

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

Form C-101
Revised July 18, 2013

Energy Minerals and Natural Resources CONSERVATION

Oil Conservation Division
1220 South St. Francis Dr.

ARTESIA DISTRICT
FEB 27 2018

☐ AMENDED REPORT

Santa Fe, NM 87505 RECEIVED

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

¹ Operator Name and Address Percussion Petroleum Operating, LLC 919 Milam, Suite 2475 Houston TX 77002 (713) 518-1331		² OGRID Number 371755
		³ API Number 30-015-29258
⁴ Property Code	⁵ Property Name Morris Arco 26	⁶ Well No. 2

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B	26	19S	25E		990	N	1650	E	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

¹⁰ Pool Name SWD; Canyon	¹¹ Pool Code 96184
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Additional Well Information

¹² Work Type E	¹³ Well Type S	¹⁴ Cable/Rotary R	¹⁵ Lease Type P	¹⁶ Ground Level Elevation 3418'
¹⁷ Multiple N	¹⁸ Proposed Depth 8100'	¹⁹ Formation Canyon	²⁰ Contractor to be determined	²¹ Spud Date upon approval
Depth to Ground water 75' (RA 10496)	Distance from nearest fresh water well 6140' SE to RA 10496	Distance to nearest surface water ≈300' S of North Seven Rivers		

A closed-loop system will be used in lieu of lined pits.

²² Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	14.75"	9.625"	36	1100'	700	GL (circ. 236 sx)
Production	8.75"	7"	23 & 26	8025'	1400	5631' (TS)
Open Hole	6.125"	N/A	N/A	8100'	N/A	N/A

Casing/Cement Program: Additional Comments

Plan to drill out plugs, test csg to 1000 psi, perf 7815' - 8025', set packer & 3.5" IPC tbg @ 7750', & perform step rate test.

²³ Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
annular & rams	5000 psi	3500 psi	to be determined

²⁴ 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 <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: <i>Brian Wood</i>		OIL CONSERVATION DIVISION	
Printed name: Brian Wood		Approved By: <i>Raymond W. Rodany</i>	
Title: Consultant		Title: <i>Geo/Logist.</i>	
E-mail Address: brian@permitswest.com		Approved Date: <i>3-15-18</i> Expiration Date: <i>3-15-20</i>	
Date: 2-23-18	Phone: 505 466-8120	Conditions of Approval Attached <i>Approved C-108</i>	

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

NM OIL CONSERVATION
ARTESIA DISTRICT
FEB 27 2018

RECEIVED

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 30-015-29258	² Pool Code 96184	³ Pool Name SWD; Canyon
⁴ Property Code	⁵ Property Name Morris Arco 26	
⁷ OGRID No. 371755	⁸ Operator Name Percussion Petroleum Operating, LLC	
		⁶ Well Number 2
		⁹ Elevation

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
B	26	19 S	25 E		990	North	1650	East	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 interests have been consolidated or a non-standard unit has been approved by the division.

<div style="text-align: center;"> <p>990'</p> <p>1650'</p> </div>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: right;"> Signature </p> <p style="text-align: right;"> 2-23-18 Date </p> <p style="text-align: center;"> Brian Wood Printed Name </p> <p style="text-align: center;"> brian@permitswest.com E-mail Address </p> <p style="text-align: center;"> (5055) 466-8120 </p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: center;"> 10-29-96 Date of Survey </p> <p> Signature and Seal of Professional Surveyor: Original survey by Dan Reddy #5412 on file w/ NMOCD </p> <p> Certificate Number </p>
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District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29258	Pool Code 74640	Pool Name Undesignated Morrow GAS
Property Code	Property Name MORRIS ARCO 26	Well Number #2
GRID No. 15742	Operator Name NEARBURG PRODUCING COMPANY	Elevation 3418.

10 Surface Location

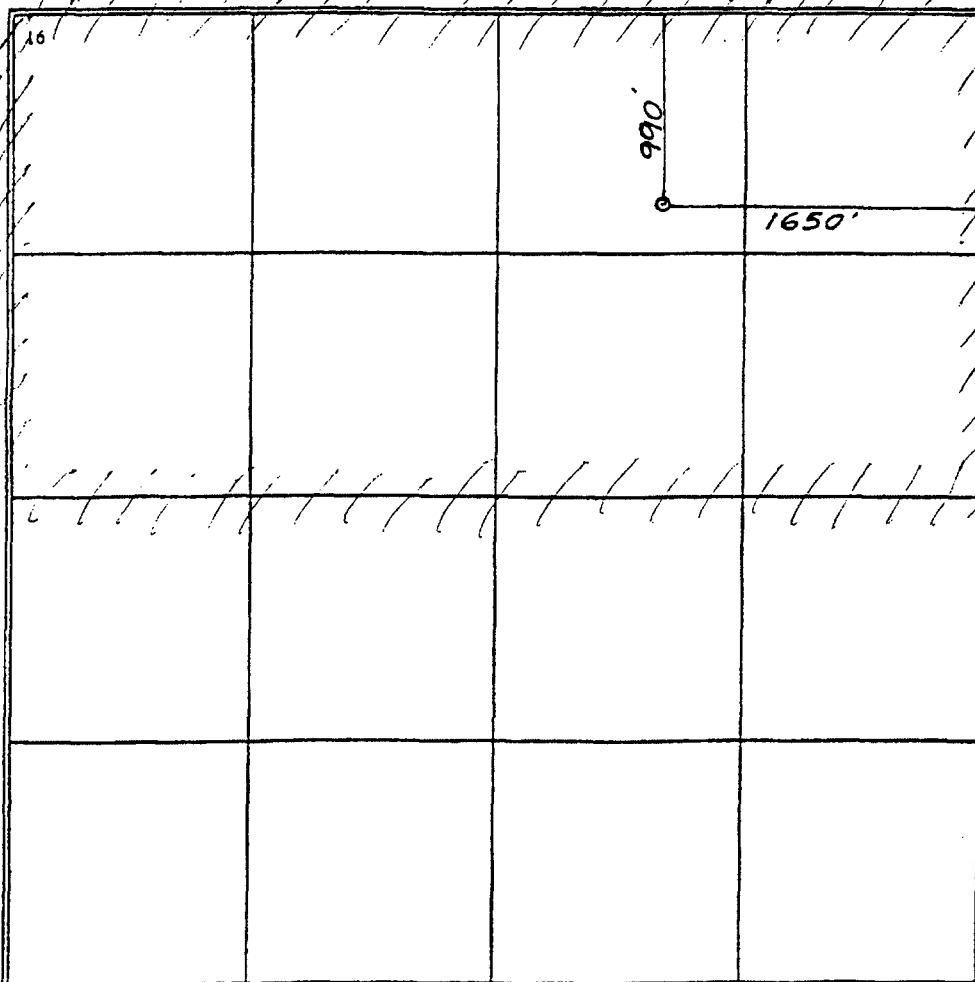
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	19-S	25-E		990	NORTH	1650	EAST	EDDY

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 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>E. Scott Kimbrough</i> Printed Name: E Scott Kimbrough Title: Mgr Drilling & Production Date: 11-4-96
	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. Date of Survey: OCTOBER 29, 1996 Signature and Seal of Professional Surveyor: <i>DAVID R. REDDY</i> Registered Land Surveyor New Mexico 5412 Certification Number: NM PLS NO. 5412