

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 259471 WELL API NUMBER 30-015-45114 5. Indicate Type of Lease F 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name ROSE																																																																
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.)		8. Well Number 003H 9. OGRID Number 371755 10. Pool name or Wildcat																																																																
1. Type of Well: O 2. Name of Operator PERCUSSION PETROLEUM OPERATING, LLC 3. Address of Operator 919 Milam St., Suite 2475, Houston, TX 77002		4. Well Location Unit Letter <u>1</u> : <u>677</u> feet from the <u>N</u> line and feet <u>705</u> from the <u>W</u> line Section <u>7</u> Township <u>19S</u> Range <u>26E</u> NMPM _____ County <u>Eddy</u>																																																																
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3378 GR																																																																		
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK ☐</td> <td>PLUG AND ABANDON ☐</td> <td>REMEDIAL WORK ☐</td> <td>ALTER CASING ☐</td> </tr> <tr> <td>TEMPORARILY ABANDON ☐</td> <td>CHANGE OF PLANS ☐</td> <td>COMMENCE DRILLING OPNS. ☐</td> <td>PLUG AND ABANDON ☐</td> </tr> <tr> <td>PULL OR ALTER CASING ☐</td> <td>MULTIPLE COMPL ☐</td> <td>CASING/CEMENT JOB ☐</td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> ☒</td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐	TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐	PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐		Other: _____		Other: <u>Drilling/Cement</u> ☒																																													
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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. Spud well <u>8/1/2018</u> Spudded well.																																																																		
Casing and Cement Program <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>08/02/18</td> <td>Surf</td> <td>FreshWater</td> <td>12.25</td> <td>9.625</td> <td>36</td> <td>J55</td> <td>0</td> <td>1239</td> <td>510</td> <td>2</td> <td>C</td> <td></td> <td>600</td> <td>0</td> <td>N</td> </tr> <tr> <td>08/10/18</td> <td>Prod</td> <td>FreshWater</td> <td>8.75</td> <td>7</td> <td>32</td> <td>L80</td> <td>0</td> <td>2709</td> <td>2525</td> <td>1.98</td> <td>C</td> <td></td> <td>7000</td> <td>180</td> <td>N</td> </tr> <tr> <td>08/10/18</td> <td>Prod</td> <td>FreshWater</td> <td>8.75</td> <td>5.5</td> <td>20</td> <td>L80</td> <td>0</td> <td>8520</td> <td>2525</td> <td>1.98</td> <td>C</td> <td></td> <td>7000</td> <td>180</td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	08/02/18	Surf	FreshWater	12.25	9.625	36	J55	0	1239	510	2	C		600	0	N	08/10/18	Prod	FreshWater	8.75	7	32	L80	0	2709	2525	1.98	C		7000	180	N	08/10/18	Prod	FreshWater	8.75	5.5	20	L80	0	8520	2525	1.98	C		7000	180	N
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I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐ .																																																																		
SIGNATURE _____ Electronically Signed _____ TITLE _____ Chief Operating Officer _____ DATE _____ 11/6/2018 Type or print name _____ Lupe Carrillo _____ E-mail address _____ Lupe@percussionpetroleum.com _____ Telephone No. _____ 713-589-9509																																																																		
For State Use Only: APPROVED BY: _____ Raymond Podany _____ TITLE _____ Geologist _____ DATE _____ 11/9/2018 7:12:27 AM																																																																		

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Comments

Permit 259471

DRILLING COMMENTS

Operator: PERCUSSION PETROLEUM OPERATING, LLC 919 Milam St. Houston, TX 77002	OGRID: 371755
	Permit Number: 259471
	Permit Type: Drilling

Comments

Created By	Comment	Comment Date
lelananders	8/1/18: Run and cement 9-5/8" surface casing string and cement w/ 355 sx of 12.6 ppg and 155 sx of 14.8 ppg	11/6/2018
lelananders	8/2/18: Run and cement 9-5/8" surface casing string and cement w/ 355 sx of 12.6 ppg and 155 sx of 14.8 ppg. First comment incorrect	11/6/2018
lelananders	8/2/18: Pressure test 9-5/8" surface casing string to 600 psi for 30 minutes. Lost 0 psi, good test.	11/6/2018
lelananders	8/10/18: Run and cement 7" x 5.5" production casing string w/ 190 sx of 12.6 ppg and 2335 sx of 14.8 ppg	11/6/2018
lelananders	10/15/18: Pressure test 7" x 5.5" production casing string to 7000 psi for 30 minutes. Lost 180 psi, good test.	11/6/2018