

RECEIVED: <u>7/24/2018</u>	REVIEWER: <u>PRG</u>	TYPE: <u>SWD</u>	APP NO: <u>PHAM 18205 46246</u>
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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



does not exist

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: Sleepy No.1 SWD

API: 30-015-25996

Pool: Proposed: SWD; Devonian-Silurian

Pool Code: 97869

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

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

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

FOR OCD ONLY

☐

Notice Complete

☐

Application
Content
Complete

- 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.

7/18/2018

Date

Ben Stone

Print or Type Name

903-488-9850

Phone Number

Ben Stone

Signature

ben@sosconsulting.us

e-mail Address



July 17, 2018

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

Attn: Ms. Heather Riley, Director

*Re: Application of Percussion Petroleum, LLC to permit for salt water disposal the
Sleepy Well No.1, located in Section 31, Township 18 South, Range 26 East, NMPM,
Eddy County, New Mexico.*

Dear Ms. Riley,

Please find the enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to permit for disposal, the Sleepy No.1. Percussion selected this well for private disposal of produced water coming from their operations in the area.

Percussion Petroleum seeks to optimize efficiency, both economically and operationally, of its operations in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran July 15, 2018 in the Artesia Daily Press and all offset operators and other interested parties have been notified individually. The legal notice affidavit is included herein. This application also includes a wellbore schematic, area of review maps, affected party plat and other required information for a complete Form C-108. The well is located on private land and minerals. There are state lands & minerals and private, unleased minerals within the one-half mile radius notice area and the State Land Office has been notified of this application.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

A handwritten signature in blue ink, appearing to read "Ben Stone".

Ben Stone, Partner
SOS Consulting, LLC
Agent for Percussion Petroleum, LLC

Cc: Application attachment and file

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: *Salt Water Disposal* and the application *QUALIFIES* for administrative approval.
- II. OPERATOR: *Percussion Petroleum Operating, LLC*
ADDRESS: *919 Milam, Ste.2475, Houston, TX 77002*
- CONTACT PARTY: *Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850*
- III. WELL DATA: *All well data and applicable wellbore diagrams are ATTACHED.*
- IV. *This is not an expansion of an existing project.*
- V. *A map is attached* 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. A tabulation is attached of data on all wells of public record within the area of review which penetrate the proposed injection zone. *There are NO Wells in the subject AOR which penetrate the target interval.* The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of P&A'd wells.
- VII. *The following data is ATTACHED* 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. *Appropriate geologic data on the DEVONIAN formation is ATTACHED* 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. *Stimulation program – a conventional acid job may be performed to clean perms and open the formation.*
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted). *NEW well logs will be run and filed with OCD.*
- *XI. *There are 6 PODs/ 5 water wells within one mile of the proposed salt water disposal well. One well is being sampled and the analysis will be forwarded upon receipt.*
- XII. *An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found* of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. *"Proof of Notice" section on the next page of this form has been completed and ATTACHED. There are 2 offset lessees and/or operators within ½ mile; Well location and minerals private w/ state offsetting leases and unleased minerals.*
- 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: *Ben Stone* TITLE: *SOS Consulting, LLC agent for Percussion Petroleum Operating, LLC*

SIGNATURE:  DATE: *7/18/2018*

E-MAIL ADDRESS: *ben@sosconsulting.us*

* 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:

FORM C-108 – APPLICATION FOR AUTHORIZATION TO INJECT (cont.)

III. WELL DATA – *The following information and data is included (See ATTACHED Wellbore Schematic):*

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 *pursuant to the following criteria is ATTACHED.*

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.

C-108 - Items III, IV, V

Item III - Subject Well Data

Wellbore Diagram - CURRENT
Wellbore Diagram – PROPOSED

The well is currently PA'd and will be drilled out with
NEW 5-1/2" casing set and reconfigured for SWD.

Item IV – Tabulation of AOR Wells

Tabulation includes all construction data for all wells within a one-half mile radius.
NO wells penetrate the proposed injection interval.

Item V – Area of Review Maps

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius
2. One-Half Mile AOR Map

All Above Exhibits follow this page.

CURRENT WELLBORE DIAGRAM - P&A'd

API #	30-015-25996	Sleepy #1	County, ST
Operator	P&A		Sec-Twn-Rng
Field	P&A		Footage
Spud Date	10/28/1988		Survey

Formation (MD)	
San Andres	850
Glorieta	2257
Yeso	
Abo	4391
Wolfcamp	5738
Canyon	
Strawn	8270
Atoka	8716
Morrow	9008

RKB	
GL	3468'

Hole Size	12-1/4"
TOC	Surf
Method	circ

Csg Depth	1200	1200' 8-5/8" csg
Size	8-5/8"	
Weight	24ppf	
Grade		
Connections		
Cement	Proposed 420sx	

(Not reported)

Hole Size	
TOC	
Method	

Csg Depth	
Size	
Weight	
Grade	
Connections	
Cement	

[illegible][illegible]

Hole Size	
TOC	
Method	

Csg Depth	
Size	
Weight	
Grade	
Connections	
Cement	

Last Update	5/14/2018
By	CB

PBTD	
TD MD	9350
TD TVD	9350

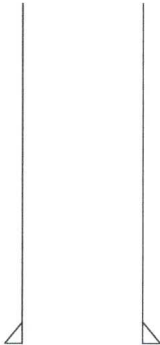


Well History

10/28/1988 Well Spud
11/23/1988 TD reached
No drilling reports or data aside from plugging
11/26/1988 P&A-Plugs set-8783' 40 sx
7038' 30 sx
5768' 30 sx
4397' 30 sx
2207' 30 sx
1280' 40 sx
301' 25 sx
Surface w/25 sx; 530' drill pipe left in hole
3/2/1989 Plugging paper work approved, site released

Tested Morrow 8974-9209' recovered 200' drilling mud
7339' gas cut water

Perforations



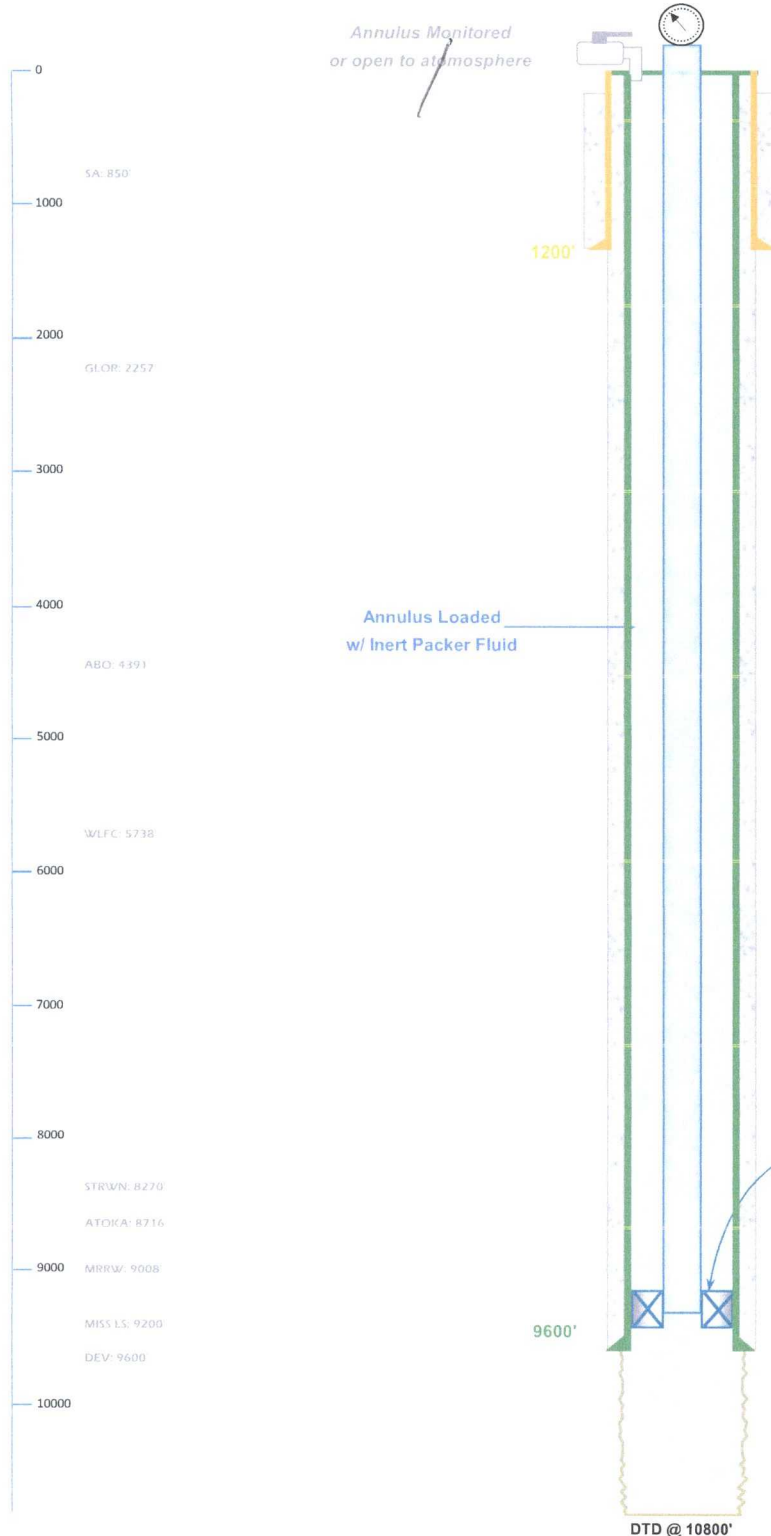


WELL SCHEMATIC - PROPOSED Sleepy SWD Well No.1

SWD; Devonian-Silurian (97869)

API 30-015-25996
1980' 58L & 1513' FWL, SEC. 31-T18S-R26E
EDDY COUNTY, NEW MEXICO

Spud Date: 10/28/1988
Config SWD Dt (Est): ~9/15/2



Injection Pressure Regulated
and Volumes Reported
1920 psi Max. Surface (0.2 psi/ft)

Surface Casing

8.625", 24.0# J-55 STC Csg. (12.25" Hole) @ 1200'
420 sx - Circ not reported.

Percussion Petroleum

Convert to SWD: D/O & C/O Existing Plugs to 9600'.
Install NEW 5.5" Casing from 0' to 9600'.
Drill 4.5" Openhole Interval to 10,800'
Run PC Tubing and PKR - Conduct MIT.
Commence Disposal Operations.

3.5" FJ/ IC Tubing (or smaller)
PKR ~9500"+

Note: PKR Set 100' Above Final Uppermost OH Interval.

NEW Production Casing

5.5", 17.0# N-80/ K-55 Csg. (8.75" Hole) @ 9600'
1500 sx - 2 stage DV @ ~5800' - Circ. to Surface

Openhole Injection 9600'-10,800'

Drawn by Ben Stone 7/18/2018



C-108 - Item VI

Area of Review Well Data Tabulation

TOP OF PROPOSED DEVONIAN INJECTION INTERVAL – 9600’

(Summary: 3 wells; 1 P&A’d; NO active wells penetrate.)

Listed West to East from North of Proposed Well (See AOR Map)

1. 30-015-31906 – DOES NOT PENETRATE – TD 9340’

SUBURB AZS STATE #001

Well Type	Gas
Well Status	Active
ULSTR	A-36-18S-25E
ogrid_name	EOG Y RESOURCES, INC.
pool_id_list	[51300] RED LAKE, QUEEN-GRAYBURG-SA

2. 30-015-20134 – DOES NOT PENETRATE – TD 1558’

PRE-ONGARD WELL

Well Type	Oil
Well Status	Plugged (Site Released) (Plugged by Yates Petroleum)
ULSTR	A-36-18S-25E
ogrid_name	PRE-ONGARD WELL OPERATOR

3. 30-015-32450 – DOES NOT PENETRATE – TD 9350’

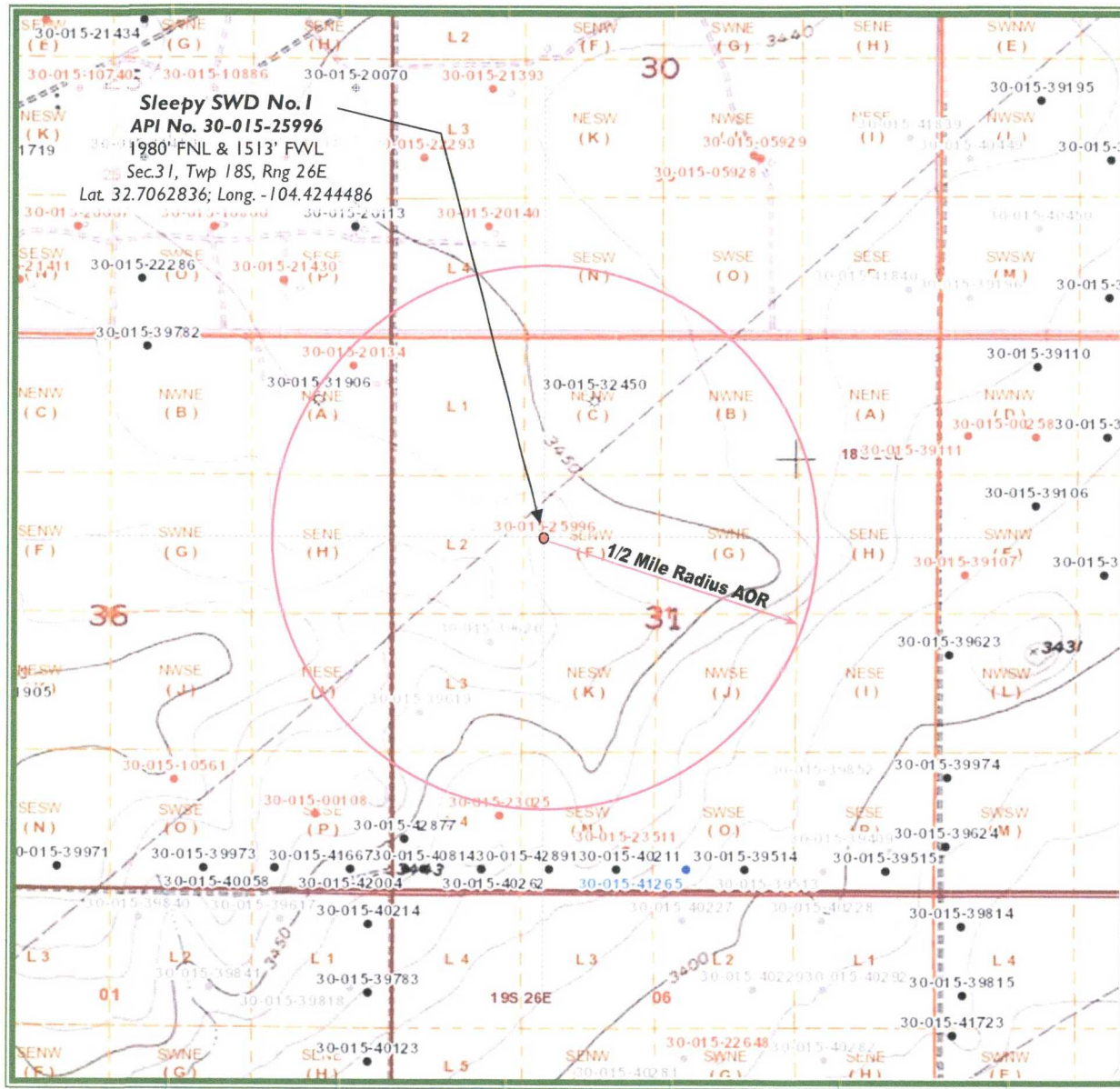
BONES BAD #001	Gas
Well Status	Active
section	C-31-18S-26E
ogrid_name	EOG Y RESOURCES, INC.
pool_id_list	[70800] ATOKA, PENN;

(Attachment to NMOCD Form C-108 - Item V)



Sleepy SWD No.1 - Area of Review / Overview Map

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



9.4 miles S/SW of Artesia, NM



Eddy County, New Mexico

C-108 ITEM X

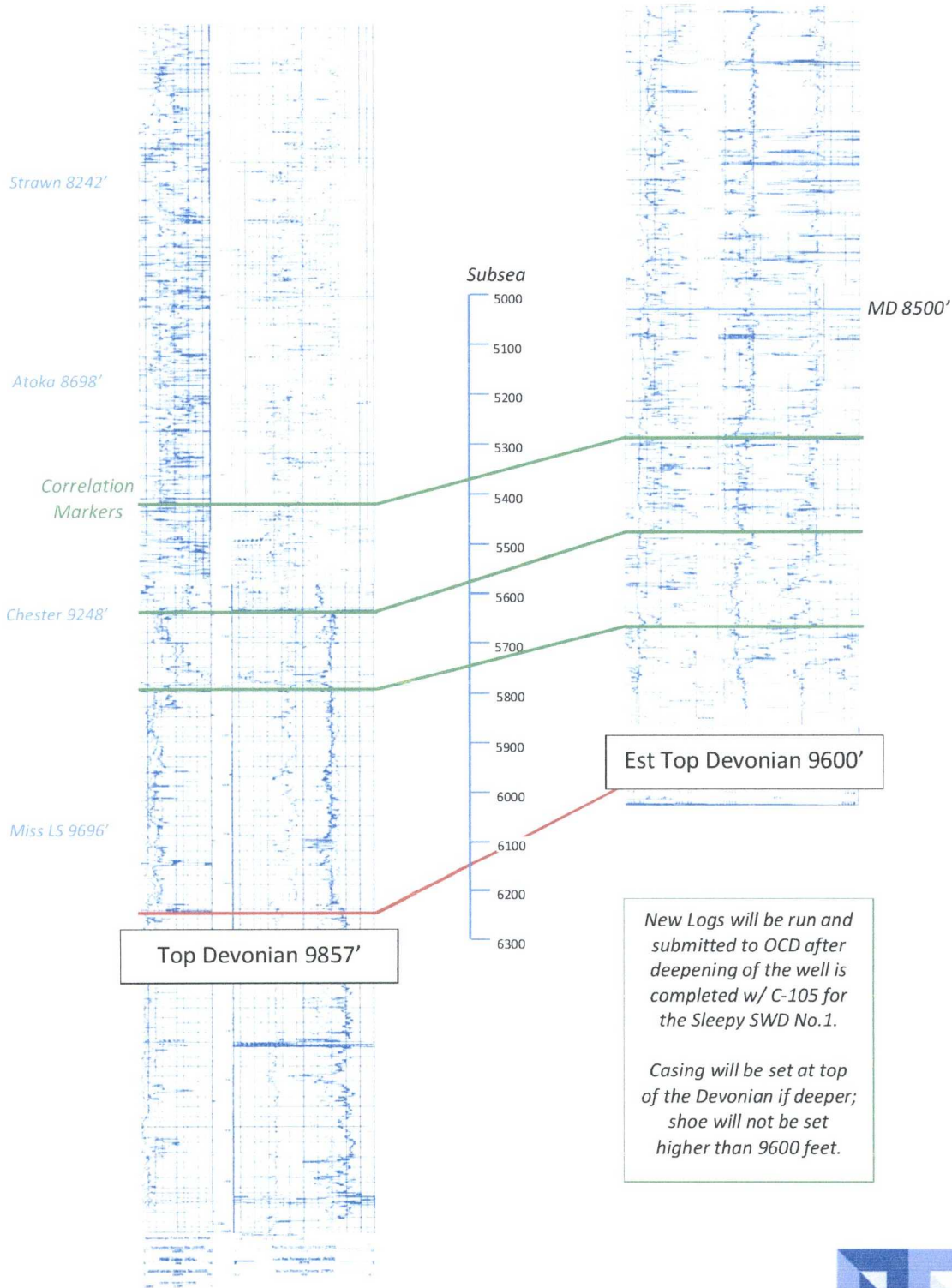
Logs and Available Test Data

Cross Section w/ Offsetting Well

Metropolis SWD - 3498' GL
36-18S-25E

← 5377' →

Sleepy - 3468' GL
31-18S-26E



C-108 ITEM VII – PROPOSED OPERATION

Sleepy SWD No.1

Private Use SWD Facility

Upon approval of all permits for SWD, operations would begin within 30 days. Completion of the well operations will take approximately 6-8 weeks. Facility construction including installation of the tank battery, berms, plumbing and other and associated equipment would be occurring during the same interval but not to interfere with well operations. In any event, it is not expected for the construction phase of the project to last more than 60 days, depending on availability of contractors and equipment.

Configure for Salt Water Disposal

Clear and level location; recondition as necessary. Install 8.625" x 11" 5M wellhead and BOP. Drill down to ~9,600', set 5.5" 17.0# liner to the top of the Devonian; cement w/ 1500 sx Cls H in 2 stages. Drill out DV tool and test to 1000 psi. drill 4.5" hole to 10,800'. Run in hole w/ 3.5" FJ or 2.785" IPC tubing and set packer at ~9500'; acidize openhole if desired. Conduct witnessed MIT and commence injection.

Prior to commencing any work, an NOI sundry(ies) will be submitted to configure the well for SWD and will detail the completion workover including all work otherwise described above, any change to the procedure noted herein and to perform mechanical integrity pressure test per OCD test procedures. (Notify NMOCD 24 hours prior.) The casing/tubing annulus will be monitored for communication with injection fluid or loss of casing integrity.

Operational Summary

The Sleepy SWD well will be for Percussion's area production from Gloieta/ Yeso wells.

The SWD facility will not be fenced. Primary water transportation will be via pipeline but offloading hookups will be available so that trucks may access for load disposal in needed.

The well and injection equipment will be a closed system and equipped with pressure limiting devices and volume meters. The annulus, loaded with an inert, anti-corrosion packer fluid, will be monitored for pressure.

The tanks will be equipped with telemetry devices and visual alarms to alert the operator and customers of full tanks or an overflow situation.

X Anticipated daily maximum volume is 5,000 bpd and an average of 3,500 bpd at a maximum surface injection pressure of 1920 psi (.2 psi/ft gradient – maximum pressure will be adjusted If the top of interval is modified after well logs are run).

Potential releases will be contained and cleaned up immediately. The operator shall repair or otherwise correct the situation within 48 hours before resuming operations. OCD will be notified within 24 hours of any release greater than 5 bbls. If required, remediation will start as soon as practicable. Operator shall comply with 19.15.29 NMAC and 19.15.30 NMAC, as necessary and appropriate.

C-108 ITEM VII – PRODUCED WATER ANALYSES

Item VII.4 – Water Analysis of Source Zone Water

Glorieta/ Yeso

Item VII.5 – Water Analysis of Disposal Zone Water

Devonian

Water Analyses follow this page.

C-108 Item VII.5 - Produced Water Data
Percussion Petroleum, LLC - Sleepy SWD Project

SOURCE ZONE

GLO/YESO

API No	3001524754	Lab ID	
Well Name	PLATT PA 009	Sample ID	1146
		Sample No	
Location	ULSTR 26 18 S 26 E 330 S 990 W	Lat / Long	32.71216 -104.35742
		County	Eddy
Operator (when sampled)	Yates Petroleum Corp.		
	Field ATOKA	Unit	M
Sample Date	8/4/1984	Analysis Date	
	Sample Source Wellhead	Depth (if known)	
	Water Typ Produced Water		
ph	7.5	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	1800
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	120382	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	113000	conductivity_temp_F	
sodium_mgL	71415	carbonate_mgL	0
calcium_mgL	2560	bicarbonate_mgL	476
iron_mgL	0	sulfate_mgL	2001
barium_mgL		hydroxide_mgL	
magnesium_mgL	0	h2s_mgL	0
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Percussion Petroleum, LLC - Sleepy SWD Project

SOURCE ZONE

GLO/YESO

API No 3001524619		Lab ID	
Well Name PLATT PA 008		Sample ID 1207	
		Sample No	
Location ULSTR 26 18 S 26 E	Lat / Long 32.71245	-104.35329	
430 S 2260 W	County Eddy		
Operator (when sampled) Yates Petroleum Corporation			
Field	ATOKA	Unit N	
Sample Date 1/19/1985	Analysis Date		
Sample Source well head		Depth (if known)	
Water Typ	Produced Water		
ph	6	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	11500
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	136324	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	121000	conductivity_temp_F	
sodium_mgL	61571	carbonate_mgL	
calcium_mgL	4160	bicarbonate_mgL	104
iron_mgL	0	sulfate_mgL	3720
barium_mgL		hydroxide_mgL	
magnesium_mgL	7340	h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Percussion Petroleum, LLC - Sleepy SWD Project

SOURCE ZONE

BONE SPRING

API No 3001520225		Lab ID	
Well Name BIG EDDY UNIT 012		Sample ID 5847	
		Sample No	
Location ULSTR 21 20 S 31 E	Lat / Long 32,56399	-103,87994	
660 N 660 W	County Eddy		
Operator (when sampled) MALLON OIL COMPANY			
Field BIG EDDY	Unit D		
Sample Date 8/27/1999	Analysis Date	8/31/1999	
Sample Source		Depth (if known)	
Water Typ			
ph	5.2	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity	1.125	hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	181697	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	123750	conductivity_temp_F	
sodium_mgL	73895.6	carbonate_mgL	
calcium_mgL	5625	bicarbonate_mgL	13,725
iron_mgL	337.5	sulfate_mgL	787.5
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	0
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 Item VII.5 - Produced Water Data
Percussion Petroleum, LLC - Sleepy SWD Project
DISPOSAL ZONE

DEVONIAN

API No.	3001510280	Lab ID	
Well Name	JURNEGAN POINT 001	Sample ID	6170
		Sample No	
Location	ULSTR 05 24 S 25 E 660 S 660 W	Lat / Long	32.24037 -104.42375
		County	Eddy
Operator (when sampled)			
	Field WILDCAT	Unit	M
Sample Date	12/14/1964	Analysis Date	
	Sample Source DST	Depth (if known)	
	Water Type		
ph	7	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	229706	resistivity_ohm_cm_temp_	
tds_mgL_180C		conductivity	
chloride_mgL	136964	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	198
iron_mgL		sulfate_mgL	2511
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



C-108 – Item VIII

Geologic Information

The Devonian and Silurian consist of carbonates including light colored dolomite and chert intervals interspersed with some tight limestone intervals. Several thick sections of porous dolomite capable of taking water are believed present within the subject formations in the area. Depth control data was inferred from the Metropolis SWD located 1.1 miles southwest of the proposed SWD. If the base of Devonian and top of Silurian rocks come in as expected the well will only be drilled deep enough for adequate logging rathole; expected TD at 10,800'.

The well will TD approximately 1,200' below the estimated top of the Devonian. Mud logging through the interval will ensure the target interval remains in Devonian and Silurian. Once Devonian is determined, the casing shoe depth will be set at an approximate maximum upper depth of 9600' BGL. Injection will occur through the resulting openhole interval. Should mud or other logs indicate depth adjustment is required to exploit the desired formation as described; sundries with appropriate data will be filed with the OCD.

The Devonian is overlain by the Woodford Shale and Mississippian Lime and underlain by the Middle and Lower Ordovician; Simpson, McKee and Ellenburger.

Fresh water in the area is generally available from the Pecos Valley complex of Quaternary alluvial sand and gravel deposits. State Engineer's records show water wells in the area with a average depth to groundwater 80 feet.

There are 5 water wells (6 PODs) located within one mile of the proposed SWD; 1 has been sampled and analyses will be forwarded upon receipt.

C-108 ITEM XI – WATER WELLS IN AOR

6 PODs/ 5 Water Well Spots (based on coordinates)
Within ONE MILE of Proposed SWD.

PLEASE SEE WATER WELL LOCATOR MAP – NEXT PAGE.



New Mexico Office of the State Engineer Active & Inactive Points of Diversion (with Ownership Information)

										(R=POD has been replaced and no longer serves this file, C=the file is closed)										(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest) (NAD83 UTM in meters)									
(acre ft per annum)																													
WR File Nbr	Sub basin	Use	Diversion	Owner	County	POD Number	Code	Grant	q q q																				
									Source	6416	4	Sec	Tws	Rng	X	Y													
RA 03575	STK		3	NM STATE LAND OFFICE	ED	RA 03575			Artesian	3	1	3	36	18S	25E	551942	3618359*												
RA 12548	SAN		1	REMUDA ENERGY TRANSPORTATION	ED	RA 12548 POD1	NON		Shallow	4	4	3	25	18S	25E	552484	3619618												

Record Count: 2

PLSS Search:

Section(s): 25, 36 Township: 18S Range: 25E

Sorted by: File Number

WR File Nbr	Sub	Use	Diversion	Owner	County	POD Number	Code Grant	q q q				X	Y			
	basin							6416	4	Sec	Tws			Rng		
RA 04784		PRO	0	GARDNER BROTHERS DRILLING CO	ED	RA 04784		Shallow		30	18S	26E	554252	3620259*		
RA 05344		COM	32 66	AGAVE ENERGY COMPANY	ED	RA 05344 (2A)		Shallow		3	31	18S	26E	553859	3618251*	
RA 08999		DOM	3	EFREN BAEZA	ED	RA 08999		Shallow	4	2	1	31	18S	26E	554138	3619158*
RA 11119		DOM	0	JOEL BAEZA	ED	RA 11119 POD1			4	1	2	31	18S	26E	554536	3619163*

Record Count: 4

PLSS Search:

Section(s): 30, 31 Township: 18S Range: 26E

Sorted by: File Number

NM OSE GIS system indicates 5 water wells within one mile – 1 well is being sampled by Percussion Petroleum field personnel. Analyses will be forwarded when received.

C-108 ITEM XI – WATER WELLS IN AOR

Depth to Ground Water



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the
POD suffix indicates the
POD has been replaced
& no longer serves a
water right file.)

(R=POD has
been replaced.

O=orphaned,

C=the file is (quarters are 1=NW 2=NE 3=SW 4=SE)

closed) (quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-Code	basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
RA 04136	ED			1	1	32	18S	26E		555246	3619273*	152	✓ 90	62
RA 04160	ED			1	4	1	29	18S	26E	555542	3620580*	160	✓ 100	60
RA 04784	ED					30	18S	26E		554252	3620259*	205	✓ 190	15
RA 08812 REPAR	ED			4	4	29	18S	26E		556451	3619679*	350	✓ 150	200
RA 08999	ED			4	2	1	31	18S	26E	554138	3619158*	222	✓ 80	142
RA 09286	ED			2	4	4	29	18S	26E	556550	3619778*	300		

Average Depth to Water: **122 feet**

Minimum Depth: **80 feet**

Maximum Depth: **190 feet**

RA-01144-S / 809' - artesian

Record Count: 6

3/1 Sec. 23

PLSS Search:

Section(s): 29, 30, 31, 32

Township: 18S

Range: 26E

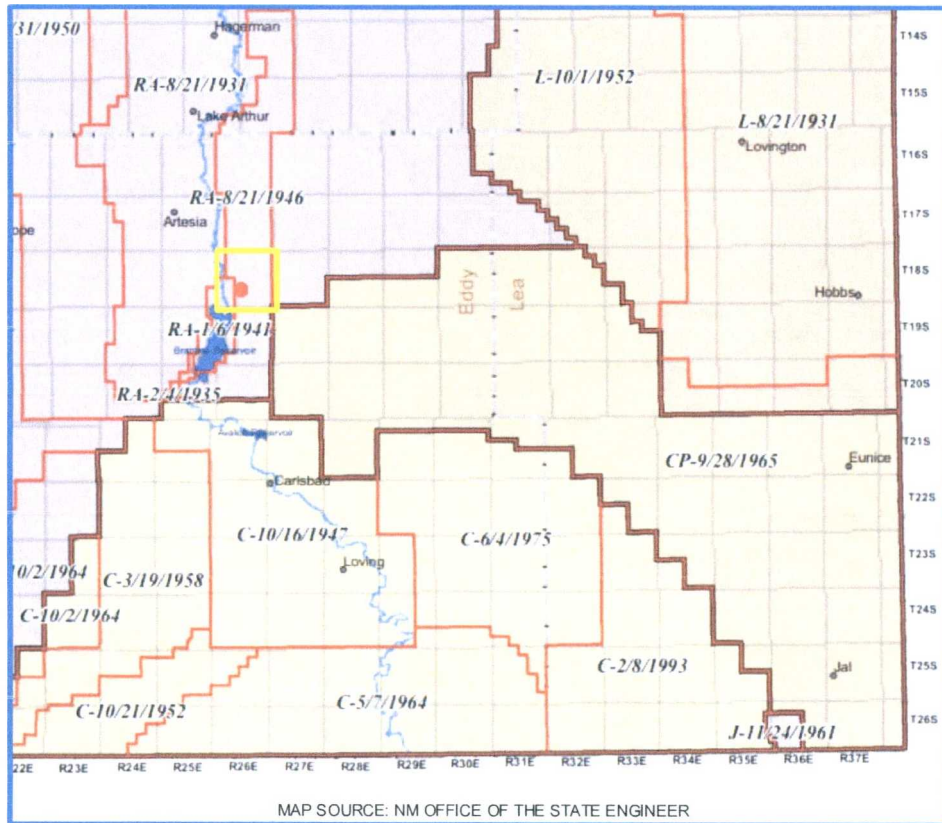
Reference NMOSE TR 4/2
↓
Exhibits

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

C-108 - Item XI

Groundwater Basins - Water Column / Depth to Groundwater



The subject well is located within the Roswell Artesian Basin.

See 19.15.39.11 NMAC

The Roswell Artesian Basin consists of an eastward-dipping carbonate aquifer overlain by a leaky evaporitic confining unit, overlain in turn by an unconfined alluvial aquifer. The carbonate aquifer is artesian to the east but under water-table conditions in the western outcrop area. Recharge occurs by direct infiltration of precipitation and by runoff from intermittent losing streams flowing eastward across a broad area east of the Sacramento Mountains. (USGS)

State Engineer's records show fresh water wells in the area with an average depth to water at 80 feet.

Two aquifers - Valley fill & artesian

There are five (5) water wells (6 PODs) located within one mile of the proposed SWD; one has been sampled and analysis will be forwarded upon receipt.

C-108 ITEM XII

Geologic Affirmation

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.



Ben Stone, Partner
SOS Consulting, LLC

Project: Percussion Petroleum Operating, LLC
Sleepy SWD No.1
Reviewed 7/02/2018

July 30, 2018

JERRY MATHEWS

PERCUSSION PETROLEUM

919 MILAM , STE 2475

HOUSTON, TX 77002

RE: FRESH WATER WELLS

Enclosed are the results of analyses for samples received by the laboratory on 07/25/18 14:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-18-11. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Total Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Cardinal Laboratories is accredited through the State of New Mexico Environment Department for:

Method SM 9223-B	Total Coliform and E. coli (Colilert MMO-MUG)
Method EPA 524.2	Regulated VOCs and Total Trihalomethanes (TTHM)
Method EPA 552.2	Total Haloacetic Acids (HAA-5)

Accreditation applies to public drinking water matrices for State of Colorado and New Mexico.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:PERCUSSION PETROLEUM
919 MILAM , STE 2475
HOUSTON TX, 77002Project: FRESH WATER WELLS
Project Number: NONE GIVEN
Project Manager: JERRY MATHEWS
Fax To:Reported:
30-Jul-18 09:59

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
RA - 01524-A EVEREST	H802031-01	Water	25-Jul-18 08:45	25-Jul-18 14:15
RA - 08999 SLEEPY	H802031-02	Water	25-Jul-18 09:45	25-Jul-18 14:15

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:PERCUSSION PETROLEUM
919 MILAM , STE 2475
HOUSTON TX, 77002Project: FRESH WATER WELLS
Project Number: EVEREST SWD
Project Manager: JERRY MATHEWS
Fax To:Reported:
30-Jul-18 09:59**RA - 01524-A**
H802031-01 (Water)

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	--------------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories**Inorganic Compounds**

TDS*	5740		5.00	mg/L	1	8072312	AC	30-Jul-18	160.1	
------	------	--	------	------	---	---------	----	-----------	-------	--

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:PERCUSSION PETROLEUM
919 MILAM , STE 2475
HOUSTON TX, 77002Project: FRESH WATER WELLS
Project Number: SLEEPY SWD
Project Manager: JERRY MATHEWS
Fax To:Reported:
30-Jul-18 09:59**RA - 08999****H802031-02 (Water)**

Analyte	Result	MDL	Reporting Limit	Units	Dilution	Batch	Analyst	Analyzed	Method	Notes
---------	--------	-----	--------------------	-------	----------	-------	---------	----------	--------	-------

Cardinal Laboratories**Inorganic Compounds**

TDS*	726		5.00	mg/L	1	8072312	AC	30-Jul-18	160.1	
------	-----	--	------	------	---	---------	----	-----------	-------	--

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:PERCUSSION PETROLEUM
919 MILAM, STE 2475
HOUSTON TX, 77002Project: FRESH WATER WELLS
Project Number: NONE GIVEN
Project Manager: JERRY MATHEWS
Fax To:Reported:
30-Jul-18 09:59**Inorganic Compounds - Quality Control****Cardinal Laboratories**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 8072312 - Filtration										
Blank (8072312-BLK1)										
TDS	ND	5.00	mg/L							Prepared: 23-Jul-18 Analyzed: 24-Jul-18
LCS (8072312-BS1)										
TDS	536	5.00	mg/L	527		102	80-120			Prepared: 23-Jul-18 Analyzed: 24-Jul-18
Duplicate (8072312-DUP1)										
TDS	932	5.00	mg/L		924			0.862	20	Source: H801976-03 Prepared: 23-Jul-18 Analyzed: 24-Jul-18

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: <u>Percussion Petroleum</u>		BILL TO		ANALYSIS REQUEST																							
Project Manager: <u>Jerry Mathews</u>		P.O. #:																									
Address: <u>919 Milam St. Suite 2475</u>		Company:																									
City: <u>Houston</u> State: <u>TX</u> Zip: <u>77002</u>		Attn:																									
Phone #: <u>575-748-5234</u> Fax #:		Address:																									
Project #: Project Owner:		City:																									
Project Name: <u>Fresh Water Wells</u>		State: Zip:																									
Project Location: <u>Eddy Co. NM</u>		Phone #:																									
Sampler Name: <u>Eli Trevino</u>		Fax #:																									
FOR LAB USE ONLY		MATRIX		PRESERV.		SAMPLING																					
Lab I.D.	Sample I.D.	GRAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME													
<u>H802031</u>																											
<u>1</u>	<u>RA-01524-A</u>	<u>G</u>	<u>1</u>	<u>✓</u>									<u>7/23/18</u>	<u>8:45</u>	<u>✓</u>												
<u>2</u>	<u>RA-08999</u>	<u>G</u>	<u>1</u>	<u>✓</u>									<u>9:45</u>		<u>✓</u>												

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By:	Date:	Received By:	Phone Result:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Add'l Phone #:
<u>Jerry Mathews</u>	<u>7-25-18</u>	<u>Eodi Benson</u>	Fax Result:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:			
	Time:		<u>Jerry@percussionpetroleum.com</u>			
	<u>14:15</u>					
	Date:					
	Time:					
Delivered By: (Circle One)	Sample Condition	CHECKED BY:				
<u>#75</u>	Cool <input checked="" type="checkbox"/> Intact <input checked="" type="checkbox"/>	(Initials)				
Sampler - UPS - Bus - Other:	<u>0.92/0.85</u>					
	<input type="checkbox"/> Yes <input type="checkbox"/> No					
	<input type="checkbox"/> No <input type="checkbox"/> No					

C-108 ITEM XIII – PROOF OF NOTIFICATION

IDENTIFICATION AND NOTIFICATION OF INTERESTED PARTIES

Exhibits for Section

Affected Parties Map

List of Interested Parties

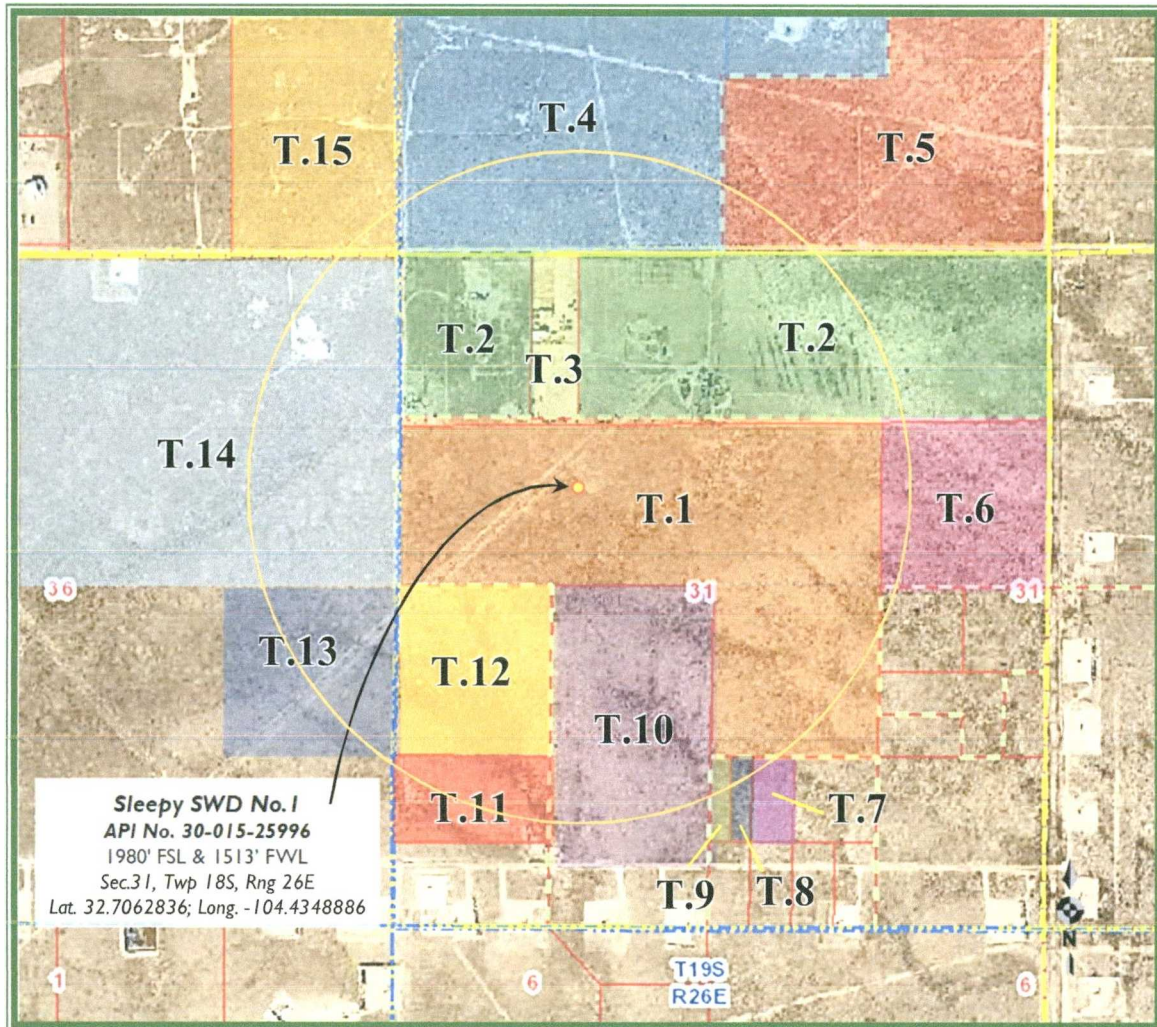
Notification Letter to Interested Parties

Proof of Certified Mailing

Published Legal Notice

Sleepy SWD No.1 – Affected Parties Plat

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



LEGEND

For ALL Tracts inside or intersect any portion on 1/2 mile Radius Circle...

Need Operators... IF NO operator, Need Lessee... IF NO lessee, Need Mineral Owners

~ SURFACE OWNERS LISTED NEXT PAGE ~

T.1, T.4, T.6 & T.10 - WILSON, WANDA FAYE & WILSON, DAVID D & DIANA L (NOT-JT)

SURFACE OWNER OF SUBJECT TRACT

235 N LAKE ROAD

ARTESIA NM 88210

T.2 - BAEZA, EFREN & MARIA (JT)

Owner Address:

314 N 14TH

ARTESIA NM 88210

T.3 - BAEZA, JOEL B & CHRISTINE M (JT)

Owner Address:

PO BOX 798

ARTESIA NM 882100798

T.5 - YATES PETROLEUM CORPORATION ET AL

Owner Address:

105 S 4TH ST

ARTESIA NM 882102177

T.7 - SMITH, J T

Owner Address:

PELHAM, JUDITH

9939 E CELTIC DR

SCOTTSDALE AZ 85260

T.8 - NEWBERRY, WAYLAND & SMITH, JOHN W (JT)

Owner Address:

252 N HALDEMAN ROAD RURAL

ARTESIA NM 88210

T-9 - COG OPERATING LLC & CONCHO OIL & GAS LLC ETAL

Owner Address:

K E ANDREWS & COMPANY C/O

1900 DALROCK RD

ROWLETT TX 75088

T.11 - LARSEN, H D ESTATE

Owner Address:

1715-20TH STREET

GERING NE 69341

T.12 - WIDAMAN, BLANCHE

Owner Address:

PO BOX 8265

WICHITA FALLS TX 763078265

T.13 – State Lease E1-0165-0002 – EOG Y RESOURCES, INC.

T.14 – State Lease V0-6141-0001 – EOG Y RESOURCES, INC.

104 S 4TH ST

ARTESIA, NM U.S.A.

88210

T.15 - SHARBRO ENERGY LLC & YATES INDUSTRIES LLC ETAL

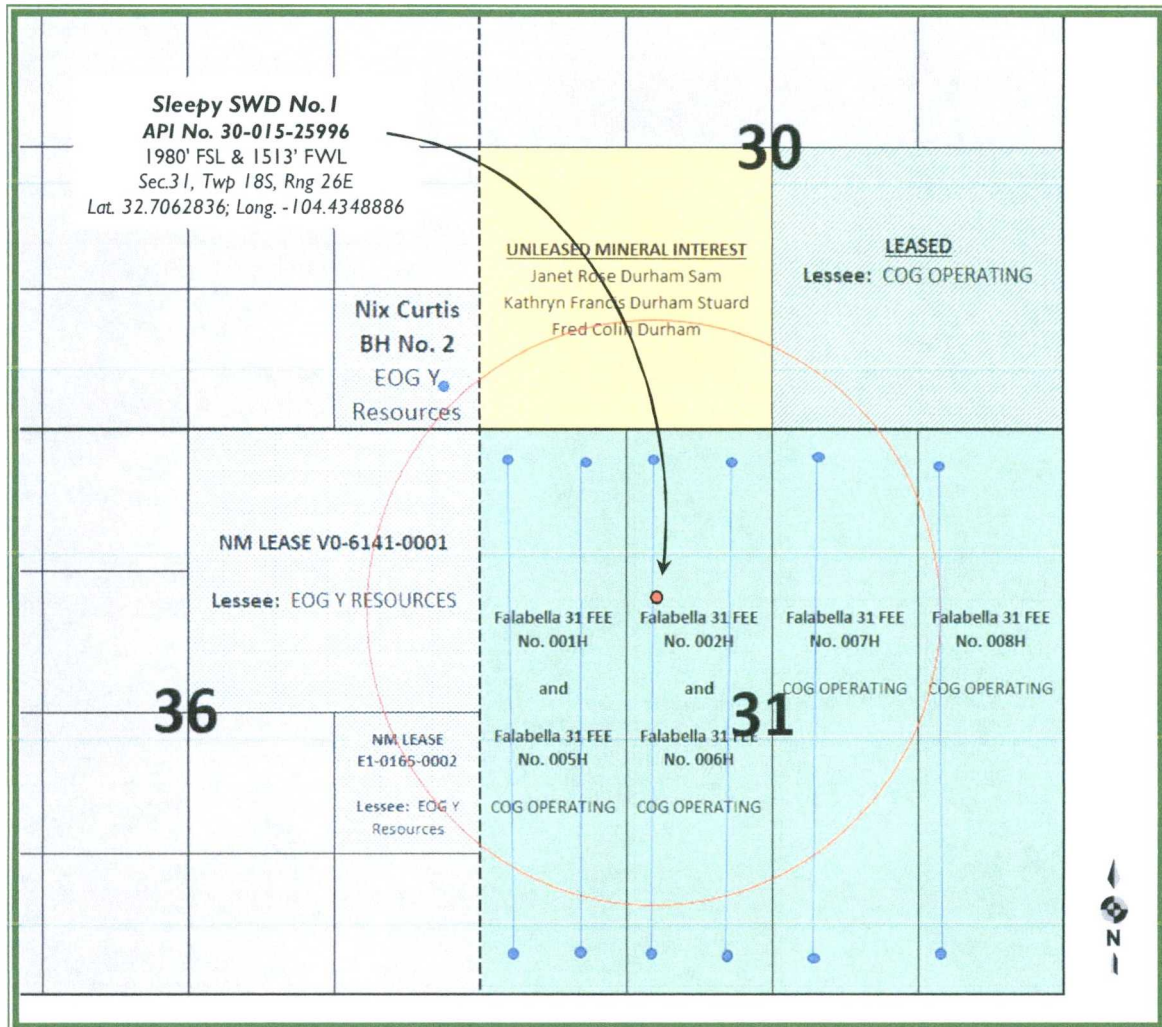
Owner Address:

PO BOX 840

ARTESIA NM 882110840

Sleepy SWD No.1 – Affected Parties Plat

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



LEGEND

ALL PRIVATE TRACTS

Excepting Section 36 – State Leases

All minerals lease by COG, LLC or EOG Y Resources, Inc.

Exception: Northern most tract (yellow) is unleased.

All parties notified – See Affected Parties List, next page...

C-108 ITEM XIII – PROOF OF NOTIFICATION AFFECTED PARTIES LIST

SOS Consulting is providing electronic delivery of C-108 applications.

**ALL APPLICABLE AFFECTED PARTIES ARE PROVIDED A LINK IN THE NOTICE LETTER
TO A SECURE SOS/ CITRIX SHAREFILE® SITE TO VIEW AND DOWNLOAD
A FULL COPY OF THE SUBJECT C-108 APPLICATION IN PDF FORMAT.**

SURFACE OWNER

- 1 WANDA, DAVID D. & DIANA L. WILSON (Not-JT)
235 North Lake Road
Artesia, NM 88210
Certified: 7017 2400 0000 5297 5386

OFFSET MINERALS LESSEES and OPERATORS (All Notified via USPS Certified Mail)

Lessees and Operators

- 2 EOG Y RESOURCES
104 South 4th Street
Artesia, NM 77002
Certified: 7017 2400 0000 5297 5393
- 3 COG OPERATING, LLC
550 W Texas
Midland, TX 79701
Certified: 7017 2400 0000 5297 5409

UNLEASED MINERALS OWNERS

- 4 JANET ROSE DURHAM SAM
P. O. Box 342543
Austin, TX 78734-2543
Certified: 7017 2400 0000 5297 5416
- 5 KATHRYN FRANCIS DURHAM STUARD
fka Kathryn Francis Durham Hardwick, dealing in her SSP
P. O. Box 342543
Austin, TX 78734-2543
Certified: 7017 2400 0000 5297 5423
- 6 FRED COLIN DURHAM, dealing in his SSP
P. O. Box 342543
Austin, TX 78734-2543
Certified: 7017 2400 0000 5297 5430

OFFSET MINERALS OWNERS (Notified via USPS Certified Mail)

- 7 STATE OF NEW MEXICO
Oil, Gas and Minerals Division
310 Old Santa Fe Trail
Santa Fe, NM 87504
Certified: 7017 2400 0000 5297 5447

C-108 ITEM XIII – PROOF OF NOTIFICATION
AFFECTED PARTIES LIST (cont.)

REGULATORY

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed original and copy)
1220 S. St. Francis Dr.
Santa Fe, NM 87505

NEW MEXICO OIL CONSERVATION DIVISION (FedEx'ed copy)
811 S. First St.
Artesia, NM 88210



July 18, 2018

NOTIFICATION TO INTERESTED PARTIES
via U.S. Certified Mail – Return Receipt Requested

To Whom It May Concern:

Percussion Petroleum Operating, LLC, Houston, Texas, has made application to the New Mexico Oil Conservation Division to reenter and complete for salt water disposal the Sleepy No.1. The proposed SWD will be for private produced water disposal from Percussion's area operations. As indicated in the notice below, the well is located in Section 31, Township 18 South, Range 26 East in Eddy County, New Mexico.

The published notice states that the interval will be from 9600 feet to 10,800 feet.

Following is the notice published in the Artesia Daily Press, New Mexico on or about July 15, 2018.

LEGAL NOTICE

Percussion Petroleum Operating, LLC – 919 Milam, Ste.2475, Houston, Texas 77002, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to reenter and configure the Sleepy No.1 for salt water disposal; located 1980' FNL and 1513' FWL, Section 31, Township 18 South, Range 26 East, Eddy County, New Mexico; approximately 9.8 miles south/ southwest of Artesia, NM.

Produced water from Percussion's area production will be privately disposed into the Devonian formation at a maximum interval depth of 9600 feet to 10,800 feet at a maximum surface pressure of 1920 psi and a rate limited only by such pressure.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903)488-9850 or, email info@sosconsulting.us.

You have been identified as a party who may be interested as an offset lessee or operator.

You are entitled to a full copy of the application. A full copy in PDF format is posted on the SOS Consulting **ShareFile** site and is available for immediate download.

Use the URL link <https://sosconsulting.sharefile.com/d-s0a73f0def4b43629>

(Please Note: The ShareFile service is powered by Citrix Systems and is completely secure.*)

The link to this file will be active for 30 days from the date of this letter. Your company can access and download the file a maximum of five (5) times. (Copies may be downloaded and shared as needed among your company.)

Alternatively, you may call SOS Consulting, LLC at 903-488-9850, or email info@sosconsulting.us, and the same PDF file copy will be expedited to you via email.

Please use a subject like, **"Sleepy SWD July 2018 PDF Copy Request"**.

Thank you for your attention in this matter.

Best regards,



Ben Stone, SOS Consulting, LLC
Agent for Percussion Petroleum Operating, LLC

Cc: Application File

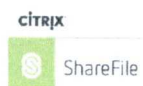
SOS Consulting is committed to providing superior quality work using technology to assist clients and interested parties in obtaining the documentation required. SOS will continue to utilize methods for reducing papers copies and are less energy and resource intensive.

We hope you'll partner with us and appreciate these efforts.

* You will be asked for your email, name and company.

This will not be used by anyone except keeping track of the file downloads.

You will not be solicited by SOS or anyone else. Data is stored on Citrix Systems servers only.



C-108 - Item XIV

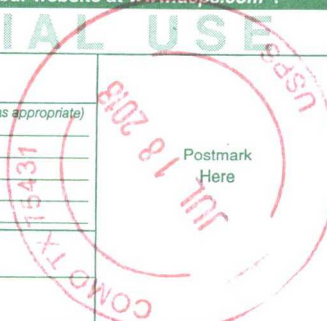
Proof of Notice (Certified Mail Receipts)

7017 2400 0000 5297 5386

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	\$	
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	Postmark Here
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	
Total Postage and Fees	\$ 6.70	
Sent To		
Street	WANDA, DAVID D. & DIANA L. WILSON	
City, State	(Not-JT) 235 North Lake Road Artesia, NM 88210	
PS Form	Instructions	

7017 2400 0000 5297 5393

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	\$	
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	Postmark Here
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	
Total Postage and Fees	\$ 6.70	
Sent To		
Street	EOG 'Y' RESOURCES, INC.	
City, State	104 S. 4th Street Artesia, NM 88210	
PS Form	Instructions	

7017 2400 0000 5297 5409

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

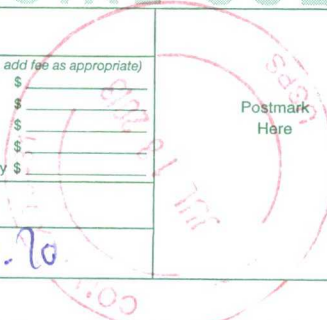
Certified Mail Fee	\$	
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	Postmark Here
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	
Total Postage and Fees	\$ 6.70	
Sent To		
Street	COG OPERATING, LLC	
City, State	550 W Texas Midland, TX 79701	
PS Form	Instructions	

7017 2400 0000 5297 5416

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	\$	
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	Postmark Here
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage	\$	
Total Postage and Fees	\$ 6.70	
Sent To		
Street	JANET ROSE DURHAM SAM	
City, State	P. O. Box 342543 Austin, TX 78734-2543	
PS Form	Instructions	

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts – cont.)

7017 2400 0000 5297 5423

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee \$	Postmark Here
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees 6.70	
Sent To	
Street and	KATHRYN FRANCIS DURHAM STUARD
City, State	fka Kathryn Francis Durham Hardwick, SSP
	P. O. Box 342543
	Austin, TX 78734-2543

7017 2400 0000 5297 5430

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee \$	Postmark Here
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees 6.70	
Sent To	
Street and	FRED COLIN DURHAM,
City, State	dealing in his SSP
	P. O. Box 342543
	Austin, TX 78734-2543

7017 2400 0000 5297 5447

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee 3.45	Postmark Here
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$ 2.75	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees 12.70	
Sent To	
Street and	STATE OF NEW MEXICO
City, State	Oil, Gas and Minerals Division
	310 Old Santa Fe Trail
	Santa Fe, NM 87504

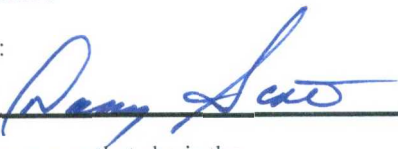
Affidavit of Publication

No. 24761

State of New Mexico

County of Eddy:

Danny Scott



being duly sworn says that she is the
of the Artesia Daily Press, a daily newspaper of General
circulation, published in English at Artesia, said county
and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for
1 Consecutive weeks/day on the same

day as follows:

First Publication July 15, 2018

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

Subscribed and sworn before me this

16th day of July 2018



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires:

5/12/2019

Copy of Publication:

Legal Notice

Percussion Petroleum Operating, LLC - 919 Milam, Ste. 2475,
Houston, Texas 77002, is filing Form C-108 (Application for
Authority to Inject) with the New Mexico Oil Conservation
Division seeking administrative approval to reenter and con-
figure the Sleepy No.1 for salt water disposal; located 1980'
FNL and 1513' FWL, Section 31, Township 18 South, Range
26 East, Eddy County, New Mexico; approximately 9.8 miles
south/ southwest of Artesia, NM.

Produced water from Percussion's area production will be
privately disposed into the Devonian formation at a maxi-
mum interval depth of 9600 feet to 10,800 feet at a maximum
surface pressure of 1920 psi and a rate limited only by such
pressure.

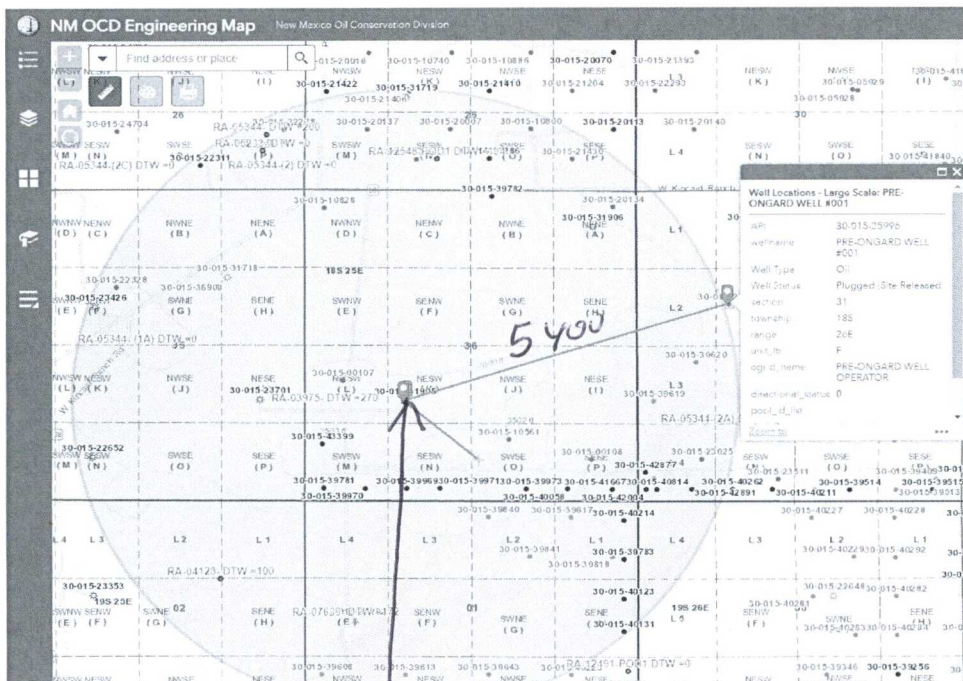
Interested parties wishing to object to the proposed appli-
cation must file with the New Mexico Oil Conservation
Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505)
476-3460 within 15 days of the date of this notice. Additional
information may be obtained from the applicant's agent, SOS
Consulting, LLC, (903)488-9850 or, email info@sosconsult-
ing.us.

Published in the Artesia Daily Press, Artesia, N.M., July 15,
2018 Legal No. 24761.



Latisha Romine

Notary Public, Eddy County, New Mexico



Dev-Elling