

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.*

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |   | 5. Lease Serial No.<br>NMNM97874                |
| 2. Name of Operator<br>PERCUSSION PETROLEUM OPERATING, LLC<br>Contact: LUPE CARRILLO<br>Email: Lupe@percussionpetroleum.com      |   | 6. If Indian, Allottee or Tribe Name            |
| 3a. Address<br>919 MILAM STREET SUITE 2475<br>HOUSTON, TX 77002  | 3b. Phone No. (include area code)<br>Ph: 713-589-9509 | 7. If Unit or CA/Agreement, Name and/or No.     |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 31 T16S R29E SESE 525FSL 330FEL                    |   | 8. Well Name and No.<br>THORNTAIL 31 FEDERAL 1  |
|  |   | 9. API Well No.<br>30-015-38140                 |
|  |   | 10. Field and Pool or Exploratory Area<br>96210 |
|  |   | 11. County or Parish, State<br>EDDY COUNTY, NM  |

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen               | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off   |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity   |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction     | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input type="checkbox"/> Temporarily Abandon       | Successor of Operator                     |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back            | <input type="checkbox"/> Water Disposal            |   |

13. 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 recompleat 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 recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment 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.

Notification of Change of Operator effective Feb 12, 2018

New Operator:  
Percussion Petroleum, Operating, LLC (OGRID# 371755)  
919 Milam Street, Ste 2475  
Houston, Texas 77002

Old Operator:  
Cimarex Energy Co. of Colorado (OGRID# 162683)  
202 S Cheyenne Ave, Ste 1000  
Tulsa, OK 74103

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL  
RECEIVED

Accepted For Record

NMOCD

JAN 10 2019

14. I hereby certify that the foregoing is true and correct.  
Electronic Submission #440573 verified by the BLM Well Information System  
For PERCUSSION PETROLEUM OPERATING, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 10/22/2018 ()

Name (Printed/Typed) DAVID HARSELL Title CONSULTANT

Signature (Electronic Submission) Date 10/20/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Title

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.

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.

(Instructions on page 2)

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

**Additional data for EC transaction #440573 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 |
|------------------------|------------|--------------|-----------|--------|
| THORNTAIL 31 FEDERAL 1 | 3001538140 | P-31-16S-29E | NMNM97874 | 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.

**JAM 121818**