



Percussion Petroleum LLC

Welch RL 28 State 1H

1/10/2019

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF PERCUSSION
PETROLEUM OPERATING, LLC FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 20192

AFFIDAVIT OF JOE DICHARA

Joe Dichara, of lawful age and being first duly sworn, declares as follows:

1. My name is Joe Dichara. I work for Percussion Petroleum Operating, LLC ("Percussion") as a Landman.
2. I have not previously testified before the Oil Conservation Division.
3. I graduated from Texas A&M University with a B.S. in Economics in 1986. After graduation, I worked as an in-house Landman. My job responsibilities included title examination, curative, lease acquisition, surface use agreements, working with the geologists and engineers to prepare wells to be drilled and completed. I was hired by Percussion in September 2018 and my area of responsibility includes the Permian Basin in New Mexico.
4. I am a member of the HAPL and AAPL.
5. I am familiar with the applications filed by Percussion in these matters and familiar with the status of the lands in the subject areas.
6. Percussion seeks an order pooling all uncommitted interests in the Artesia; Glorieta Yeso Pool (96830) comprised of the N/2N/2 of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Welch RL 28 State No. 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to

a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 28. The well will be at an orthodox location pursuant to Statewide rules for oil wells.

7. **Percussion Exhibit No. 1A** contains a draft Form C-102 for the proposed wells. The Division District Office has informed me that this well will be placed in the Artesia; Glorieta Yeso Pool (96830). All lands in this spacing unit are State acreage.

8. **Percussion Exhibit 1B** identifies ownership by tract in the proposed spacing unit. Percussion seeks to pool the working interest owner ConocoPhillips Company. All other interests are committed to the spacing unit.

9. ConocoPhillips Company has not indicated opposition to Percussion presenting this case by affidavit.

10. **Percussion Exhibit 1C** contains the well proposal letter and AFE for the proposed well. In addition to sending well proposal letters and AFEs, I have discussed this pooling hearing with ConocoPhillips Company and the companies are in the process of discussing an agreement. If Percussion reaches an agreement with ConocoPhillips, I will notify the Division. The costs reflected in the Statement of Estimated Well Costs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in each of these formations.

11. No ownership depth severances exist in the proposed spacing unit.

12. In addition to working interest owners, Percussion seeks to compulsory pool overriding royalty owners shown on **Exhibits 1B**.

13. Percussion has estimated the overhead and administrative costs for drilling and producing the proposed wells at \$7,000 per month while drilling and \$700 per month while

producing. These costs are consistent with what other operators are charging in this area for similar wells.

14. Percussion Exhibit Nos. 1A through 1C were either prepared by me or compiled under my direction and supervision.

15. Percussion Exhibit 1D is a copy of the settlement agreement between Jalapeno Corporation and Percussion. Jalapeno is a consenting working interest owner and is not subject to force pooling.

FURTHER AFFIANT SAYETH NOT


Joe Dichiara

STATE OF TEXAS)

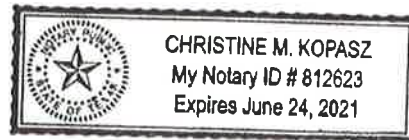
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me this 9th day of January 2019 by
Joe Dichiara.


NOTARY PUBLIC

My Commission Expires:

6/24/2021



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 & 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
⁴ Property Code	⁵ Property Name WELCH RL 28 STATE	⁶ Well Number 1H
⁷ OGRID No. 371755	⁸ Operator Name PERCUSSION PETROLEUM OPERATING, LLC	⁹ Elevation 3654.1

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
D	27	17 S	28 E		719	NORTH	560	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
D	28	17 S	28 E		360	NORTH	20	WEST	EDDY

¹² Dedicated Acres	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.

<p>17 OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 10, 2013</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: WILLIAM P. JARAMILLO, PLS 12797</p> <p>SURVEY NO. 6564B</p>	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 1A
Submitted by: **PERCUSSION PETROLEUM LLC**
Hearing Date: January 10, 2019
Case Nos. 20192

NOTE: INTERESTS TO BE FORCED POOLED ARE HIGHLIGHTED IN GREEN

Proposed Spacing Unit for N2 of Section 28, T11S, R28E, E65X County, NM

Tract 1A NW/4 of Sec 28			
	Interest	Type of interest	
St. Devote LLC	8.357901%	WI JOA	
Consolidation Company	24.000000%	WI	
OXY USA WTP Limited Partnership	12.765621%	WI JOA	
WPX Energy Permian, LLC	0.998265%	WI JOA	
Marathon Oil Company	0.998265%	WI JOA	
COG Operating LLC	0.501474%	WI JOA	
EOG Y Resources, Inc.	0.282117%	WI JOA	
Starbro Energy, LLC	0.211588%	WI JOA	
EOG Resources Assets LLC	0.235607%	WI JOA	
MRC Delaware Resources, LLC	0.161047%	WI JOA	
Cardinal River Energy LLP	0.147339%	WI JOA	
Santo Legado LLLP	0.094039%	WI JOA	
TYL Oil and Gas	0.078833%	WI JOA	
Black Oak Energy, LLC	0.074531%	WI JOA	
Jalapeño Corporation	0.042237%	WI JOA	
Hall Energy Co., L.L.C.	0.028130%	WI JOA	
Total Contractual Rights Interest:		50.000000%	

Tract 1B N/2NE/4 of Sec 28			
	Interest	Type of interest	
St. Devote LLC	8.357901%	WI JOA	
Consolidation Company	0.000000%	WI	
OXY USA WTP Limited Partnership	12.765621%	WI JOA	
WPX Energy Permian, LLC	0.998265%	WI JOA	
Marathon Oil Company	0.998265%	WI JOA	
COG Operating LLC	0.501474%	WI JOA	
EOG Y Resources, Inc.	0.282117%	WI JOA	
Starbro Energy, LLC	0.211588%	WI JOA	
EOG Resources Assets LLC	0.235608%	WI JOA	
MRC Delaware Resources, LLC	0.161047%	WI JOA	
Cardinal River Energy LLP	0.147339%	WI JOA	
Santo Legado LLLP	0.094039%	WI JOA	
TYL Oil and Gas	0.078834%	WI JOA	
Black Oak Energy, LLC	0.074531%	WI JOA	
Jalapeño Corporation	0.042236%	WI JOA	
Hall Energy Co., L.L.C.	0.028131%	WI JOA	
Total Contractual Rights Interest:		25.000000%	

Tract 2 S/2NE/4 of Sec 28			
	Interest	Type of interest	
St. Devote LLC	4.178931%	WI JOA	
Consolidation Company	12.500000%	WI	
OXY USA WTP Limited Partnership	6.382813%	WI JOA	
WPX Energy Permian, LLC	0.499133%	WI JOA	
Marathon Oil Company	0.499133%	WI JOA	
COG Operating LLC	0.250737%	WI JOA	
EOG Y Resources, Inc.	0.141038%	WI JOA	
Starbro Energy, LLC	0.105794%	WI JOA	
EOG Resources Assets LLC	0.129304%	WI JOA	
MRC Delaware Resources, LLC	0.086523%	WI JOA	
Cardinal River Energy LLP	0.073670%	WI JOA	
Santo Legado LLLP	0.047019%	WI JOA	
TYL Oil and Gas	0.039417%	WI JOA	
Black Oak Energy, LLC	0.037265%	WI JOA	
Jalapeño Corporation	0.021118%	WI JOA	
Hall Energy Co., L.L.C.	0.014065%	WI JOA	
Total Contractual Rights Interest:		25.000000%	

Total Contract Area N2 of Sec 28			
	Interest	Type of interest	
St. Devote LLC	20.394537%	WI JOA	
Consolidation Company	27.500000%	WI	
OXY USA WTP Limited Partnership	21.914063%	WI JOA	
WPX Energy Permian, LLC	2.495663%	WI JOA	
Marathon Oil Company	2.495663%	WI JOA	
COG Operating LLC	1.255685%	WI JOA	
EOG Y Resources, Inc.	0.705797%	WI JOA	
Starbro Energy, LLC	0.528970%	WI JOA	
EOG Resources Assets LLC	0.646519%	WI JOA	
MRC Delaware Resources, LLC	0.482617%	WI JOA	
Cardinal River Energy LLP	0.368348%	WI JOA	
Santo Legado LLLP	0.235687%	WI JOA	
TYL Oil and Gas	0.197086%	WI JOA	
Black Oak Energy, LLC	0.186327%	WI JOA	
Jalapeño Corporation	0.105591%	WI JOA	
Hall Energy Co., L.L.C.	0.070326%	WI JOA	
Total Contractual Rights Interest:		109.000000%	

Yates Brothers P.O. Box 900 Artesia, NM 88211-1091	ORRI
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Percussion Petroleum, LLC

919 Milam Street Suite 2475
Houston, TX 77002

Direct Telephone: 713.331.5473

Via Certified Mail

October 19, 2018

ConocoPhillips Company
Attn: Heather Cates
600 North Dairy Ashford
Houston, Texas 77079-1175

RE: Well Proposal - Welch R L 28 State #1H
Section 28, T17S, R28E
Eddy County, New Mexico

Gentlemen:

St. Devote LLC, a wholly owned subsidiary of Percussion Petroleum, LLC ("PPLLC"), is the successor Non-Operator and interest owner to Overton Energy Investments VI, LLC and The Salient Zarvona Energy Fund, LP. under that certain Operating Agreement effective as of August 20, 2001, by and between OXY USA WPT Limited Partnership ("Oxy"), as Operator, and McCombs Energy, LLC, et al, Non-Operators, ("JOA"). Pursuant to the JOA, St. Devote hereby proposes to drill and complete the subject well as a horizontal Yeso well at the following proposed location (subject to change upon final staking of the well pad):

Welch R L 28 State 1H – Horizontal Yeso Well, Eddy County, NM ("Well")

- Proposed Surface Hole Location – 360' FNL and 100' FEL of Sec 29, T17S, R28E
- Proposed Bottom Hole Location – 360' FNL and 100' FEL of Sec 28, T17S, R28E
- Proposed True Vertical Depth of approximately 3,800' or sufficient depth to test the Yeso Formation

Please find enclosed two copies of a cost estimate for the facility, to drill and to complete the Well. The estimated cost to drill the Well is \$1,105,000.00, estimated cost to complete the Well is \$3,037,000.00 and the facility estimated cost is \$360,000 for a total Well cost estimated at \$4,502,000.00. ConocoPhillips's working interest in the Well, in the event you elect to participate, is 37.5%. Please indicate below your election to this proposal to drill and complete the Well by signing and returning one copy of this letter within thirty (30) days. By signing and returning this letter, ConocoPhillips Company also hereby adopts, ratifies and confirms the JOA.

Should you have any questions regarding this proposal or wish to discuss it further, please contact the undersigned by phone at 713.331.5473, or via email at Joe@percussionpetroleum.com. Thank you for your consideration.

Sincerely,
St. Devote LLC

A handwritten signature in blue ink, appearing to read "Joe Dichiaro", is written over the typed name.

Joe Dichiaro, RPL

Percussion Petroleum, LLC
919 Milam Street, Suite 2475
Houston, TX 77002
713-518-1331

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 1C
Submitted by: **PERCUSSION PETROLEUM LLC**
Hearing Date: January 10, 2019
Case Nos. 20192

ConocoPhillips Company
October 19, 2018
Page 2

Welch RL 28 State 1H Well Election

ConocoPhillips Company working interest in the Well: 37.5%

_____ The undersigned elects to participate in the drilling and completing of the proposed Well. Please sign and return one copy of this letter and one copy of the attached Well cost estimate.

_____ The undersigned elects not to participate in the drilling and completing of the proposed Well. Please sign and return one copy of this letter.

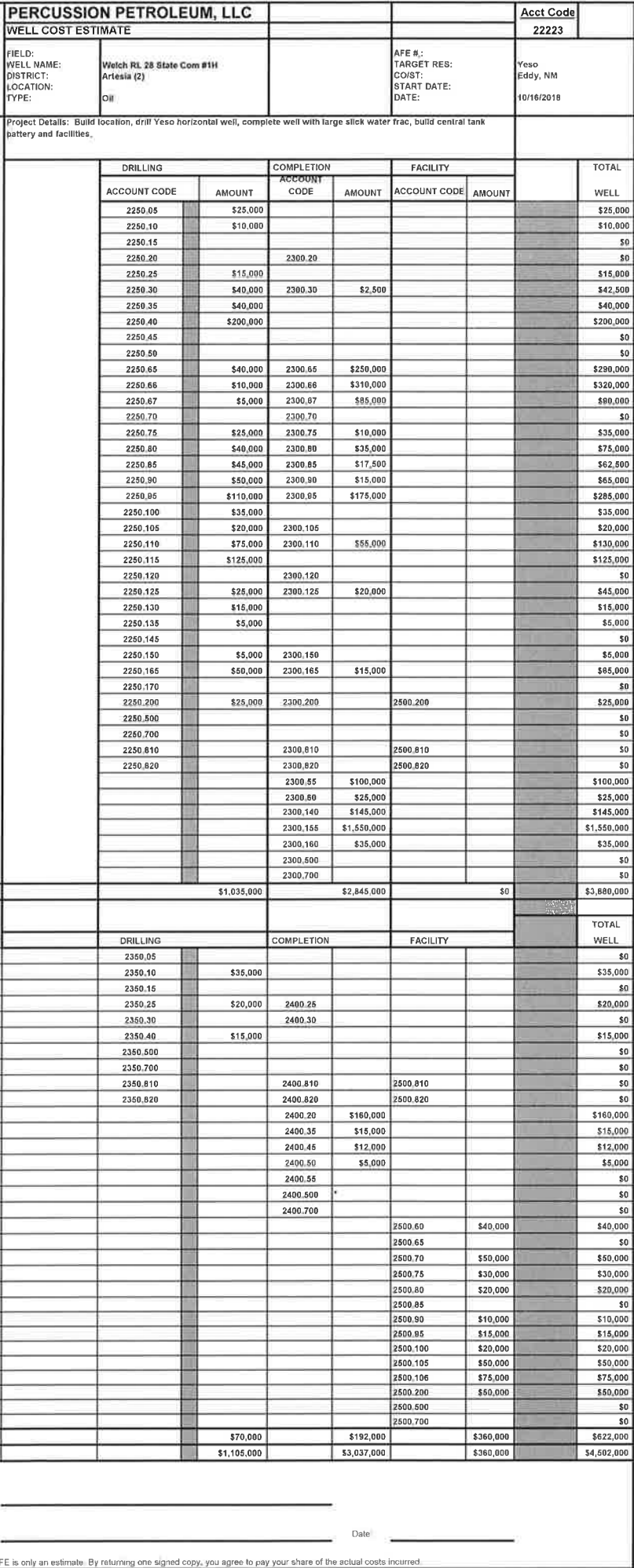
Accepted to and Agreed this _____ day of _____, 2018,

ConocoPhillips Company

By: _____

Printed Name: _____

Title: _____



Patrick Fort

From: Jordan L. Kessler [JLKessler@hollandhart.com]
Sent: Monday, January 07, 2019 10:54 AM
To: Patrick Fort; sam@percussionpetroleum.com
Cc: Michael Feldewert; Adam Rankin
Subject: RE: Settlement Agreement between Percussion and Jalapeno in Case No. 20192

Yes, this confirms our understanding. Thanks Pat.

From: Patrick Fort <pfort@jalapenocorp.com>
Sent: Friday, January 4, 2019 4:12 PM
To: sam@percussionpetroleum.com
Cc: Jordan L. Kessler <JLKessler@hollandhart.com>; Michael Feldewert <MFeldewert@hollandhart.com>; Adam Rankin <AGRankin@hollandhart.com>
Subject: Settlement Agreement between Percussion and Jalapeno in Case No. 20192

January 4, 2019

To: Sam Jones
Percussion Petroleum Operating, LLC

Sam,

Thank you for your time yesterday.

To settle this case on behalf of Percussion Petroleum Operating, LLC ("Percussion") and Jalapeno Corporation ("Jalapeno"), we mutually agreed that Percussion will dismiss its compulsory pooling application in Case No. 20192 as to Jalapeno and show Jalapeno as a consenting party since Jalapeno signed the AFE and the election letter.

Based on this agreement Jalapeno's witnesses will not attend the Division hearing or present any testimony or evidence on behalf of Jalapeno even though Jalapeno filed a Pre-Hearing Statement. Further, Jalapeno consents to Percussion's presenting its case to the Division by affidavit.

Percussion's attorneys will confirm this agreement by email.

We look forward to Percussion's successful well and drilling program. Thank you again.

Sincerely,
Patrick Fort
Attorney for Jalapeno Corporation

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 1D
Submitted by: PERCUSSION PETROLEUM LLC
Hearing Date: January 10, 2019
Case Nos. 20192

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF PERCUSSION
PETROLEUM OPERATING, LLC FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 20192

AFFIDAVIT OF C.J. LIPINSKI

CJ Lipinski, of lawful age and being first duly sworn, declares as follows:

1. My name is CJ Lipinski. I work for Percussion Petroleum Operating, LLC.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Percussion in this case and I have conducted a geologic study of the Glorieta and Yeso formations underlying the subject acreage.
4. Percussion is targeting the Yeso formation with its proposed **Welch RL State No. 1H Well**.
5. **Percussion Exhibit 2A** is a location map that I prepared for the subject spacing unit. This map shows the proposed spacing unit in Section 28 in red and the proposed well in orange. Offset Glorieta/Yeso producers are shown in green.
6. **Percussion Exhibit 2B** is a structure map that I prepared for the top of the Glorieta. The contour interval is 100 feet. The structure map shows that the area is gently dipping to the east. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval with a horizontal well.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: **PERCUSSION PETROLEUM LLC**
Hearing Date: January 10, 2019
Case Nos. 20192

7. **Percussion Exhibit 2C** is a cross section location map showing the four wells penetrating the Yeso formation that I used to construct the cross-section from A to A'. I consider these wells to be representative of the geology of the area.

8. **Percussion Exhibit 2D** is a cross section using the representative wells depicted on Exhibit 2C. Each well in the cross-section contains gamma ray and density porosity with the three digital logs also containing resistivity, photoelectric absorption, and neutron porosity. The proposed target interval is labeled with a yellow line. The cross-section demonstrates that the targeted interval extends across the proposed spacing unit.

9. In my opinion the east to west orientation of the proposed well in the Yeso formation is appropriate in order to effectively drain the targeted reservoir.

10. Based on my geologic study of the area, the Yeso formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores.

11. In my opinion, the granting of Percussion's application in this case will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

FURTHER AFFIANT SAYETH NOT.


CJ Lipinski

STATE OF TEXAS)

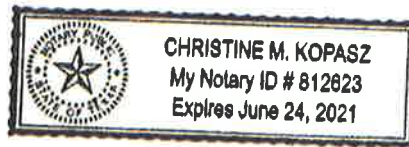
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me this 9th day of January 2019 by
CJ Lipinski.

Christine M. Kopasz
NOTARY PUBLIC

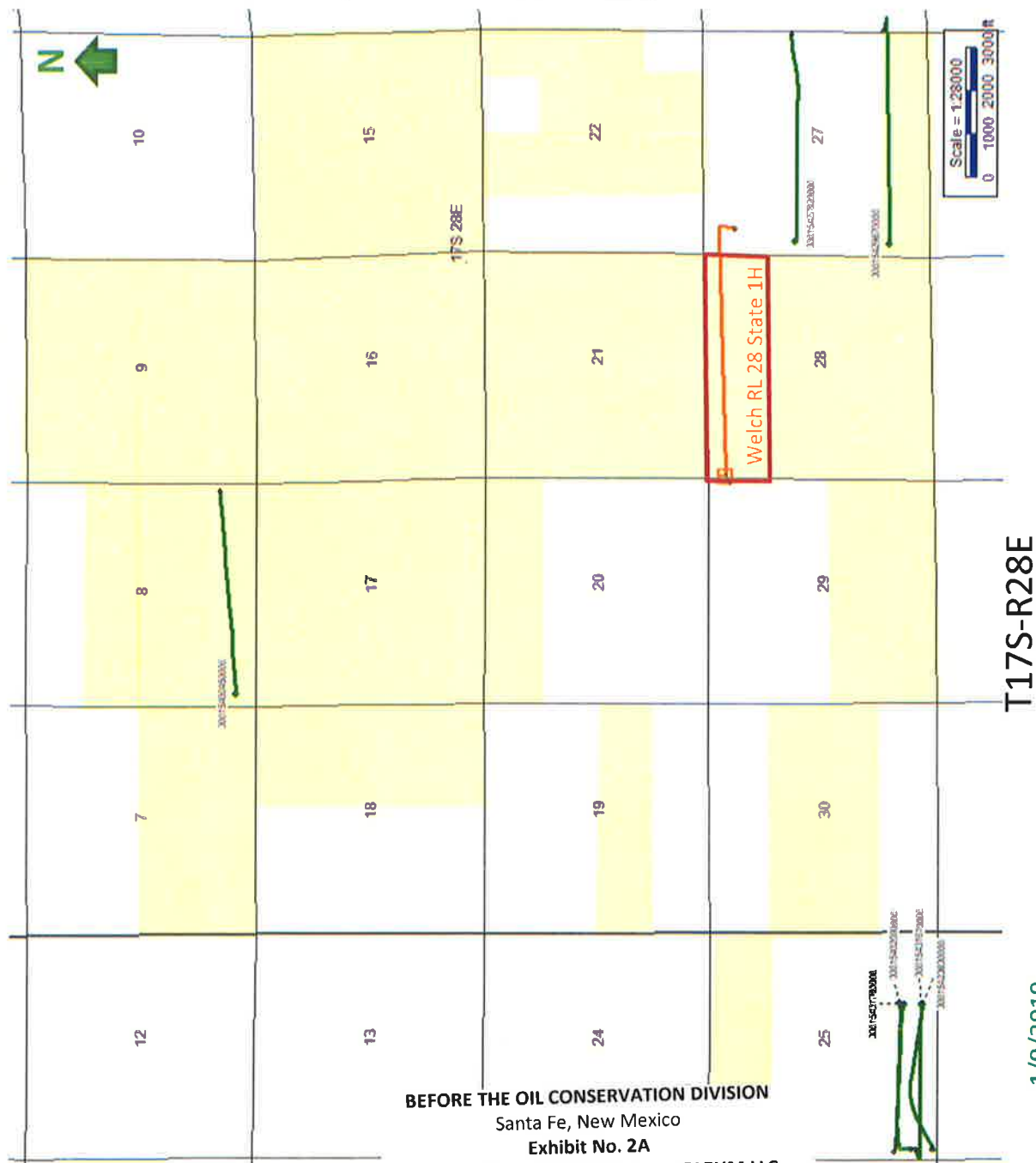
My Commission Expires:

6/24/2021



Location Map

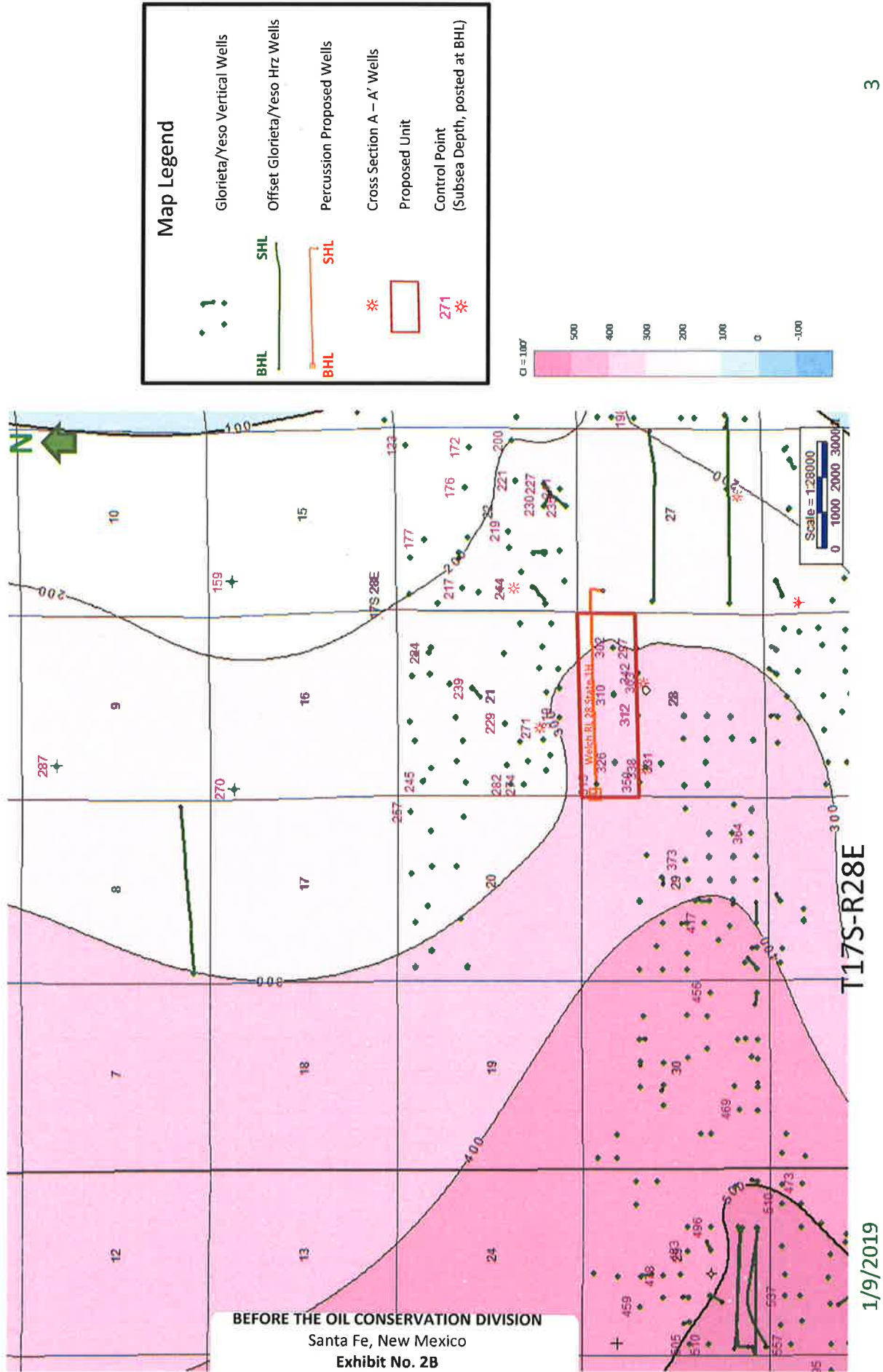
Welch RL 28 State 1H and Offset Horizontal Producers



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 2A
Submitted by: **PERCUSSION PETROLEUM LLC**
Hearing Date: January 10, 2019
Case Nos. 20192

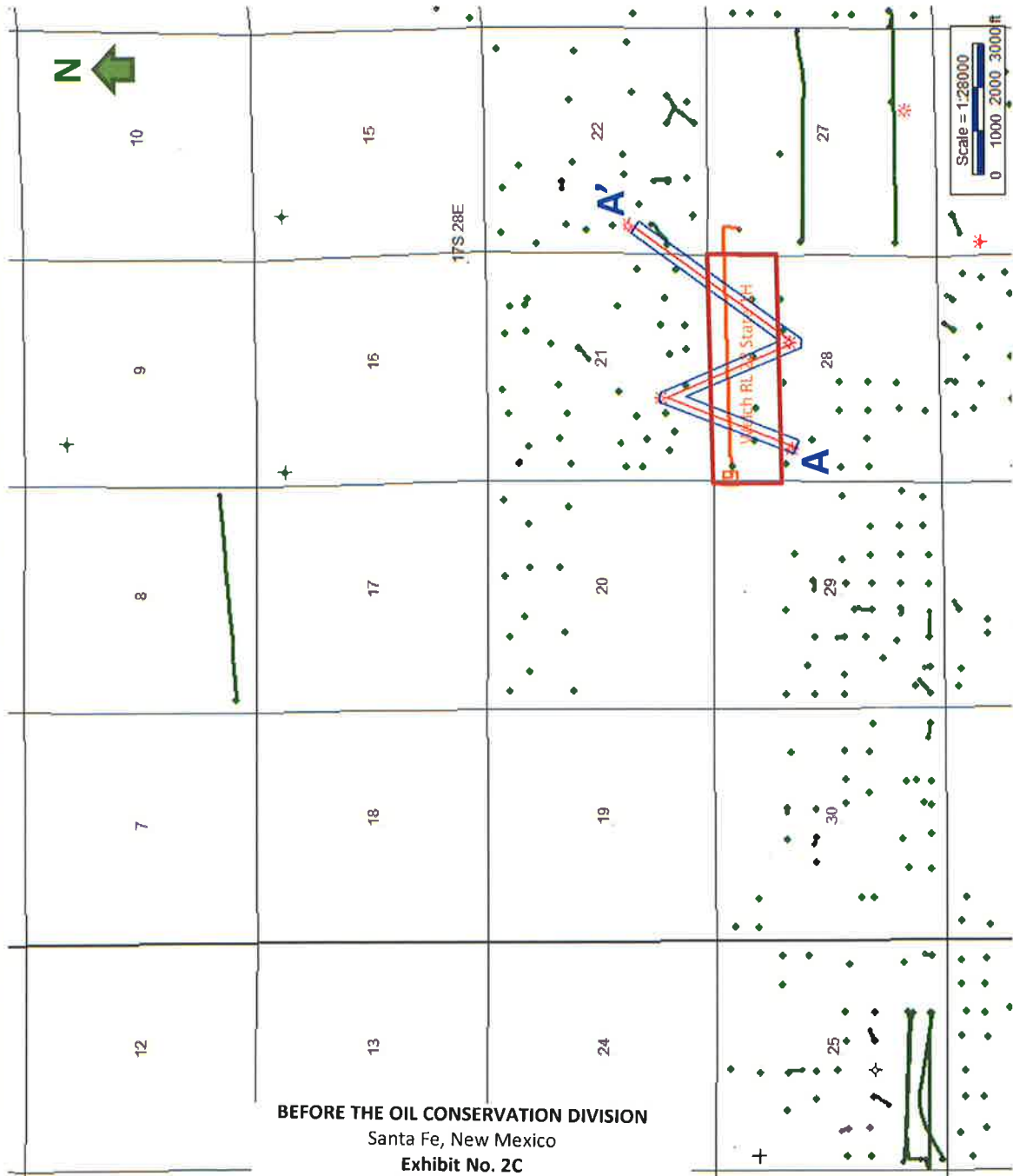
Structure Map

Glorieta Structure Map (Subsea Depth)



Cross Section Location Map

Cross Section Map with Glorieta/Yeso Producing Wells



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2C

Submitted by: **PERCUSSION PETROLEUM LLC**

Hearing Date: January 10, 2019

Case Nos. 20192

1/9/2019

T17S-R28E

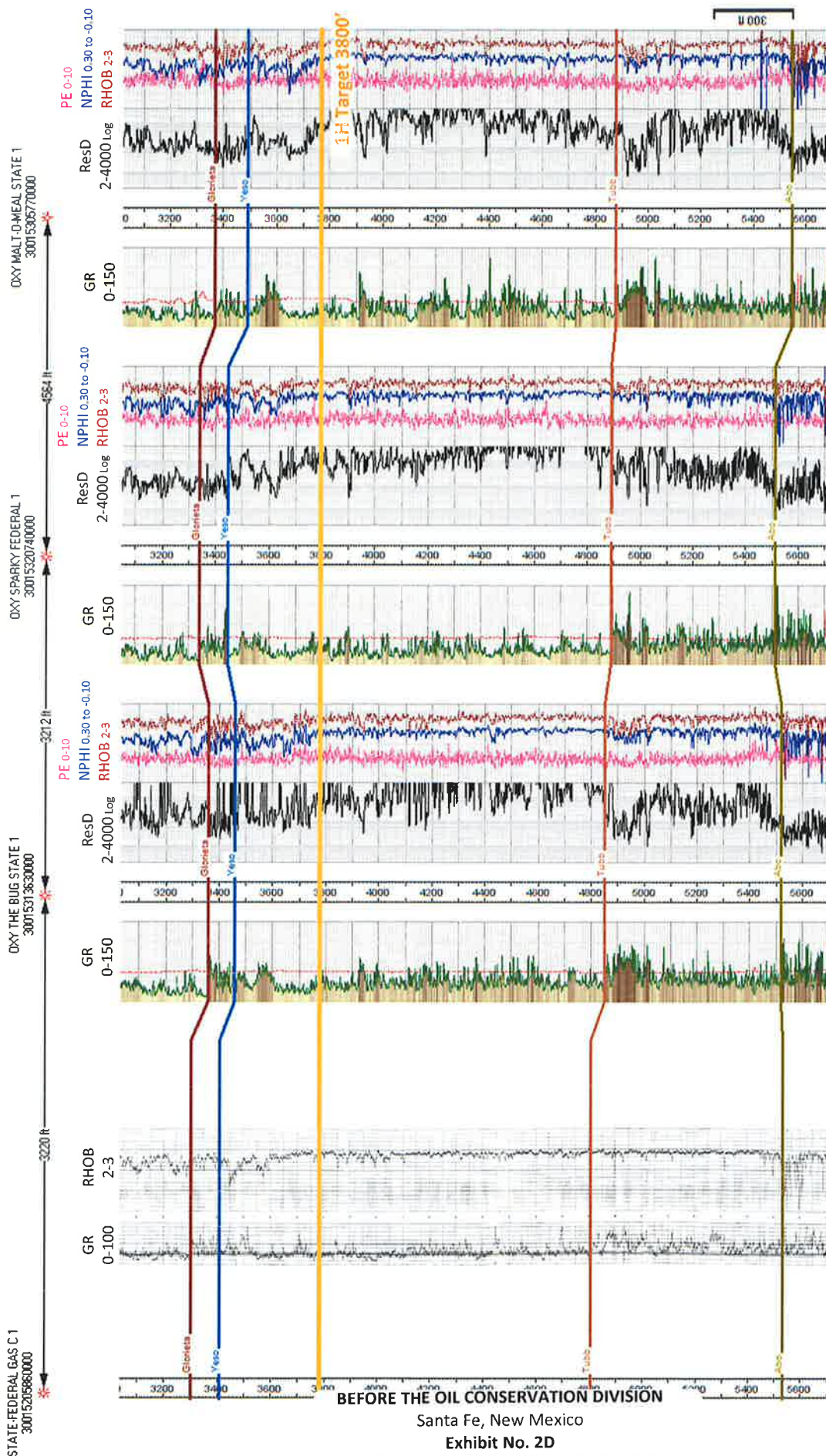
Logs for Cross Section

Structural Cross Section A – A'



A

A'



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. 2D
 Submitted by: PERCUSSION PETROLEUM LLC
 Hearing Date: January 10, 2019
 Case Nos. 20192

1/9/2019

5

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**


**APPLICATION OF PERCUSSION PETROLEUM OPERATING, LLC
FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NO. 20192

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Jordan L. Kessler, attorney in fact and authorized representative of **PERCUSSION PETROLEUM OERATING, LLC**, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

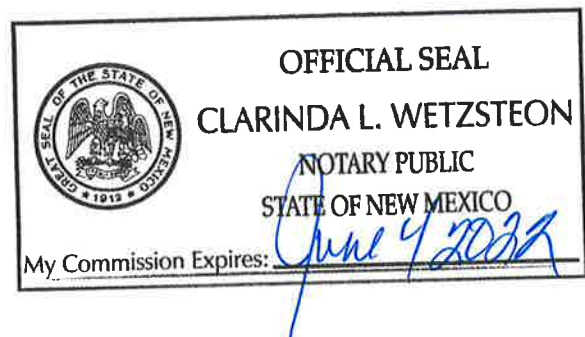


Jordan L. Kessler

SUBSCRIBED AND SWORN to before me this 9th day of January 2019 by Jordan L. Kessler.



Notary Public



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 3
Submitted by: **PERCUSSION PETROLEUM LLC**
Hearing Date: January 10, 2019
Case Nos. 20192



December 21, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Percussion Petroleum Operating, LLC for compulsory pooling,
Eddy County, New Mexico.
Welch RL State No. 1H Well**

Ladies & Gentlemen:

This letter is to advise you that Percussion Petroleum Operating, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on January 10, 2019. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices, located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Josh Grisham at (713) 589-2337 or josh@percussionpetroleum.com.

Sincerely,

Jordan L. Kessler
**ATTORNEY FOR PERCUSSION PETROLEUM
OPERATING, LLC**

	A	B	C	F	G	I	J	K
1	CustomField1	MailClass	TrackingNo	ToName	DeliveryAddress	City	St	Zip
2	65198 - Welch RL Stat No 1H Well - 1	Certified with Return Receipt (Signature)	9414810898765023669637	Cardinal River Energy I LP	211 N Robinson Ste 200	Oklahoma City	OK	73102
3	65198 - Welch RL Stat No 1H Well - 2	Certified with Return Receipt (Signature)	9414810898765023669644	Yates Brothers	PO Box 900	Artesia	NM	88211
4	65198 - Welch RL Stat No 1H Well - 3	Certified with Return Receipt (Signature)	9414810898765023669668	Marathon Oil Company	PO Bos 3487	Houston	TX	77253
5	65198 - Welch RL Stat No 1H Well - 4	Certified with Return Receipt (Signature)	9414810898765023669675	Sharbro Energy	PO Box 840	Artesia	NM	88211
6	65198 - Welch RL Stat No 1H Well - 5	Certified with Return Receipt (Signature)	9414810898765023669682	WPX Energy Permian LLC	3500 One Williams Center	Tulsa	OK	74172
7	65198 - Welch RL Stat No 1H Well - 6	Certified with Return Receipt (Signature)	9414810898765023669705	Jalapeno Corporation	1429 Central Ave NW Suite 3	Albuquerque	NM	87104
8	65198 - Welch RL Stat No 1H Well - 7	Certified with Return Receipt (Signature)	9414810898765023669712	EOG Y Resources	104 South 4th St	Artesia	NM	88210
9	65198 - Welch RL Stat No 1H Well - 8	Certified with Return Receipt (Signature)	9414810898765023669729	TYL Oil & Gas	605 Canyon Ridge Trail	Canon City	CO	81212
10	65198 - Welch RL Stat No 1H Well - 9	Certified with Return Receipt (Signature)	9414810898765023669736	COG Operating LLC	600 W Illinois Ave	Midland	TX	79701
11	65198 - Welch RL Stat No 1H Well - 10	Certified with Return Receipt (Signature)	9414810898765023669743	Santo Petroleum	104 South 4th St	Artesia	NM	88210
12	65198 - Welch RL Stat No 1H Well - 11	Certified with Return Receipt (Signature)	9414810898765023669750	OXY USA WPT LP	5 Greenway Plaza Ste 110	Houston	TX	77049
13	65198 - Welch RL Stat No 1H Well - 12	Certified with Return Receipt (Signature)	9414810898765023669767	MRC Delaware Resources	5400 LBJ Fwy Ste 1500	Dallas	TX	75240
14	65198 - Welch RL Stat No 1H Well - 13	Certified with Return Receipt (Signature)	9414810898765023669774	ConocoPhillips	600 North Dairy Ashford	Houston	TX	77079
15	65198 - Welch RL Stat No 1H Well - 14	Certified with Return Receipt (Signature)	9414810898765023669781	Hall Energy Co	9225 Lake Hefner Parkway, ste 200	Oklahoma City	OK	73120
16	65198 - Welch RL Stat No 1H Well - 15	Certified with Return Receipt (Signature)	9414810898765023669798	St Devote LLC	919 Milam Street Suite 2475	Houston	TX	77002
17	65198 - Welch RL Stat No 1H Well - 16	Certified with Return Receipt (Signature)	9414810898765023669804	Black Oak Energy LLC	701 NW 5th St	Oklahoma City	OK	73102

	N	U
1		USPS_Status
2	12/24/2018	Your item was delivered to the front desk, reception area, or mail room at 12:21 pm on January 4, 2019 in OKLAHOMA CITY, OK 73102.
3	12/24/2018	Your item was delivered at 11:38 am on December 31, 2018 in ARTESIA, NM 88210.
4	12/24/2018	Your item has been delivered to an agent at 8:06 am on December 29, 2018 in HOUSTON, TX 77210.
5	12/24/2018	Your item was delivered at 11:07 am on December 31, 2018 in ARTESIA, NM 88210.
6	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
7	12/24/2018	Your item was delivered to an individual at the address at 2:42 pm on December 28, 2018 in ALBUQUERQUE, NM 87102.
8	12/24/2018	Your item was delivered to an individual at the address at 8:33 am on December 31, 2018 in ARTESIA, NM 88210.
9	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
10	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
11	12/24/2018	Your item was delivered to an individual at the address at 8:33 am on December 31, 2018 in ARTESIA, NM 88210.
12	12/24/2018	Your item has been delivered and is available at a PO Box at 12:47 pm on January 2, 2019 in HOUSTON, TX 77227.
13	12/24/2018	Your item was delivered to an individual at the address at 10:25 am on January 3, 2019 in DALLAS, TX 75240.
14	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
15	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
16	12/24/2018	Your item was delivered to the front desk, reception area, or mail room at 3:13 pm on January 2, 2019 in HOUSTON, TX 77002.
17	12/24/2018	Your item was delivered to an individual at the address at 1:49 pm on December 31, 2018 in OKLAHOMA CITY, OK 73102.

CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001272238

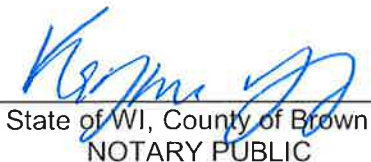
DAVID WASHINGTON
110 NORTH GUADALUPE, SUITE 1 PO BOX 2208
SANTA FE NM 87504

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:

12/22/18


Legal Clerk

Subscribed and sworn before me this
24th of December 2018.


State of WI, County of Brown
NOTARY PUBLIC

11/9/22
My Commission Expires

Ad#:0001272238
P O : 0001272238
of Affidavits :0.00



**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO**

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **January 10, 2019**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **December 31, 2018**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO: All overriding royalty interest owners and pooled parties, including: Cardinal River Energy I LP; Yates Brothers; Marathon Oil Company; Sharbro Energy, LLC; WPX Energy Permian, LLC; Jalapeno Corporation; EOG Y Resources, Inc.; TYL Oil & Gas; COG Operating LLC; Santo Petroleum; Santo Legado LLLP OXY USA WPT LP; MRC Delaware Resources ConocoPhillips Company; Hall Energy Co., L.L.C.; Black Oak Energy LLC; EOG Resources Assets LLC; Rick's Exploration II, L.P.

Case No. 20192 Application of Percussion Petroleum Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Artesia; Glorieta Yeso Pool (96830) comprised of the N/2N/2 of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Welch RL State No. 1H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 28. The well will be at an orthodox location pursuant to Statewide rules for oil wells. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Percussion Petroleum Operating, LLC as op-

erator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 12 miles west of Loco Hills, New Mexico.
Pub: December 22, 2018 #1272238