Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INCENSIS DEAD FIELD OF BUREAU OF LAND MANAGEMENT

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

Do not use this form for proposals to drill or to re-effet and abundance will. Use form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on page 2 7. If Unit or CA/Agreement, Name and/or No. 1. Type of Well So Util Well	SUNDRY NOTICES AND REPORTS ON WELLS A PLOSICAL DO not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					NMNM0504364B 6. If Indian, Allottee or Tribe Name		
1. Type of Well								
2. Name of Operator PEDERAL COM 18H 2. Name of Operator PERCUSSION PETRO OPERATING LE-Galat: Michael@percussionpetroleum.com 3a. Address 919 MILAM STREET SUITE 2475 3b. Phone No. (Include area code) 919 MILAM STREET SUITE 2475 701 MILAM ST	SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.		
2. Name of Operator PERCUSSION PETRO OPERATING Le-Qail: Michael@percussionperbotem.com PERCUSSION PETRO OPERATING Le-Qail: Michael@percussionperbotem.com 3.a. Address 919 MILAM STREET SUITE 2475 HOUSTON, TX 77002 4. Location of Well (Footage, Sec. T. R. M. or Survey Description) 11. County or Parish, State EDDY COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF SUBMISSION TYPE OF ACTION Alter Casing Hydraulic Fracturing Production (Start/Resumc) Water Shut-Off Alter Casing Hydraulic Fracturing Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Continued and or Flar in the proposal is to depen directionally or recomplete horizontally, give substrace locations and measured and true vertical depths of all pertinent markers and zones. Attach the Boand under which the work will be performed or provide the Bond No. on file with BLMBIA. Required subsequent report must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion for the molved operations. If the operation results in a multiple completion or recompletion for a new interval. a form 3 160-4 must be filed once testing has been completed. Programment in a new interval. a form 3 160-4 must be filed once testing has been completed. Programment in the percursion in the completion or recompletion in a new interval. a form 3 160-4 must be filed once testing has been completed. Programment in the percursion of the molved operations. If the operation results in a multiple completion or recompletion in a new interval. a form 3 160-4 must be filed once testing has been completed. The requirements in the percursion of the molyced operations. If the operation results in a multiple completion or recompletion in a new interval. A form 3 160-4 must be filed once testing has been comple		8. Well Name and No. SOUTH BOYD FEDERAL COM 18H						
## SEVEN RIVERS A Location of Well (Foolinge, Sec. T. R. M., or Survey Description)	2. Name of Operator	Contact:					0-X1	
Sec 34 T19S R25E NWNE 486FNL 1359FEL 32.623093 N Lat, 104 468346 W Lon 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize	919 MILAM STREET SUITE 2	2475			e)			
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize		., R., M., or Survey Description)			11. County or Parish, State		
TYPE OF SUBMISSION Acidize				·		EDDY COUNT	Y, NM	
Notice of Intent	12. CHECK THE AF	PPROPRIATE BOX(ES)	TO INDICAT	E NATURE	OF NOTICE	E, REPORT, OR OT	HER DATA	
Notice of Intent	TYPE OF SUBMISSION			TYPE (OF ACTION			
Subsequent Report		☐ Acidize	☐ Deep	en	Produc	ction (Start/Resume)	■ Water Shut-Off	
Final Abandonment Notice	Notice of Intent	☐ Alter Casing	☐ Hydr	aulic Fracturing	g 🔲 Reclar	nation	■ Well Integrity	
Grange Plans Plug and Abandon Temporarity Abandon Plug Back Water Disposal	☐ Subsequent Report	☐ Casing Repair	□ New	Construction	☐ Recon	plete	Other	
Convert to Injection Plug Back Water Disposal 3. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval. a Form 3160-4 must be filed once testing has been completed. Final Abandanment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection. Percussion Petroleum is requesting permission to flare gas at the South Boyd Federal Com Facility for 90 days while awaiting a pipeline connection. All gas flared will be metered and reported on the OGOR as per BLM requirements. It is anticipated that Lucid Energy Group will have a new pipeline and meter installed at the facility to begin purchasing gas within 75 days. The estimated gas volume being flared is 3000 MCFD. The following South Boyd Federal Com Facility wells will be flaring gas during this timeperiod: SEP 1 4 2018 Completion API# NM Lse # SOUTH BOYD FEDERAL COM 13H 3001544880 NMNM0504364B DISTRICT (II-ARTESIA O.C.D.)	☐ Final Abandonment Notice	☐ Change Plans	Change Plans Plug and Abandon Temporarily Abandon		orarily Abandon	_		
If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all perinem inarkes and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonnent Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection. Percussion Petroleum is requesting permission to flare gas at the South Boyd Federal Com Facility for 90 days while awaiting a pipeline connection. All gas flared will be metered and reported on the OGOR as per BLM requirements. It is anticipated that Lucid Energy Group will have a new pipeline and meter installed at the facility to begin purchasing gas within 75 days. The estimated gas volume being flared is 3000 MCFD. The following South Boyd Federal Com Facility wells will be flaring gas during this timeperiod: Completion API# NM Lse # SOUTH BOYD FEDERAL COM 13H 3001544880 NMNM0504364B APIECT III-ARTESIA O.C.D. 14. Thereby certify that the foregoing is true and correct. Electronic Submission #435053 verified by the BLM Well Information System For PERCUSSION PETRO OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 09/13/2018 (18PP2648SE) Name (Printed/Typed) DAVID HARSELL Title CONSULTANT	_	Convert to Injection	Plug	Back	■ Water	Disposal	3	
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D. 004010040		Electronic Submission For PERCUSSION	PETRO OPERA	TING LLC. se	nt to the Carl	sbad		
Signature (Electronic Submission) Date 09/12/2018	Name (Printed/Typed) DAVID H	ARSELL		Title CON	SULTANT			
	Signature (Electronic	Submission)		Date 09/12	2/2018		10101	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jonathon Shepard

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title Petroleum Engineer

Ome Carlsbad Field Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional data for EC transaction #435053 that would not fit on the form

32. Additional remarks, continued

SOUTH BOYD FEDERAL COM 14H 3001544881 NMNM0504364B SOUTH BOYD FEDERAL COM 18H 3001544685 NMNM0504364B SOUTH BOYD FEDERAL COM 19H 3001544686 NMNM0504364B

This circumstantial flare will last longer that a 24 hr period and more than the 144 cumulative hrs authorized under NTL4AIII.A All flare volumes will be reported on the OGOR.

(See attached for additional information)

Percussion Petroleum is requesting permission to flare gas at the South Boyd Federal Com Facility for 90 days while awaiting a pipeline connection. All gas flared will be metered and reported on the OGOR as per BLM requirements.

It is anticipated that Lucid Energy Group will have a new pipeline and meter installed at the facility to begin purchasing gas within 75 days.

The estimated gas volume being flared is 3000 MCFD.

The following South Boyd Federal Com Facility wells will be flaring gas during this timeperiod:

Completion	API#	Surf Location	NM Lse #	Formation	Pool Code
SOUTH BOYD FEDERAL COM 13H	3001544880	(A)-34-19S-25E	NMNM0504364B	Yeso	97565
SOUTH BOYD FEDERAL COM 14H	3001544881	(A)-34-19S-25E	NMNM0504364B	Yeso	97565
SOUTH BOYD FEDERAL COM 18H	3001544685	(B)-34-19S-25E	NMNM0504364B	Yeso	97565
SOUTH BOYD FEDERAL COM 19H	3001544686	(B) 34-19S-25E	NMNM0504364B	Yeso	97565

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Conditions of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost". Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 3179.105.