Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					Lease Serial No. NMNM7752 If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.		
Type of Well					8. Well Name and No. MERAK 7 FEDERAL 3		
2. Name of Operator Contact: LUPE CARRILLO PERCUSSION PETROLEUM OPERA THING il: Lupe@percussionpetroleum.com					9. API Well No. 30-015-40609		
3a. Address 919 MILAM STREET SUITE 2 HOUSTON, TX 77002	3b. Phone No Ph: 713-5	No. (include area code) 589-9509		10. Field and Pool or Exploratory Area 96718			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T17S R30E NESW 1650FSL 2310FWL					11. County or Parish, State EDDY COUNTY, NM		
12. CHECK THE AI	PROPRIATE BOX(ES)	TO INDICA	TE NATURE OI	NOTICE	E, REPORT, OR OT	ER DATA	
TYPE OF SUBMISSION			TYPE OF	ACTION			
Notice of Intent	☐ Acidize☐ Alter Casing	☐ Deepen ☐ Hydraulic Fracturing				☐ Water Shut-Off ☐ Well Integrity	
☐ Subsequent Report ☐ Final Abandonment Notice	☐ Casing Repair☐ Change Plans☐ Convert to Injection	Plug ar		□ Recomplete□ Temporarily Abandon□ Water Disposal		Other Successor of Operat	
Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required so following completion of the involved operations. If the operation results in a multiple completion or recompletion in a testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamati determined that the site is ready for final inspection. Notification of Change of Operator effective Feb 12, 2018 Accepted Formula New Operator: Percussion Petroleum, Operating, LLC (OGRID# 371755)					new interval, a Form 316 on, have been completed a	0-4 must be filed once and the operator has	
919 Milam Street, Ste 2475 Houston, Texas 77002 Old Operator: Cimarex Energy Co. of Colora 202 S Cheyenne Ave, Ste 100 Tulsa, OK 74103		SEE A	ATTA(DITIO	CHED FOR NS OF APPE			
					JAN	1 0 2019	
14. I hereby certify that the foregoing is Name(Printed/Typed) DAVID HA	Electronic Submission #4 For PERCUSSION PI Committed to AFMSS for p	40571 verifie ETROLEUM C processing by	d by the BLM Well PERATING, sent of DEBORAH MCKIN	ייין יים י	n System sbad //22/2018 ()	APITESIA O.C.b.	
Signature (Electronic Submission)			Date 0/20/20	18/PPF	ROVEN	1 //	
	THIS SPACE FO	R FEDERA	L OR STATE C	FFICE U	SE		
Approved By Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct the second of the se	itable title to those rights in the ct operations thereon.	subject lease	Title UR	AV OF A.	1 8 2/18 /	Date Date	
Title 18 U.S.C. Section 1001 and Title 43 I States any false, fictitious or fraudulent s	J.S.C. Section 1212, make it a c tatements or representations as	rime for any pe to any matter w	rson knowingly and v ithin its jurisdiction.	villfully to m	ake to any department or	affect of the United	

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR/SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #440571 that would not fit on the form

32. Additional remarks, continued

Percussion Petroleum, Operating, LLC is the new Operator for the list of wells noted below formerly operated by Cimarex Energy Co.

Percussion Petroleum, Operating, LLC accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased lands.

Asset Name API Code ULSTR Lease County MERAK 7 FEDERAL 3 3001540609 K-07-17S-30E NMNM7752 Eddy MERAK 7 FEDERAL 4 3001540610 I-07-17S-30E NMNM7752 Eddy MERAK 7 FEDERAL 5 3001540611 N-07-17S-30E NMNM7752 Eddy MERAK 7 FEDERAL 6 3001540612 O-07-17S-30E NMNM7752 Eddy MERAK 7 FEDERAL 7 3001540613 N-07-17S-30E NMNM7752 Eddy MERAK 7 FEDERAL 8 2001540614 O-07-17S-30E NMNM7752 Eddy

Change of Operator Conditions of Approval

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
- 9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
- 10. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.
- 11. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.

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