 hours. Started flowback @ 3:40 PM Had 1150# on tubing set choke on 20\64ths. Flowed 27bbls in one hour tubing pressure was 60# Set choke on 32\644ths. Left well open to frac tank SDFN. We have 94 bbls of fluid to recover. Had recovered 27bbls leaving 67bbls to recover.
Current Operation This AM: Swabbing well.

06/19/10 On location, well had 0 pressure, on 32\64ths choke. Gauged frac tank had flowed 17bbls overnight, Making flowback @44bbls. Leaves 50bbls to recover. Made 4 swab runs, tubing dry. Shut down for 1hr. RIH had no fluid level. Made total of 5runs recovered 11bbls. Have recovered 55 of 94 bbls. Leaving 39bbls to recover. SDFN
Current Operation This AM: POH w/ pkr.

06/21/10 On location, well didn't flow over weekend. RU swab, RIH hit fluid level @ 300'fs. Made 4 swab runs recovering 8bbls. On first run had 40% oil cut. Rest of runs might have 1% oil cut. Released packer, RIH past perfs to make sure balls are off perfs. POOH LD 2 3/8" tubing on pipe racks. Removed BOP. Installed 5000# frac valve. RDMO. Waiting on Frac. Two State transferred tubing and racks to yard. SDFN Have recoverd 61bbls of load still have 31bbls left of 94bbls.
Current Operation This AM: Waiting on frac.

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

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Legal
Dagger, Draw, Upper Penn North
Eddy County, New Mexico
** ALL COSTS ARE FIELD ESTIMATES **

06/26/10 From 2:30PM 6-25-10 to 2:30PM on 6-26-10 flowed back 260 bbls of fluid. Well had 350# on 15/64ths choke. Asked pumper to open well wide open. Have recovered 1140bbls of fluid leaving 6352 bbls to recover.
Current Operation This AM: Flowing well back.

06/27/10 From 2:30PM 6-26-10 to 2:30PM on 6-27-10 flowed back 492 bbls of fluid. Well had 30# on full open choke. Have recovered 1632 bbls of fluid leaving 5560 bbls to recover.
Current Operation This AM: Flowing well back.

06/28/10 From 2:30PM 6-27-10 to 2:30PM on 6-28-10 flowed back 221 bbls of fluid. Well had 30# on full open choke. Have recovered 1853 bbls of fluid leaving 5339 bbls to recover.
Current Operation This AM: Flowing well back.

06/29/10 Road rig & crew to location from Wright #1 yesterday and spot rig. MIRU Lucky Services pulling unit. Well still flowing back frac fluid to battery through flowline. RU TRM vac truck to pull free flowing wtr from csg while working on well. ND Stinger 6" frac valve from wellhead. NU BOP. PU & RIH w/ 2 jts- 2 3/8" J-55 4.7# EUE 8rd tubing (open ended as tail pipe), new 2 3/8" Slotted Seat Nipple, new 2 3/8" API Standard Seat Nipple, 91 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. Tagged fill (TOS) @ 2933'. POOH w/ above tubing. RIH w/ 2 3/8" notched collar, (2) 2" check valves, 20 jts- 2 3/8" J-55 tubing (as cavity), S&P bailer, 70 jts- 2 3/8" J-55 tubing to tag top of fill @ 2860' (higher than before). Start bailing sand and couldn't make any hole due to sand being real hard. Decided to POOH w/ bailer to RIH w/ bit & collars to reverse the sand out with reverse pump in the AM. POOH w/ tbg & LD bailer, check valves & notched collar. Close BOP blinds. Left well open to flowline overnight. SDFN. Will MIRU Lucky reverse unit in the AM.
Current Operation This AM: RIH w/ bit and collars.

06/30/10 MIRU Lucky Rental reverse pump & pit. Had TRM vac truck fill pit w/ 100 Bbls 2% KCL wtr then tie onto csg & pull free flowing wtr from csg while RIH. Raining all morning. PU & RIH w/ new 3 7/8" drill bit, bit sub, (4) 3 1/8" drill collars, x-over sub, 88 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. Tag fill (TOS) @ 2905'. PU swivel on jt #88 and start reverse circulating 2% KCL wtr. With good circulation started CO sand. Circulate btms up after each jt of tbg we picked up to keep sand in tbg light. CO to 3202' w/ 97 jts- 2 3/8" tbg. Circulate btms up to clean sand out of tubing. LD swivel. POOH w/ 26 jts- 2 3/8" J-55 tbg to get bit & EOT above top perf. Put valve in tbg. Close BOP rams. Tie csg into flowline. SDFN. Have 5 1/2 more jts of tbg to CO to btm. Will finish CO sand in the AM.
Current Operation This AM: Finish CO sand.

Nearburg Producing Company

TIGHT HOLE-PLEASE DO NOT RELEASE ANY INFORMATION ON THIS WELL

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** ALL COSTS ARE FIELD ESTIMATES **

07/01/10 Remove valve from tbg. Open BOP rams. RIH w/ 26 jts- 2 3/8" J-55 tubing to top of fill @ 3202'. PU swivel on jt #98. Reverse circulate to pit till clean. Start DO sand reverse circulating w/ 3 jts- 2 3/8" tbg to TOC @ 3293' (by tbg tally). Circulate well clean for 30 minutes. LD swivel. POOH w/ 100 jts- 2 3/8" J-55 tbg. LD (4) 3 1/8" drill collars and 3 7/8" drill bit. PU & RIH w/ 2 jts- 2 3/8" J-55 tbg (open ended as tail pipe), new 2 3/8" Slotted Seat Nipple, new 2 3/8" API Standard Seat Nipple, 98 jts- 2 3/8" J-55 4.7# EUE 8rd tubing. ND BOP & NU B1 bonnet wellhead. Had S&B roustabout gang build wellhead & hook into flowline. Had TRM vac truck pull free flowing wtr from well while RIH w/ tbg & rods. PU & RIH w/ 2" x 1 1/2" x 12' RWBC HVR pump w/ SCID Bbl (+.001"), 1 1/2" x 4' SM plngr (-.003"), DV T/C b&s, 1' LS & SRG w/ 1" x 16' gas anchor, (8) 1 3/8" x 25' Grade K sinker bars w/ 3/4" pins & FHTC, (115) 3/4" x 25' "KD" rods w/ FHTC, 3/4" x 4' "KD" pony rod sub w/ FHTC, 1 1/4" x 22' PR w/ 1 1/2" x 12' PRL. Left well with a light tag on pump. Hang well on. Well full and flowing (no need to load). Pressured tbg to 500# with pump. Held good pressure and had good pump action. Had S&B roustabout gang haul dirt and fill in around wellhead, pickup trash and tighten pumping unit belts. RDMO TRM vac truck & Lucky Services pulling unit. Put well on production @ 6:00 PM. FINAL REPORT.
Current Operation This AM: Turned into battery.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RECEIVED
SEP 27 '88
O. C. D.
ARTESIA, OFFICE

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease: State ☐ Fee ☒
5. State Oil & Gas Lease No.

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.)

7. Unit Agreement Name

1. OIL WELL ☐ GAS WELL ☒ OTHER-

8. Farm or Lease Name: Parino 23L

2. Name of Operator: Nearburg Producing Company

9. Well No.: 2

3. Address of Operator: P.O. Box 31405, Dallas, Texas 75231

10. Field and Pool, or Wildcat: Boyd Morrow

4. Location of Well
UNIT LETTER L, 1200 FEET FROM THE West LINE AND 1500 FEET FROM THE South LINE, SECTION 23 TOWNSHIP 19S RANGE 25E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.): 3433.3 GR.

12. County: Eddy

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☒	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐		CASING TEST AND CEMENT JOB ☐	
OTHER ☐		OTHER ☐	

17. 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.

7-13-88 Spud @ 1:00 PM (MST). Drilled 17½" hole to 350'. Reduced hole size to 12¼, drilled to 1375'.

7-15-88 Ran 32 joints 8 5/8", 24# casing set @ 1373'. Cemented with 1,000 SX. Hal. Lite 1,000 Gal, Flo-check 21, ¼# Flocele per sack and 2% CaCl. Tailed in with 200 sacks premium plus and 2% CaCl. Plug down @ 11:35 PM, 7-15-88. Circulated 135 sacks to Pit. Held 1,000 PSI for 30 miniutes. WOC 18 hours. Drilled 7 7/8" hole to 9600'. Ran logs.

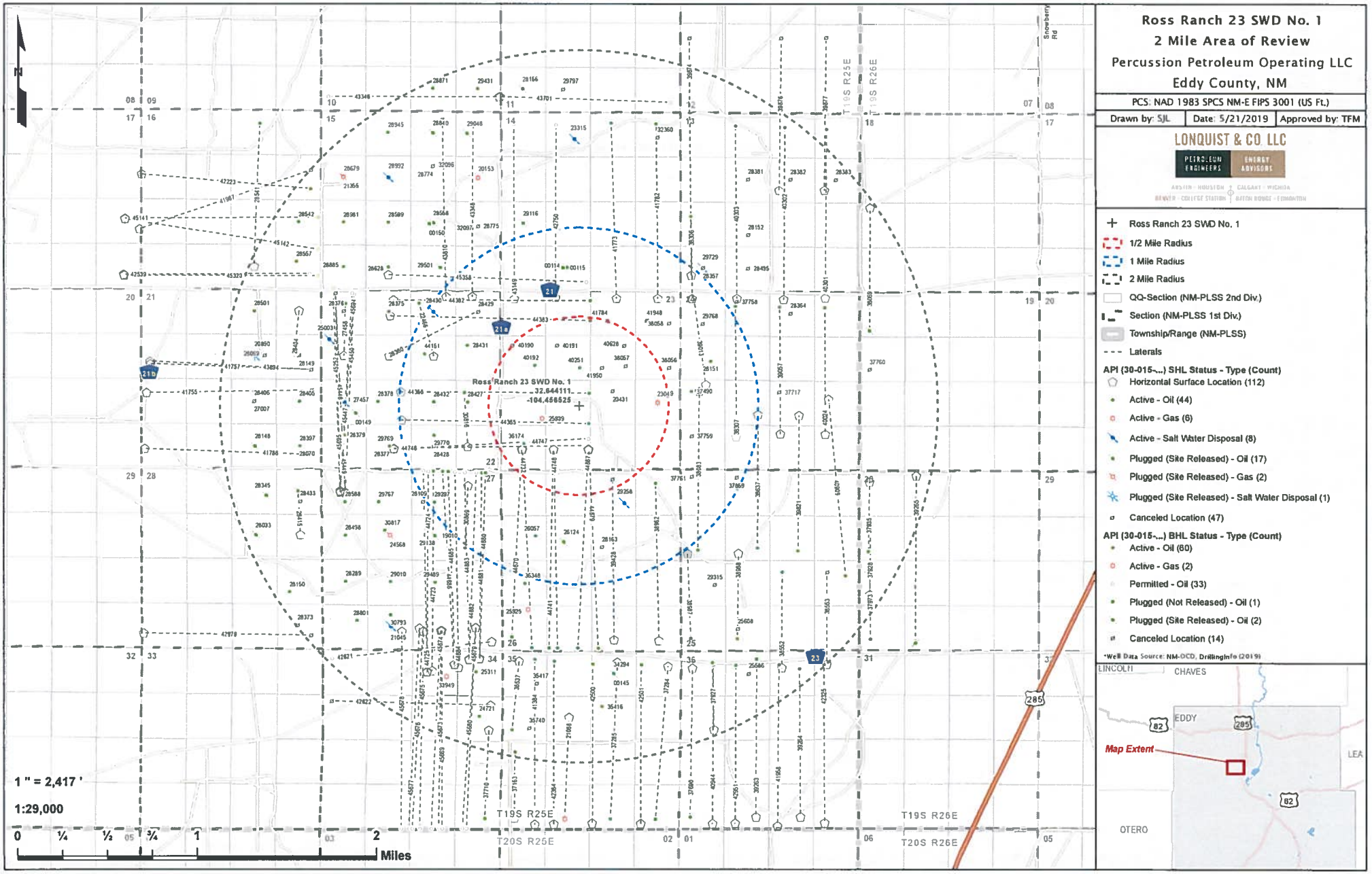
8-07-88 Ran 247 joints 4½", 11.60# casing set @ 9595. Cemented with 750 sacks Premium Plus, 3% CFR, and 4% Halid 22A. Plug down @ 8:00 AM, 8-7-88. Ran temperater survey, top of cement 7100' outside 4½".

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Eddie J. Gelnick TITLE Operations Coordinator DATE 9-16-88

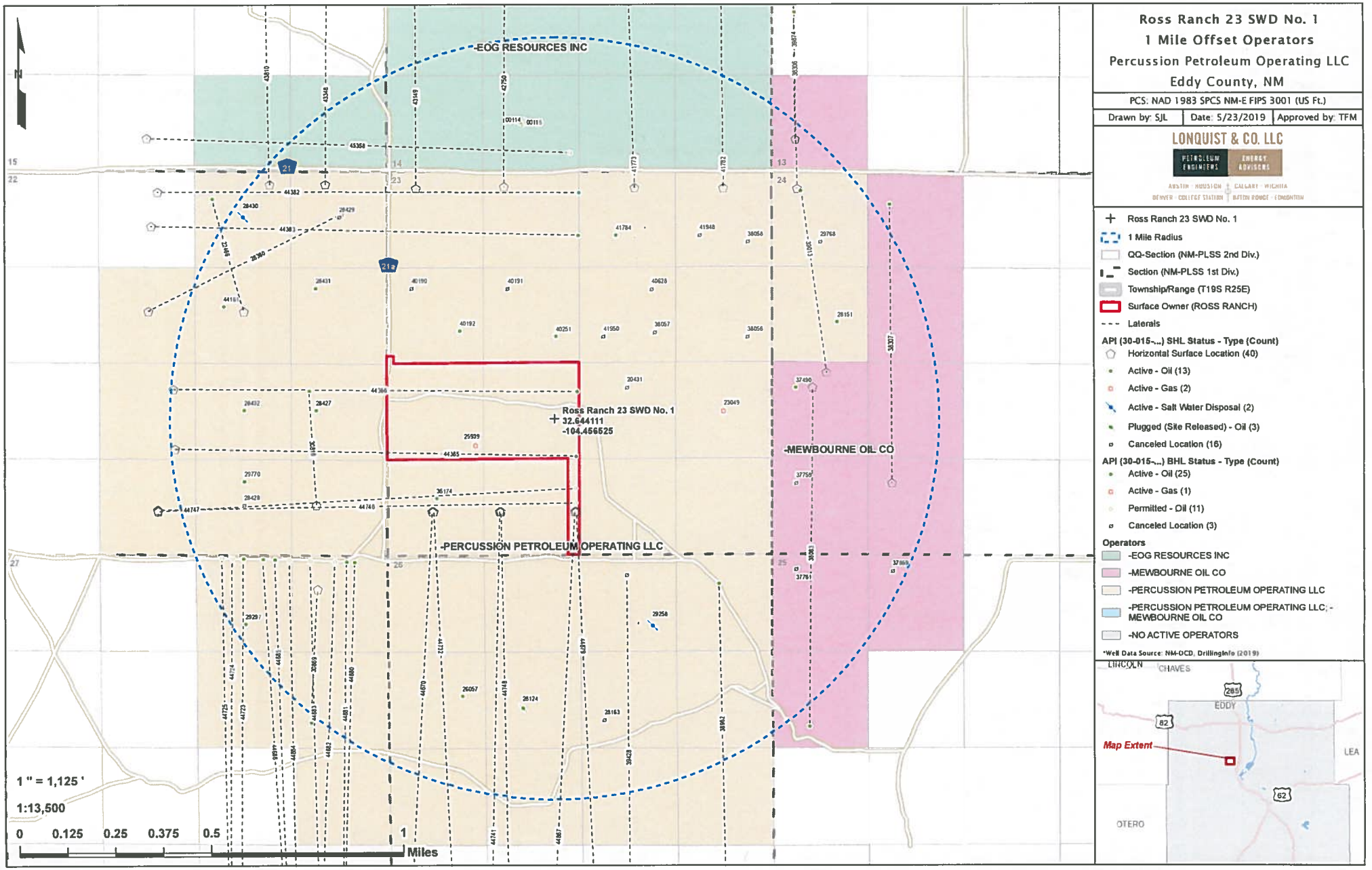
APPROVED BY Original Signed By Mike Williams TITLE _____ DATE SEP 2 0 1988

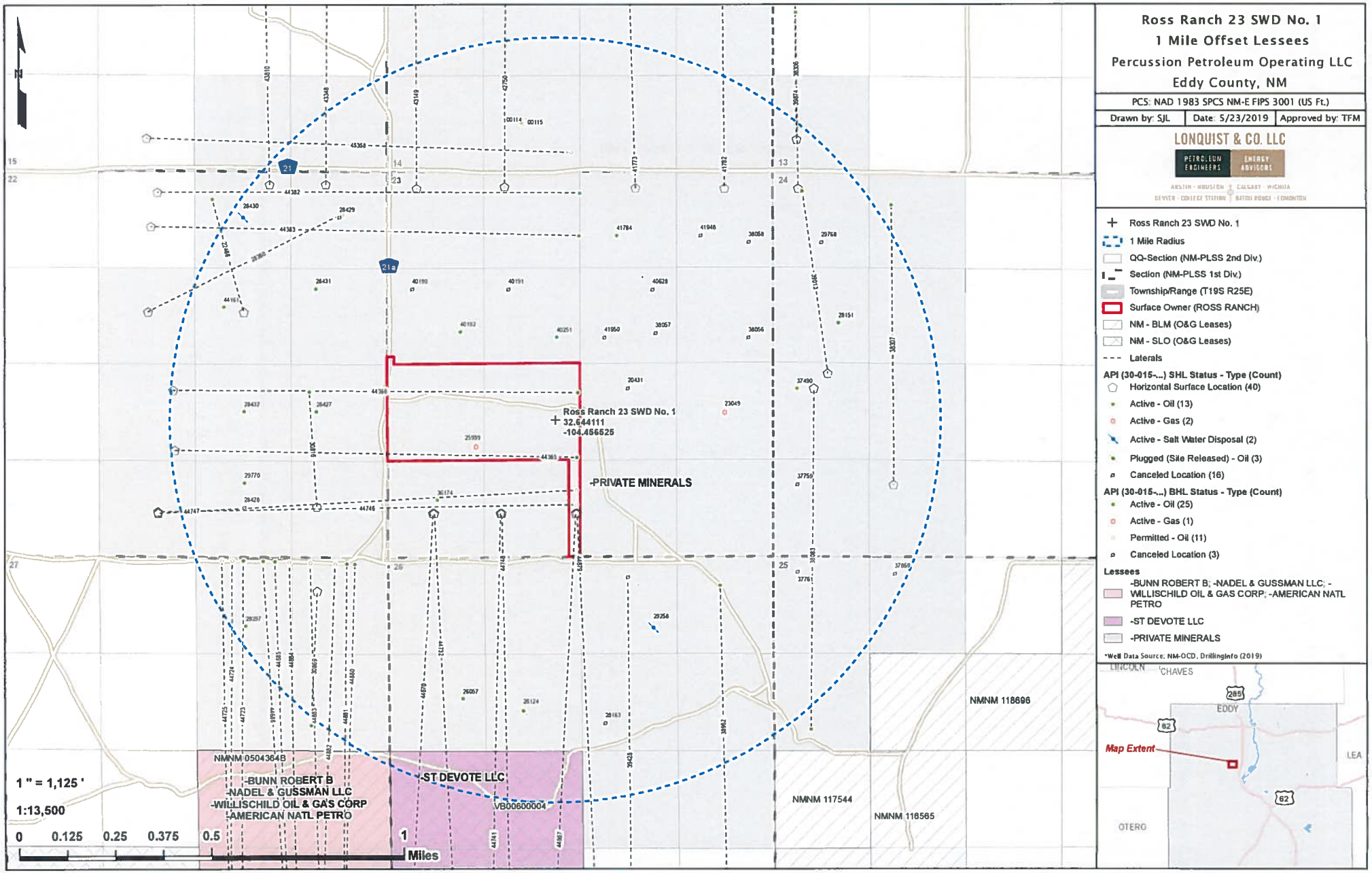
CONDITIONS OF APPROVAL, IF ANY:


Ross Ranch 23 SWD No. 1
2 Mile Area of Review
Percussion Petroleum Operating LLC
Eddy County, NM
PCS: NAD 1983 SPCS NM-E FIPS 3001 (US Ft.)
Drawn by: SJL
Date: 5/21/2019
Approved by: TFM
LONQUIST & CO LLC
PETROLEUM ENGINEERS
ENERGY ADVISORS
Ross Ranch 23 SWD No. 1
1/2 Mile Radius
1 Mile Radius
2 Mile Radius
QQ-Section (NM-PLSS 2nd Div.)
Section (NM-PLSS 1st Div.)
Township/Range (NM-PLSS)
Laterals
API (30-015-...) SHL Status - Type (Count)
Horizontal Surface Location (112)
Active - Oil (44)
Active - Gas (6)
Active - Salt Water Disposal (8)
Plugged (Site Released) - Oil (17)
Plugged (Site Released) - Gas (2)
Plugged (Site Released) - Salt Water Disposal (1)
Canceled Location (47)
API (30-015-...) BHL Status - Type (Count)
Active - Oil (60)
Active - Gas (2)
Permitted - Oil (33)
Plugged (Not Released) - Oil (1)
Plugged (Site Released) - Oil (2)
Canceled Location (14)
*Well Data Source: NM-OCD, DrillingInfo (2019)
Ross Ranch 23 SWD No. 1
32.644111
-104.456525
T19S R25E
T19S R26E
T20S R25E
T20S R26E
1 " = 2,417 '
1:29,000
0 ¼ ½ ¾ 1 2 Miles
LINCOLN
CHAVES
EDDY
LEA
OTERO
Map Extent
285
82

Ross Ranch 23 SWD No 1
1 Mile Area of Review List

API (30-015-...)	WELL NAME	WELL TYPE	STATUS	OPERATOR	TVD (FT.)	LATITUDE (NAD83 DD)	LONGITUDE (NAD83 DD)	SPUD DATE	FIELD
00114	PRE-ONGARD WELL #001	O	P	PRE-ONGARD WELL OPERATOR	6570	32.6554451000	-104.457679700	9/16/1951	
00115	PRE-ONGARD WELL #002	O	P	PRE-ONGARD WELL OPERATOR	790	32.6554146000	-104.458046000	3/22/1952	
20431	PRE-ONGARD WELL #001	O	C	PRE-ONGARD WELL OPERATOR	0	32.6453182460	-104.453283275	-	
22466	B & B #001	O	A	PERCUSSION PETROLEUM OPERATING, LLC	9484	32.6481857000	104.470390300	9/28/2006	[15472] DAGGER DRAW, UPPER PENN, NORTH; [96065] WC, GLORIETA-YESO; [97565] N. SEVEN RIVERS, GLORIETA-YESO
23049	PARINO #001	G	A	PERCUSSION PETROLEUM OPERATING, LLC	9460	32.6440054000	104.448959400	2/26/2010	[15472] DAGGER DRAW, UPPER PENN, NORTH; [96081] WC, STRAWN DO NOT USE; [96458] BOYD, STRAWN; [97482] WC, GLORIETA-YESO; [97565] N. SEVEN RIVERS, GLORIETA-YESO
25939	PARINO 23L #002	G	A	PERCUSSION PETROLEUM OPERATING, LLC	9600	32.6430969000	104.460029600	7/13/1988	[72840] BOYD, MORROW (GAS)
26057	MORRIS 26 E #001	O	A	PERCUSSION PETROLEUM OPERATING, LLC	9656	32.6335297000	-104.460624700	2/2/1989	[55670] SEVEN RIVERS, YESO (ABOLISHED)
26124	MORRIS ARCO 26 F #001	O	P	NEARBURG PRODUCING CO	3000	32.6330757000	104.457939100	5/30/1989	[55670] SEVEN RIVERS, YESO (ABOLISHED)
28151	FAIRCHILD 24 #001	O	A	PERCUSSION PETROLEUM OPERATING, LLC	9674	32.6477928000	-104.443893400	10/26/1994	[15472] DAGGER DRAW, UPPER PENN, NORTH; [96049] WC, ATOKA DO NOT USE; [97489] WILDCAT, WOLFCAMP GAS (ABOLISHED); [97565] N. SEVEN RIVERS, GLORIETA-YESO
28163	MORRIS 26 G #001	G	C	NEARBURG PRODUCING CO	0	32.6326203213	104.454293665	-	
28380	ROSS RANCH 22 #004	G	A	PERCUSSION PETROLEUM OPERATING, LLC	8190	32.6482048000	-104.474670400	3/27/1997	[15472] DAGGER DRAW, UPPER PENN, NORTH; [97565] N. SEVEN RIVERS, GLORIETA-YESO
28427	B & B #008	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8200	32.6444321000	-104.467155500	7/6/1997	[15472] DAGGER DRAW, UPPER PENN, NORTH; [55670] SEVEN RIVERS, YESO (ABOLISHED); [97565] N. SEVEN RIVERS, GLORIETA YESO; [97631] WALNUT CREEK, WOLFCAMP (G)
28428	B & B #002	O	C	NEARBURG PRODUCING CO	0	32.6408153158	-104.470381351	-	
28429	B & B #003	O	C	NEARBURG PRODUCING CO	0	32.6517984692	-104.466131298	-	
28430	B&B 22 SWD #001	S	A	PERCUSSION PETROLEUM OPERATING, LLC	8200	32.6518173000	-104.470413200	1/3/1997	[15472] DAGGER DRAW, UPPER PENN, NORTH; [96186] SWD, CISCO-CANYON
28431	B & B #007	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8164	32.6490822000	-104.467178300	5/17/1997	[15472] DAGGER DRAW, UPPER PENN, NORTH; [97565] N. SEVEN RIVERS, GLORIETA-YESO
28432	B & B #009	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8180	32.6444435000	-104.470375100	2/21/1997	[15472] DAGGER DRAW, UPPER PENN, NORTH; [96542] WILDCAT, GRANITE; [97565] N. SEVEN RIVERS, GLORIETA-YESO
29258	MORRIS ARCO 26 #002	S	A	PERCUSSION PETROLEUM OPERATING, LLC	8025	32.6362457000	-104.452348400	11/19/1996	[74640] CEMETARY, MORROW (GAS); [96184] SWD, CANYON; [96701] ROSS RANCH, UPPER PENN GAS; [97869] SWD, DEVONIAN-SILURIAN
29297	SOUTH BOYD 27 #009	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8284	32.6362801000	-104.470306400	12/28/1996	[15472] DAGGER DRAW, UPPER PENN, NORTH; [97565] N. SEVEN RIVERS, GLORIETA YESO
29768	FAIRCHILD 24 #002	O	C	NEARBURG PRODUCING CO	0	32.6508544335	-104.444668655	-	
29770	B & B #010	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8200	32.6417236000	-104.470359800	2/2/1998	[15472] DAGGER DRAW, UPPER PENN, NORTH; [97482] WC, GLORIETA-YESO
30816	B & B #011H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8120	32.6408043000	-104.467132600	2/28/2000	[15472] DAGGER DRAW, UPPER PENN, NORTH; [97565] N. SEVEN RIVERS, GLORIETA-YESO
30869	SOUTH BOYD 27 #010H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	8175	32.6375999000	-104.467109700	12/19/1999	[15472] DAGGER DRAW, UPPER PENN, NORTH; [97565] N. SEVEN RIVERS, GLORIETA-YESO
36174	PARINO 23M FEE #001	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3000	32.6410675000	-104.461776700	7/16/2008	[96065] WC, GLORIETA-YESO; [97565] N. SEVEN RIVERS, GLORIETA-YESO
37490	WYATT DRAW 24 L #001	O	A	MEWBOURNE OIL CO	4300	32.6453056000	-104.445739700	3/13/2010	[97565] N. SEVEN RIVERS, GLORIETA-YESO
37759	WYATT DRAW 24 M #001E	O	C	MEWBOURNE OIL CO	0	32.6416783341	-104.445734243	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
37761	WYATT DRAW 25 D #001D	O	C	MEWBOURNE OIL CO	0	32.6383770699	104.445720158	-	
37859	WYATT DRAW 25 C #001E	O	C	MEWBOURNE OIL CO	0	32.6383035931	-104.441414389	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38056	MULLARKEY 23 #001E	O	C	NEARBURG PRODUCING CO	0	32.6472426955	104.447899675	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38057	WELCH 23 #001E	O	C	NEARBURG PRODUCING CO	0	32.6467232215	-104.349133923	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38058	ARKLAND 23 #001E	O	C	NEARBURG PRODUCING CO	0	32.6508709420	104.447900402	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38083	WYATT DRAW 24-25 LE #001H	O	A	MEWBOURNE OIL CO	2731	32.6453018000	-104.444992100	9/16/2010	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38306	WYATT DRAW 13 MD #001H	O	A	MEWBOURNE OIL CO	2691	32.6528931000	104.445686300	6/24/2012	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38307	WYATT DRAW 24 KC #001H	O	A	MEWBOURNE OIL CO	2722	32.6416550000	-104.441444400	3/5/2011	[97565] N. SEVEN RIVERS, GLORIETA-YESO
38962	MORRIS BOYD 26 FEE COM #001H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2754	32.6250267000	104.448837300	6/28/2011	[97565] N. SEVEN RIVERS, GLORIETA-YESO
39013	FAIRCHILD 24 #002H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2797	32.6458778000	-104.444374100	6/6/2011	[97565] N. SEVEN RIVERS, GLORIETA-YESO
39428	MORRIS BOYD 26 FEE COM #002H	O	C	NEARBURG PRODUCING CO	0	32.6250687000	104.453125000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
39874	LAWMAN #001H	O	C	NADEL AND GUSSMAN PERMIAN, LLC	0	32.6547661000	104.445753000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
40190	ARKANSAS 23 FEE #001	O	C	CIMAREX ENERGY CO.	0	32.6490669000	104.462890600	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
40191	ARKANSAS 23 FEE #002	O	C	CIMAREX ENERGY CO.	0	32.6490631000	104.458602900	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
40192	ARKANSAS 23 FEE #003	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3113	32.6474571000	104.460739100	10/1/2012	[50270] PENASCO DRAW, SA-YESO (ASSOC); [97565] N. SEVEN RIVERS, GLORIETA-YESO
40251	ARKANSAS 23 FEE #004	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3028	32.6472473000	104.456443800	12/28/2013	[97565] N. SEVEN RIVERS, GLORIETA-YESO
40628	SIX SHOOTER 23 #001	O	C	MARSHALL & WINSTON INC	0	32.6490555000	-104.452179000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
41773	ABUNDANCE AVZ #003H	O	A	EOG RESOURCES INC	2680	32.6529083000	104.452934300	2/3/2014	[97565] N. SEVEN RIVERS, GLORIETA-YESO
41782	ABUNDANCE AVZ #002H	O	A	EOG RESOURCES INC	2678	32.6529045000	-104.448967000	1/23/2014	[97565] N. SEVEN RIVERS, GLORIETA-YESO
41784	SHELBY 23 #001	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3612	32.6511192000	-104.453773500	11/26/2013	[97565] N. SEVEN RIVERS, GLORIETA-YESO
41948	SHELBY 23 #002	O	C	NEARBURG PRODUCING CO	0	32.6511192000	-104.450035100	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
41950	LOTUS 23 #001	O	C	NEARBURG PRODUCING CO	0	32.6472435000	-104.454322800	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
42750	ARTEMIS BUA FEDERAL COM #001H	O	N	EOG RESOURCES INC	0	32.3910640000	-104.273157000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
43149	APOLLO APU FEDERAL COM #004H	O	N	EOG RESOURCES INC	0	32.3910960000	-104.280020000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
43348	APOLLO APU FEDERAL COM #005H	O	N	EOG RESOURCES INC	0	32.3910960000	-104.280020000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
43810	APOLLO APU FEDERAL COM #006H	O	C	EOG Y RESOURCES, INC.	0	32.3910910000	-104.280922000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44161	B&B 22 #012	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3993	32.6483890000	-104.471283000	6/2/2017	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44365	GOODMAN 22 #006H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2859	32.6429600000	-104.473463000	11/1/2017	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44366	GOODMAN 22 #004H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2857	32.6452400000	-104.473538000	10/19/2017	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44382	GOODMAN 22 #001H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2855	32.6527590000	-104.474246000	9/11/2017	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44383	GOODMAN 22 #002H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2880	32.6514630000	-104.474539000	10/5/2017	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44670	MORRIS BOYD STATE COM #002H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2744	32.6405630000	104.461961000	3/2/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44685	SOUTH BOYD FEDERAL COM #018H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2736	32.6230940000	104.468346000	6/17/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44686	SOUTH BOYD FEDERAL COM #019H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2928	32.6230580000	104.468394000	6/26/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44723	SOUTH BOYD FEDERAL COM #020H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3572	32.6225460000	104.470498000	11/3/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44724	SOUTH BOYD FEDERAL COM #021H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6224530000	104.470986000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44725	SOUTH BOYD FEDERAL COM #022H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6224380000	104.470984000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44732	MORRIS BOYD STATE COM #003H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2912	32.6405630000	104.461896000	3/14/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44741	MORRIS BOYD STATE COM #004H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2636	32.6405730000	104.458957000	3/26/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44746	GOODMAN 22 #005H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6406360000	104.474205000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44747	GOODMAN 22 #007H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6405800000	104.474204000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44748	MORRIS BOYD STATE COM #005H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3061	32.6405730000	104.458892000	4/4/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44867	MORRIS BOYD STATE COM #006H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2754	32.6405700000	104.455612000	4/13/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44879	MORRIS BOYD 26 FEE COM #007H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2944	32.6405700000	104.455547000	4/21/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44880	SOUTH BOYD FEDERAL COM #013H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	3065	32.6235600000	104.465952000	5/25/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44881	SOUTH BOYD FEDERAL COM #014H	O	A	PERCUSSION PETROLEUM OPERATING, LLC	2627	32.6235030000	104.465983000	6/6/2018	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44882	SOUTH BOYD FEDERAL COM #015H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6234320000	104.466971000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44883	SOUTH BOYD FEDERAL COM #016H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6234880000	104.466970000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
44884	SOUTH BOYD FEDERAL COM #017H	O	N	PERCUSSION PETROLEUM OPERATING, LLC	0	32.6228220000	104.467970000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO
45358	BADBOY #001H	O	N	EOG RESOURCES INC	0	32.6548109000	-104.474744000	-	[97565] N. SEVEN RIVERS, GLORIETA-YESO


Ross Ranch 23 SWD No. 1
1 Mile Offset Operators
Percussion Petroleum Operating LLC
Eddy County, NM
PCS: NAD 1983 SPCS NM-E FIPS 3001 (US Ft.)
Drawn by: SJL
Date: 5/23/2019
Approved by: TFM
LONQUIST & CO. LLC
PETROLEUM ENGINEERS
ENERGY ADVISORS
AUSTIN · HOUSTON · CALGARY · WICHITA
DENVER · COLLEGE STATION · BATON ROUGE · EDMONTON
Ross Ranch 23 SWD No. 1
1 Mile Radius
QQ-Section (NM-PLSS 2nd Div.)
Section (NM-PLSS 1st Div.)
Township/Range (T19S R25E)
Surface Owner (ROSS RANCH)
Laterals
API (30-015-...) SHL Status - Type (Count)
Horizontal Surface Location (40)
Active - Oil (13)
Active - Gas (2)
Active - Salt Water Disposal (2)
Plugged (Site Released) - Oil (3)
Canceled Location (16)
API (30-015-...) BHL Status - Type (Count)
Active - Oil (25)
Active - Gas (1)
Permitted - Oil (11)
Canceled Location (3)
Operators
-EOG RESOURCES INC
-MEWBOURNE OIL CO
-PERCUSSION PETROLEUM OPERATING LLC
-PERCUSSION PETROLEUM OPERATING LLC; -MEWBOURNE OIL CO
-NO ACTIVE OPERATORS
*Well Data Source: NM-OCD, DrillingInfo (2019)
-EOG RESOURCES INC
-MEWBOURNE OIL CO
-PERCUSSION PETROLEUM OPERATING LLC
Ross Ranch 23 SWD No. 1
32.644111
-104.456525
1 " = 1,125 '
1:13,500
0 0.125 0.25 0.375 0.5 1 Miles
LINCOLN
CHAVES
EDDY
LEA
OTERO
Map Extent
285
82
62



Ross Ranch 23 SWD No. 1
1 Mile Offset Lessees
Percussion Petroleum Operating LLC
Eddy County, NM

PCS: NAD 1983 SPCS NM-E FIPS 3001 (US Ft.)

Drawn by: SJL	Date: 5/23/2019	Approved by: TFM

LONQUIST & CO. LLC
PETROLEUM ENGINEERS | ENERGY ADVISORS
AUSTIN · HOUSTON · CALGARY · WICHITA
DENVER · COLLEGE STATION · BATON ROUGE · EDMONTON

- Ross Ranch 23 SWD No. 1
- 1 Mile Radius
- QQ-Section (NM-PLSS 2nd Div.)
- Section (NM-PLSS 1st Div.)
- Township/Range (T19S R25E)
- Surface Owner (ROSS RANCH)
- NM - BLM (O&G Leases)
- NM - SLO (O&G Leases)
- Laterals

API (30-015-...) SHL Status - Type (Count)
- Horizontal Surface Location (40)
- Active - Oil (13)
- Active - Gas (2)
- Active - Salt Water Disposal (2)
- Plugged (Site Released) - Oil (3)
- Canceled Location (16)

API (30-015-...) BHL Status - Type (Count)
- Active - Oil (25)
- Active - Gas (1)
- Permitted - Oil (11)
- Canceled Location (3)

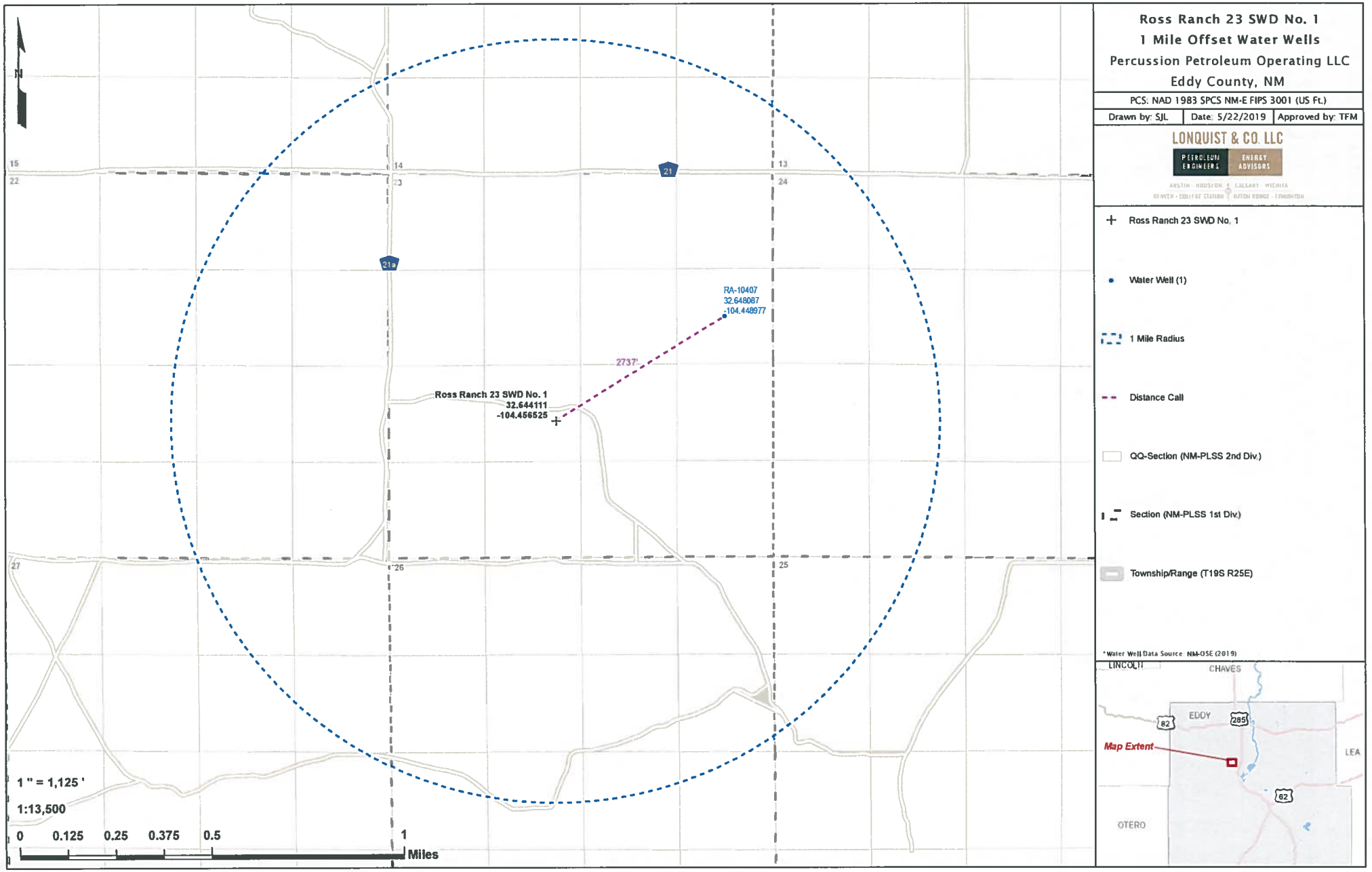
Lessees
- -BUNN ROBERT B; -NADEL & GUSSMAN LLC; -WILLISCHILD OIL & GAS CORP; -AMERICAN NATL PETRO
- -ST DEVOTE LLC
- -PRIVATE MINERALS

*Well Data Source: NM-OCD, DrillingInfo (2019)

Ross Ranch 23 SWD No. 1
1 Mile Offset Operators and Lessees List

S/T/R	QQ UNIT LETTER(S)	OPERATOR	MINERAL LESSEE	MINERAL OWNER	SURFACE OWNER	ADDRESS 1	ADDRESS 2
15/19S/25E	O,P	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
14/19S/25E	I,J,K,L,M,N,O,P	EOG RESOURCES INC	-	-	-	PO BOX 2267	MIDLAND, TX 79702
13/19S/25E	M	MEWBOURNE OIL CO	-	-	-	PO BOX 5270	HOBBS, NM 88241
24/19S/25E	C,F,K,L,M,N	MEWBOURNE OIL CO	-	-	-	PO BOX 5270	HOBBS, NM 88241
	D,E	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
23/19S/25E	Entire Section	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
22/19S/25E	A,B,F,G,H,I,J,K,N,O,P	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
27/19S/25E	A,B,G,H,I	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
26/19S/25E	A,B,C,D,E,F,G,H,I,J,K,L	PERCUSSION PETROLEUM OPERATING LLC	-	-	-	919 MILAM ST SUITE 2475	HOUSTON, TX 77002
25/19S/25E	C,D,E	MEWBOURNE OIL CO	-	-	-	PO BOX 5270	HOBBS, NM 88241
Surface Location	-	-	-	-	ROSS RANCH	PO BOX 216	LAKEWOOD, NM 88254

Ross Ranch 23 SWD No. 1 - Offsetting Produced Water Analysis																	
Well Name	API	Section	Township	Range	County	Formation	ph	specific gravity	tds_mgL	sodium_mgL	calcium_mgL	iron_mgL	magnesium_mgL	potassium_mgL	chloride_mgL	bicarbonate_mgL	sulfate_mgL
BH MATLOCK #001	30-015-00109	1	19S	25E	EDDY	ABO			25017						14360	390	785
SUNFLOWER AHW FEDERAL #002	30-015-27525	31	19S	24E	EDDY	ABO	7.7	1.03	41040.3	12835.9	1678.9	0.412	734.39	183.34	21687.7	2136.22	2962.28
AGAVE AAJ STATE #003	30-015-28418	32	19S	24E	EDDY	ABO	6.8	1.021	30356.1	7434.92	1049.59	24.504	341.014	3304.98	14597.2	2074.67	2129.81
SEVEN RIVERS LS #001	30-015-00130	5	21S	25E	EDDY	CANYON	7.6		10371						4674	538	1420
SANTA FE LAND SWD #001	30-015-20501	17	19S	26E	EDDY	CANYON	7.3				720	0.3	437.7		3621	1073	2125
LAKEWOOD AQE STATE SWD #001	30-015-22233	30	19S	26E	EDDY	CANYON	7.4	1			960	2.5	243.5		17892	952	2175
JENNY COM #001	30-015-26469	17	19S	25E	EDDY	CISCO	6	1.05			2800	70	1677.7		46850	183	12.5
DAGGER DRAW #002	30-015-00116	30	19S	25E	EDDY	CISCO			7622								
RIO PENASCO KD COM #001	30-015-23227	2	19S	25E	EDDY	MORROW	6.1	1.05			2800	50	2187.8		40896	171	50
NDDUP UNIT #138	30-015-21478	28	19S	25E	EDDY	MORROW	8.79	1.007	6258.3	1607.17	424.954	0.1007	77.539	31.217	1783.4	384.674	1931.43
BOYD BN COM #001	30-015-20153	15	19S	25E	EDDY	MORROW	6.4	1.03			2120	60	535.8		38340	329	12.5
APOLLO APU FEDERAL COM #001	30-015-28840	15	19S	25E	EDDY	PENNSYLVANIAN	8.5	1.006	7110.22	1850.03	376.244	4.024	98.588	67.402	1978.8	876.226	1889.27
APOLLO APU FEDERAL COM #002	30-015-29048	15	19S	25E	EDDY	PENNSYLVANIAN	7.7	1.006	7248.53	1907.38	367.19	4.527	90.54	78.468	1964.72	896.346	1971.76
APOLLO APU FEDERAL #003	30-015-29431	10	19S	25E	EDDY	PENNSYLVANIAN	8.7	1.005	5856.65	1462.27	363.81	1.5075	91.455	56.28	1613.02	456.27	1829.1
PATRICK API #004	30-015-28982	10	19S	25E	EDDY	PENNSYLVANIAN	7.2	1.006	6518.03	1157.91	544.246	298.782	109.654	51.306	1563.32	876.226	1943.59
NDDUP UNIT #124	30-015-27098	29	19S	25E	EDDY	PENNSYLVANIAN	7.1	1.005	5837.49	911.535	520.59	331.65	98.49	37.185	1179.87	937.665	1838.14
AMOLE AMM STATE COM #002	30-015-28424	16	19S	25E	EDDY	PENNSYLVANIAN	7.1	1.006	7057.31	1225.31	530.162	453.706	112.672	57.342	1828.91	1001.98	1879.21
TACKITT AOT #002	30-015-28003	28	19S	25E	EDDY	PENNSYLVANIAN	8	1.005	5950.66	985.905	756.765	27.135	94.47	49.245	1304.49	749.73	2004.97
NDDUP UNIT #119	30-015-28053	28	19S	25E	EDDY	PENNSYLVANIAN	7.5	1.007	8435.62	1609.19	1085.55	0.5035	106.742	58.406	2758.17	626.354	2239.57
TACKITT AOT #001	30-015-28150	28	19S	25E	EDDY	PENNSYLVANIAN	8	1.006	6929.61	1293.72	873.208	0.9054	80.48	34.204	1835.95	771.602	2072.36
NDDUP UNIT #139	30-015-28372	28	19S	25E	EDDY	PENNSYLVANIAN	7.5	1.007	7777.51	1635.37	854.943	8.056	91.637	45.315	2459.09	709.935	2018.03
KATHY EYRE FED #001	30-015-10341	31	19S	25E	EDDY	PENNSYLVANIAN	8.38		64381						37103	403	1948
OTTAWA AOW FEDERAL #006	30-015-29453	10	19S	25E	EDDY	PENNSYLVANIAN	7.1	1			1160	0	97.9		6390	1110	2000
NDDUP UNIT #091	30-015-28148	21	19S	25E	EDDY	PENNSYLVANIAN	7.3	1			720	2.5	389.1		12141	878	2125
NDDUP UNIT #116H	30-015-28415	28	19S	25E	EDDY	PENNSYLVANIAN	7				8.9	0	0		28.8	3.4	11.5
RIO PENASCO MF FEDERAL #001	30-015-23074	11	19S	25E	EDDY	PERMO-PENNSYLVANIAN	5.75		44950	25254	480	4	1120		43000	260	450
THOMAS #001	30-015-05917	8	19S	25E	EDDY	SAN ANDRES/YESO			49145						31050	354	1656
BH MATLOCK #001	30-015-00109	1	19S	25E	EDDY	WOLFCAMP			20306						10360	1829	940


Ross Ranch 23 SWD No. 1
1 Mile Offset Water Wells
Percussion Petroleum Operating LLC
Eddy County, NM
PCS: NAD 1983 SPCS NM-E FIPS 3001 (US Ft.)
Drawn by: SJL
Date: 5/22/2019
Approved by: TFM
LONQUIST & CO. LLC
PETROLEUM ENGINEERS
ENERGY ADVISORS
AUSTIN · HOUSTON · CALGARY · WICHITA
DENVER · COLLEGE STATION · BATON ROUGE · EDMONTON
Ross Ranch 23 SWD No. 1
Water Well (1)
1 Mile Radius
Distance Call
QQ-Section (NM-PLSS 2nd Div.)
Section (NM-PLSS 1st Div.)
Township/Range (T19S R25E)
*Water Well Data Source: NM-OSE (2019)
RA-10407
32.648087
-104.448977
2737'
Ross Ranch 23 SWD No. 1
32.644111
-104.456525
1 " = 1,125 '
1:13,500
0 0.125 0.25 0.375 0.5 1
Miles
LINCOLN
CHAVES
EDDY
LEA
OTERO
Map Extent
82
285
62

New Mexico Office of the State Engineer
Water Right Summary

get image list

WR File Number: RA 10407 **Subbasin:** RA **Cross Reference:** -

Primary Purpose: DOL 72-12-1 DOMESTIC AND LIVESTOCK WATERING

Primary Status: EXP EXPIRED

Total Acres: **Subfile:** - **Header:** -

Total Diversion: 0 **Cause/Case:** -

Owner: JOAN MULLARKEY

Documents on File

	Trn #	Doc	File/Act	Status 1	Status 2	Transaction Desc.	From/ To	Acres	Diversion	Consumptive
get images	267592	72121	2003-04-29	EXP	EXP	RA 10407	T			3

Current Points of Diversion

(NAD83 UTM in meters)

POD Number	Well Tag	Source	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Other Location Desc
RA 10407		Shallow	4	2		23	19S	25E	551678	3612409*	

***An (*) after northing value indicates UTM location was derived from PLSS - see Help**

CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001286941

LONQUIST FIELD SERVICE
1001 MCKINNEY ST., SUITE 1650

HOUSTON TX 77002

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:

05/24/19

Legal Clerk

Subscribed and sworn before me this
28th of May 2019.

State of WI, County of Brown
NOTARY PUBLIC

11/9/22
My Commission Expires

KAZOUA YANG
NOTARY PUBLIC
STATE OF WISCONSIN

Ad#:0001286941
P O : 0001286941
# of Affidavits :0.00

Percussion Petroleum Operating, LLC, 919 Milam St. Suite 2475, Houston, TX 77002, is filling Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division for administrative approval for its salt water disposal well Ross Ranch 23 SWD No. 1. The proposed well will be located at 1,920' FSL & 2,356' FWL in Section 23 Township 19S, Range 25E in Eddy County, New Mexico. Disposal water will be sourced from area production, and will be injected into the Cisco-Canyon Formation (determined by log analysis) through a perforated interval completion between an applied for top of 7,700' feet to a maximum depth of 8,300' feet. The maximum surface injection pressure will not exceed 1,540 psi with a maximum rate of 10,000 BWPD. Interested parties opposing the action must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within 15 days. Additional information can be obtained from the applicant's agent, Lonquist & Co., LLC, at (512) 600-1774
Pub: May 24, 2019 #1286941

Affected Parties - Ross Ranch 23 SWD No. 1						
Percussion Petroleum Operating, LLC						
TRACT ID	COUNTY CLERK	MAILING ADDRESS	PHONE	TRACKING #	DATE SHIPPED	DATE RECEIVED
	OIL CONSERVATION DIVISION DISTRICT II	811 S. FIRST ST., ARTESIA, NM 88210		USPS - 7018 3090 0002 2009 9039	5/29/2019	
	OIL CONSERVATION DIVISION DISTRICT IV	1220 S ST FRANCIS DR, SANTA FE NM 87505		FEDEX - 7753 4466 9243	5/29/2019	
	SURFACE LANDOWNER	MAILING ADDRESS				
	ROSS RANCH	PO BOX 216, LAKEWOOD, NM 88254		USPS - 7018 3090 0002 2009 9046	5/29/2019	
	OFFSET OPERATORS	MAILING ADDRESS				
	NEW MEXICO STATE LAND OFFICE	310 Old Santa Fe Trail, Santa Fe, NM 87501		USPS - 7018 3090 0002 2009 9053	5/29/2019	
	BUREAU OF LAND MANAGEMENT	620 E Greene St Carlsbad, NM 88220		USPS - 7018 3090 0002 2009 9060	5/29/2019	
	OFFSET OPERATORS	MAILING ADDRESS				
	EOG RESOURCES INC	PO BOX 2267, MIDLAND, TX 79702		USPS - 7018 3090 0002 2009 9077	5/29/2019	
	MEWBOURNE OIL CO	PO BOX 5270, HOBBS, NM 88241		USPS - 7018 3090 0002 2009 9084	5/29/2019	

Notices were sent for the Ross Ranch 23 SWD No. 1 application by mailing them a copy of Form C-108 on 5/29/2019

Tyler F. Moehlman
Petroleum Engineer / Lonquist & Co., LLC
Agent for Percussion Petroleum

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
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OIL CONSERVATION DIVISION
DISTRICT II
811 S FIRST STREET
ARTESIA NM 88210
2045-ROSS RANCH 23 SWD #1

9590 9402 4809 8344 2863 01

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☐ Addressee

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PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

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OIL CONSERVATION DIVISION
DISTRICT II
811 S FIRST STREET
ARTESIA NM 88210
2045-ROSS RANCH 23 SWD #1

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ROSS RANCH
PO BOX 216
LAKEWOOD NM 88254

2045-ROSS RANCH 23 SWD #1

9590 9402 4809 8344 2863 18

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ROSS RANCH
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LAKEWOOD NM 88254

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NEW MEXICO STATE LAND OFFICE
310 OLD SANTA FE TRAIL
SANTA FE NM 87501

2045-ROSS RANCH 23 SWD #1

9590 9402 4809 8344 2863 25

2. Article Number *(Transfer from service label)*
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PS Form 3811, July 2015 PSN 7530-02-000-9053

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SANTA FE NM 87501

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BUREAU OF LAND MGMT
620 E GREENE ST
CARLSBAD NM 88220

2045-ROSS RANCH 23 SWD #1

9590 9402 4809 8344 2863 32

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BUREAU OF LAND MGMT
620 E GREENE ST
CARLSBAD NM 88220

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EOG RESOURCES INC
PO BOX 2267
MIDLAND TX 79702

2045-ROSS RANCH 23 SWD #1

9590 9402 4809 8344 2863 49

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PO BOX 2267
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MEWBOURNE OIL CO
PO BOX 5270
HOBBS NM 88241

2045-ROSS RANCH 23 SWD #1

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MEWBOURNE OIL CO
PO BOX 5270
HOBBS NM 88241

2045-ROSS RANCH 23 SWD #1

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

LONQUIST & CO. LLC

AUSTIN
HOUSTON

PETROLEUM ENGINEERS | ENERGY ADVISORS

WICHITA
CALGARY

www.lonquist.com

May 29, 2019

OIL CONSERVATION DIVISION DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210

Subject: **Ross Ranch 23 SWD No. 1 Authorization to Inject**

To Whom It May Concern:

Attached for your review is Form C-108, Application for Authorization to Inject, and its supplemental documents prepared for Percussion Petroleum Operating LLC's Ross Ranch 23 SWD No. 1 well. Section XIV of Form C-108 requires that the surface land owner on which the well is located and each leasehold operator within a one-half mile radius of the proposed well location be furnished with the application. The notice of application has been extended to a one-mile radius

According to the New Mexico Oil Conservation Division, surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date in which this application was mailed to them.

Any questions should be directed towards Percussion Petroleum LLC's agent, Lonquist & Co., LLC.

Regards,

Ramona K. Hovey

Ramona K. Hovey
Sr. Petroleum Engineer
Lonquist & Co., LLC

(512) 600-1777
steve@lonquist.com

May 29, 2019

ROSS RANCH
PO BOX 216, LAKEWOOD, NM 88254

Subject: **Ross Ranch 23 SWD No. 1 Authorization to Inject**

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Sr. Petroleum Engineer
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steve@lonquist.com

May 29, 2019

NEW MEXICO STATE LAND OFFICE
310 Old Santa Fe Trail, Santa Fe, NM 87501

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LONQUIST & CO. LLC

AUSTIN
HOUSTON

PETROLEUM ENGINEERS | ENERGY ADVISORS

WICHITA
CALGARY

www.lonquist.com

May 29, 2019

BUREAU OF LAND MANAGEMENT
620 E Greene St Carlsbad, NM 88220

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LONQUIST & CO. LLC

AUSTIN
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PETROLEUM ENGINEERS | ENERGY ADVISORS

WICHITA
CALGARY

www.lonquist.com

May 29, 2019

EOG RESOURCES INC
PO BOX 2267, MIDLAND, TX 79702

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To Whom It May Concern:

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Lonquist & Co., LLC

(512) 600-1777
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May 29, 2019

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PO BOX 5270, HOBBS, NM 88241

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Lonquist & Co., LLC

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steve@lonquist.com

LONQUIST & CO. LLC
PETROLEUM ENGINEERS | ENERGY ADVISORS
AUSTIN · HOUSTON · WICHITA · DENVER · CALGARY

May 29, 2019

not in SWD spreadsheet -

New Mexico Energy, Minerals, and Natural Resources Department
Oil Conservation Division District IV
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3440

RE: ROSS RANCH 23 SWD NO. 1 AUTHORIZATION TO INJECT

To Whom It May Concern:

Attached for your review is Form C-108, Application for Authorization to Inject, and its supplemental documents prepared for Percussion Petroleum Operating, LLC's ("Percussion") Ross Ranch 23 SWD No. 1. In addition, Forms C-101 and C-102 have also been included with this package. Notices have been sent to offset, operators, leaseholders and the surface owner. Proof of notice will be sent to the OCD upon receipt.

Any questions should be directed towards Percussion Petroleum Operating, LLC's agent Lonquist & Co., LLC.

Regards,

- ½ mile AOR
- lacks well diagrams (?)
- RA basin

C-108 emailed Ramona regarding status of APP.

Ramona [illegible]
Sr. Petroleum Engineer
Lonquist & Co. LLC

(512) 600-[illegible]
ramona@lonquist.com

NO OCD Permit Required

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ___X___Disposal _____Storage
Application qualifies for administrative approval? ___X___Yes _____No

II. OPERATOR: Percussion Petroleum Operating, LLC

ADDRESS: 919 Milam St. Suite 2475, Houston, TX 77002

CONTACT PARTY: Ryan Barber PHONE: (979) 292-6279

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ___X___No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Ramona K. Hovey TITLE: Consulting Engineer

SIGNATURE: Ramona K Hovey DATE: May 29, 2019

E-MAIL ADDRESS: ramona@lonquist.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Percussion Petroleum Operating, LLC

WELL NAME & NUMBER: Ross Ranch 23 SWD No. 1

WELL LOCATION: 1,920' FSL & 2,356' FWL | J | 23 | 19S | 25E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 12-1/4" Casing Size: 9-5/8"

Cemented with: 600 sacks *or* _____ ft^3

Top of Cement: Surface Method Determined: Circulate returns

Intermediate Casing

Hole Size: Casing Size:

Cemented with: *or* _____ ft^3

Top of Cement: Method Determined:

Production Casing

Hole Size: 8-3/4" Casing Size: 7"

Cemented with: 1400 sacks *or* _____ ft^3

Top of Cement: Surface Method Determined: Circulate returns

Total Depth: 8,300'

Injection Interval

7,700' feet to 8,200 feet

(Perforated Interval)

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 3-1/2" L-80, 9.3 lb/ft, Upset from 0' – 7,650'

Lining Material: Internal Plastic Coated (IPC)

Type of Packer: 7" x 2-7/8" non-permanent nickel-plated w/ 3-1/2" to 2-7/8" crossover

Packer Setting Depth: 7,650'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? ___X___Yes _____No

   If no, for what purpose was the well originally drilled?

2. Name of the Injection Formation: Cisco-Canyon

3. Name of Field or Pool (if applicable): SWD; Cisco-Canyon (96186)

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

   Yeso: 2,480'
   Bone Spring: 4,115'
   Wolfcamp: 6,345'

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 and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

[1] Operator Name and Address	[2] OGRID Number
Percussion Petroleum Operating, LLC 919 Milam St. Suite 2475 Houston, TX 77002	371755
	[3] API Number 30-015-

[4] Property Code	[5] Property Name	[6] Well No.
	Ross Ranch 23 SWD	1

[7] Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
J	23	19S	25E		1920	South	2356	West	Eddy

[8] Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

[9] Pool Information

Pool Name	Pool Code
SWD; Cisco-Canyon	96186

Additional Well Information

[11] Work Type	[12] Well Type	[13] Cable/Rotary	[14] Lease Type	[15] Ground Level Elevation
New	S		P	3436
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
No	8300	Cisco-Canyon		

Depth to Ground water	Distance from nearest fresh water well	Distance to nearest surface water

☒ **We will be using a closed-loop system in lieu of lined pits**

[21] Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12.25	9.625	36	1250	600	0
Prod.	8.75	7	29	8300	1400	0

Casing/Cement Program: Additional Comments

[22] Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	2500	Shaffer
Annular	5000	1500	Shaffer

[23] I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify that I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.** Signature: Ryan Barber	OIL CONSERVATION DIVISION Approved By:
Printed name: Ryan Barber	Title:
Title: Petroleum Engineer	Approved Date: / Expiration Date:
E-mail Address: rvan@percussionpetroleum.com	
Date: 5/7/19 / Phone: 713-300-1853	Conditions of Approval Attached

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
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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
30-015-	96186	SWD; Cisco-Canyon

4 Property Code	5 Property Name	6 Well Number
	ROSS RANCH 23 SWD	1

7 OGRID NO.	8 Operator Name	9 Elevation
371755	PERCUSSION PETROLEUM, LLC	3436'

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
J	23	19S	25E		1920	SOUTH	2356	WEST	EDDY

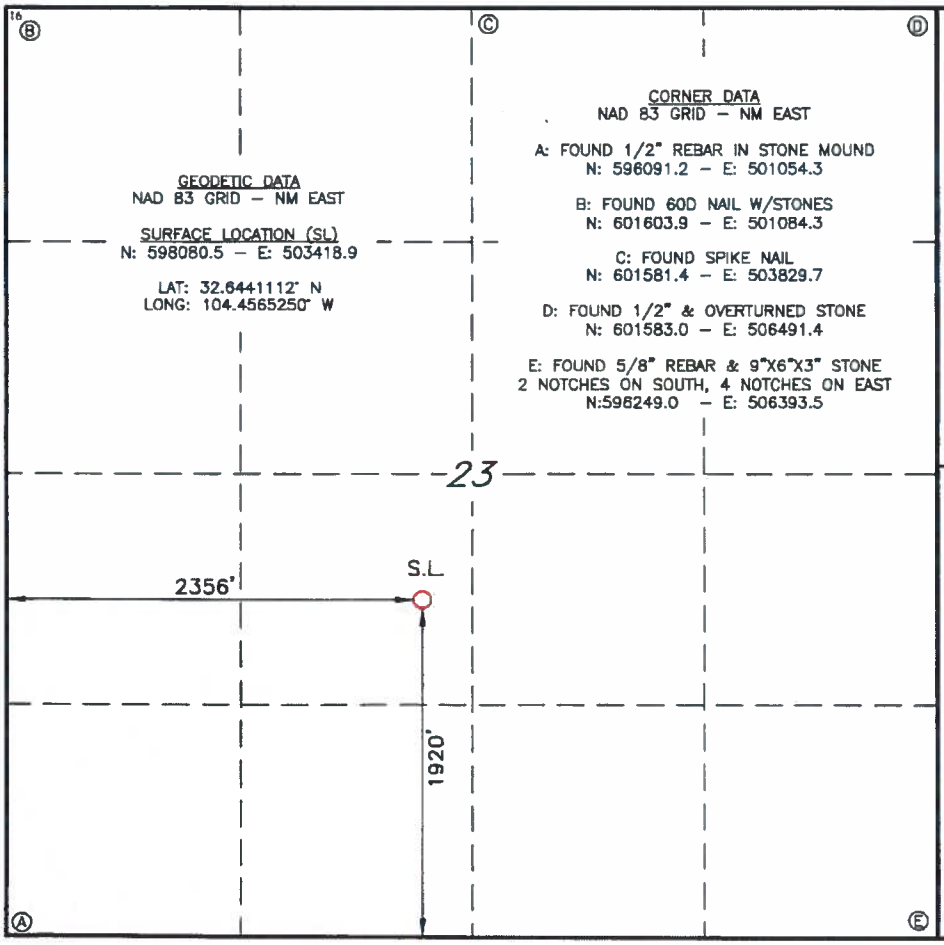
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

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



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.

Ryan Barber 5/7/19
Signature Date

Ryan Barber
Printed Name

ryan@percussionpetroleum.com
E-mail Address

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.

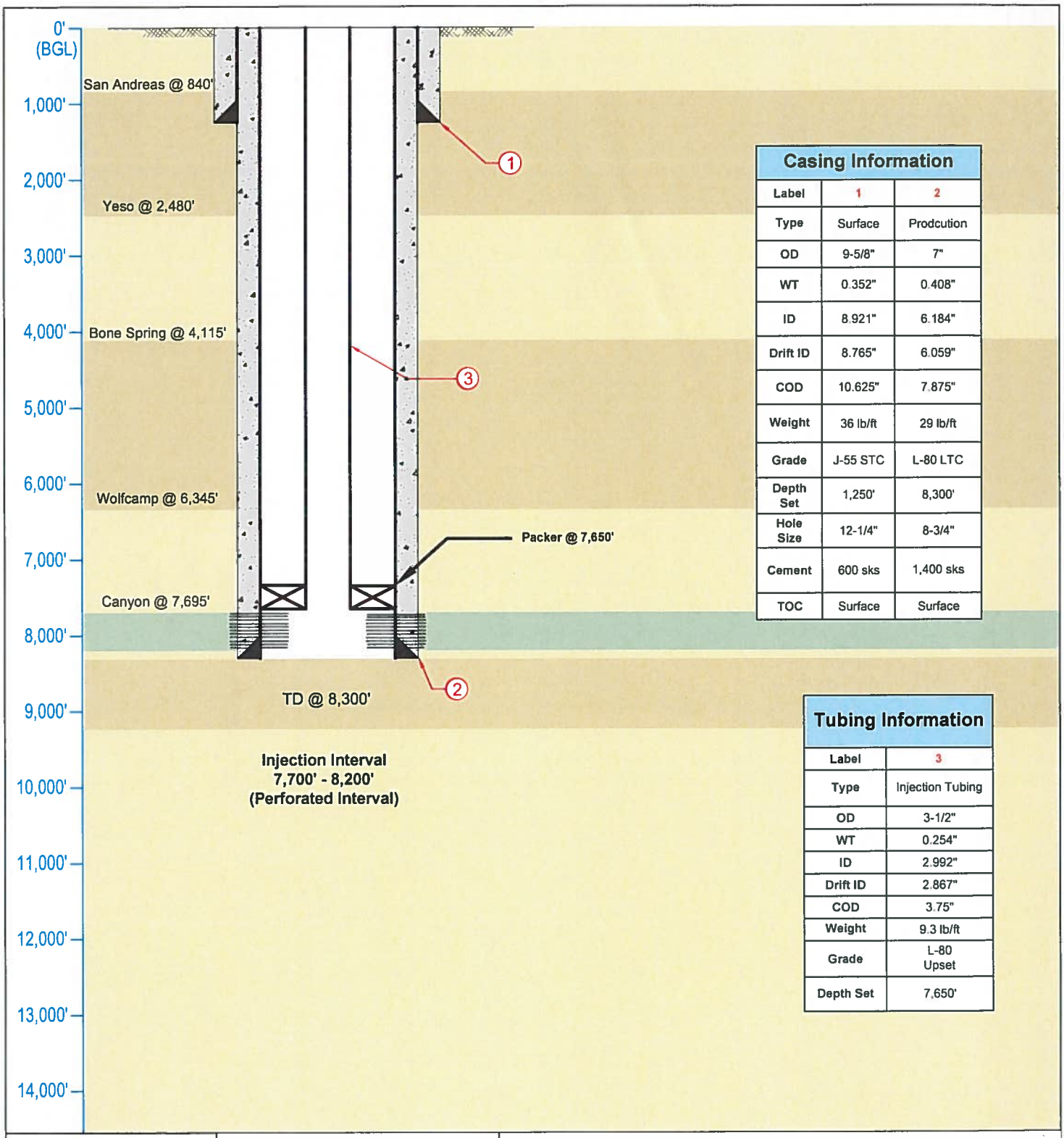
4-16-19
Date of Survey

Signature and Seal of Professional Surveyor

ROBERT M. HOWETT NEW MEXICO 19680 PROFESSIONAL SURVEYOR

19680
Certificate Number

LS19030437



Casing Information		
Label	1	2
Type	Surface	Prodcution
OD	9-5/8"	7"
WT	0.352"	0.408"
ID	8.921"	6.184"
Drift ID	8.765"	6.059"
COD	10.625"	7.875"
Weight	36 lb/ft	29 lb/ft
Grade	J-55 STC	L-80 LTC
Depth Set	1,250'	8,300'
Hole Size	12-1/4"	8-3/4"
Cement	600 sks	1,400 sks
TOC	Surface	Surface

Tubing Information	
Label	3
Type	Injection Tubing
OD	3-1/2"
WT	0.254"
ID	2.992"
Drift ID	2.867"
COD	3.75"
Weight	9.3 lb/ft
Grade	L-80 Upset
Depth Set	7,650'

LONQUIST & CO. LLC
PETROLEUM ENGINEERS | ENERGY ADVISORS
AUSTIN · HOUSTON · CALGARY · WICHITA
DENVER · COLLEGE STATION · BATON ROUGE · EDMONTON

Texas License F-8952

3345 Bee Cave Road, Suite 201
Austin, Texas 78746
Tel: 512.732.9812
Fax: 512.732.9816

Percussion Petroleum Operating, LLC	**Ross Ranch 23 SWD No. 1**	
Country: USA	**State/Province:** New Mexico	**County/Parish:** Eddy
Location: 1,920' FSL, 2,356' FWL	**Site:**	**Status:** SWD Permit
Survey/STR: S-23 T-19S R-25E	**Field:** SWD; Cisco-Canyon (96186)	**Serial No:**
Well API No: 30-015-	**Project No:** 2045	**Date:** 5/24/2019
Drawn: TFM	**Reviewed:** RKH	**Approved:**
Rev No: 1	**Notes:** Configuration to change from Morrow gas producer to Cisco-Canyon SWD	

AFFIRMATIVE STATEMENT OF EXAMINATION OF GEOLOGIC AND ENGINEERING DATA

Based on the available engineering and geologic data, we find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

Name: Ryan Barber

Title: Petroleum Engineer

Signature: Ryan C

Date: 5/22/19

Percussion Petroleum Operating, LLC

Ross Ranch 23 SWD No. 1

FORM C-108 Supplemental Information

III. Well Data

A. Wellbore Information

1.

Well Information	
Lease Name	Ross Ranch 23 SWD
API	30-015-
Well No.	1
Location	S-23 T-19S R-25E
Footage Location	1,920' FSL & 2,356' FWL

2.

a. Wellbore Description

Type	Surface	Production
OD	9-5/8"	7"
WT	0.352"	0.408"
ID	8.921"	6.184"
Drift ID	8.765"	6.059"
COD	10.625"	7.875"
Weight	36 lb/ft	29 lb/ft
Grade	J-55 STC	L-80 LTC
Hole Size	12-1/4"	8-3/4"
Depth Set	1,250'	8,300'

b. Cementing Program

Casing String	Conductor	Production
Cement Type	Class C	Class C
Total Volume	600 sks	1,400 sks
TOC	Surface	Surface
Method	Circulate to Surface	Circulate to Surface

3. Tubing Description

Tubing Information	
OD	3.5"
WT	0.254"
ID	2.992"
Drift ID	2.867"
COD	3.75"
Weight	9.3 lb/ft
Grade	L-80 Upset
Depth Set	0-7,650'

Tubing will be Internal Plastic Coated (IPC)

4. Packer Description

7" X 2-7/8" Non-permanent Nickle Plated Packer with 2-7/8" x 3-1/2" crossover

B. Completion Information

1. Injection Formation: Cisco/Canyon
2. Gross Injection Interval: 7,700' - 8,200'

Completion Type: Perforated interval

3. Drilled for injection
4. See the attached wellbore schematic.

5. Oil and Gas Bearing Zones within area of well:

Formation	Depth
Yeso	2,480'
Bone Spring	4,115'
Wolfcamp	6,345'

VI. Area of Review

Two (2) wells within a half-mile radius penetrate the proposed Cisco-Canyon injection zone. The Parino #001 is a vertical well that previously produced from the Morrow and Strawn formations. The Parino #001 was plugged back in July 2010 and became an oil producer from the Glorieta-Yeso formation. The Parino 23L #002 is another vertical well that is currently producing gas from the Morrow formation, this well experienced no plugbacks. Both wells are operated by the applicant, Percussion Petroleum Operating, LLC. A plugback schematic is attached to this application for the Parino #001. Additionally, completion records for both wells are attached in this application.

Well Name	API (30-015-...)	Well Type	Date Drilled	Reservoir	Depth
PARINO #001	23049	Active Oil	3/1/1990	Glorieta-Yeso	3,310 (PBTD)
PARINO 23L #002	25939	Active Gas	7/13/1988	Morrow	9600 (TVD)

VII. Proposed Operation Data

1. Proposed Daily Rate of Fluids to be Injection:

   Average Volume: 8,500 BPD
   Maximum Volume: 10,000 BPD

2. Closed System

3. Anticipated Injection Pressure:

   Average Injection Pressure: 1,155 PSI (surface pressure)
   Maximum Injection Pressure: 1,540 PSI (surface pressure)

4. The injection fluid is to be locally produced water. It is expected that the source water will predominantly be from the Seven Rivers, Glorieta-Yeso, Pennsylvanian, and Morrow formations. Attached are produced water sample analyses taken from offset wells that feature samples from the Abo, Cisco-Canyon, Morrow, Pennsylvanian, San Andreas/Yeso, and Wolfcamp formations.

5. The disposal interval is generally non-productive in this region. However, recorded water samples are attached in the Produced Water Summary for the Cisco and Canyon formations from the same township and range. These records were retrieved from the Petroleum Recovery Research Center of New Mexico.

VIII. Geological Data

Cisco Formation Lithology

The Cisco Formation is an Upper Pennsylvanian (Virgilian) carbonate reservoir that occurs below the Wolfcamp and above the Strawn formation in the Northwest Shelf of the Permian Basin. Reservoirs formed in the Northwest Shelf were created in shallow-water ramp structures across North Eddy County. Sediments in the Cisco are composed of carbonates and shales. The Northwest Shelf is more dolomitized than the equivalent succession in the rest of the Permian Basin, several beds of dolomite are present in this specific region of the Northwest Shelf. Carbonate facies of this formation include beach grainstones and lagoonal mudstones and packstones. Dolomitized fusulinid and crinoid wackestone-grainstones create reservoirs with optimal porosity and permeability. These characteristics allow for this formation to be a suitable saltwater disposal horizon.

Canyon Formation Lithology

The Canyon Formation is a Pennsylvanian Missourian aged carbonate deposited over preexisting platforms around basin margins. On the Northwest Shelf, the Canyon sequence is characterized by aggradation and progradation as this region of the Permian Basin was known to form in a platform to ramp structure in shallow water. The Canyon formation rests beneath the Cisco formation in the northern region of Eddy County. The Strawn is the lower confining layer for the proposed well. Facies such as phylloid-algal-dominated bioherms and ooid grainstones create high quality carbonate reservoirs in the Canyon formation. This carbonate reservoir provides an ideal disposal horizon.

A. Injection Zone: Cisco-Canyon Formation

Formation	Depth
San Andreas	840'
Yeso	2,480'
Bone Spring	4,115'
Wolfcamp	6,345'
Canyon	7,695'

B. Underground Sources of Drinking Water

One (1) water well exists within one-mile of the proposed well. Across the area, fresh water wells are usually drilled at an average depth of 250 feet. Water is found at an average depth of 100 feet generally producing from the Roswell Artesian Basin. These freshwater basins will be protected by setting surface casing at 1,250 feet.

IX. Proposed Stimulation Program

Percussion plans to perforate optimal intervals determined by log analysis and acidize the new perforations with 110 barrels of 15% NEFE acid.

X. Logging and Test Data on the Well

There are no logs or test data on the well. During the process of drilling and completion resistivity, gamma ray, and density logs will be run.

XI. Chemical Analysis of Fresh Water Wells

Attached is a map of the one (1) water well that exists within one-mile of the well location. Samples from the well will be obtained and analysis results will be provided as soon as possible. A Water Right Summary from the New Mexico Office of the State Engineer is attached for the water well RA-10407.