

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD 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.

5. Lease Serial No.
NMNM31200

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
HUBER FEDERAL 7H

2. Name of Operator
PERCUSSION PETRO OPERATING LLC
Contact: MICHAEL MARTIN
E-Mail: Michael@percussionpetroleum.com

9. API Well No.
30-015-44706-00-X1

3a. Address
919 MILAM STREET SUITE 2475
HOUSTON, TX 77002

3b. Phone No. (include area code)
Ph: 281-974-6817

10. Field and Pool or Exploratory Area
SEVEN RIVERS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T19S R25E SESE 558FSL 1186FEL
32.611259 N Lat, 104.467873 W Lon

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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 recomplate 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 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.

Percussion Petroleum respectfully requests approval for off lease water disposal from the Huber 3 Federal facility and the six(6) active producing wells noted below into the Percussion Petroleum operated Dagger Draw Water Disposal System that consists of five(5) permitted disposal wells.

The following Huber 3 Federal wells are actively producing into the Huber 3 Federal Facility:

Completion	API#	Lease#	Formation	Yes/No
Huber 3 Federal 3H	3001538163	NM14758	Yeso	✓
Huber 3 Federal 4H	3001539022	NM14758	Yeso	✓
Huber 3 Federal 5H	3001539177	NM14758	Yeso	✓
Huber 3 Federal 6H	3001539765	NM14758	Yeso	✓
Huber 3 Federal 7H	3001544706	NM31200	Yeso	✓
Huber 3 Federal 8H	3001544707	NM31200	Yeso	✓

GC 9-12-18
Accepted for record - NMOCD

RECEIVED

SEP 12 2018

DISTRICT II-ARTESIA O.C.D.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #434228 verified by the BLM Well Information System
For PERCUSSION PETRO OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 09/07/2018 (18DLM0688SE)

Name (Printed/Typed) DAVID HARSELL

Title CONSULTANT

Signature (Electronic Submission)

Date 09/07/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved By

Title

SEP 10 2018

Date

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

BUREAU OF LAND MANAGEMENT
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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #434228 that would not fit on the form

32. Additional remarks, continued

The Huber 3 Federal facility produced water information:

Formation: Yeso ✓

Water Production: 3000 BWPD ✓

Onsite Storage: Produced water is stored in four(4) 1000 bbl fiberglass tanks ✓

Transportation: Produced water is pumped from the Huber 3 Federal facility into the Dagger Draw Water Disposal System through a series of 4" and 8" polylines that distribute the water to five(5) permitted disposal wells. ✓

The Dagger Draw Water Disposal System consists of the following active permitted wells:

Completion	API#
AIKMAN SWD STATE 1	3001521045
B&B 22 SWD #001	3001528430
HOLSTUN SWD 1	3001521141
OSAGE BOYD 15 SWD 1	3001528992
SECRET ETAL 1 (SWD)	3001522321

(See attached for additional information)

Percussion Petroleum respectfully requests approval for off lease water disposal from the Huber 3 Federal facility and the six(6) active producing wells noted below into the Percussion Petroleum operated Dagger Draw Water Disposal System that consists of five(5) permitted disposal wells.

The following Huber 3 Federal wells are actively producing into the Huber 3 Federal Facility:

Completion	API#	Surf Location	NM Lse #	Formation	Pool Code
Huber 3 Federal 3H	3001538163	(A) 3-20S-25E	NM14758	Yeso	97565
Huber 3 Federal 4H	3001539022	(2) 3-20S-25E	NM14758	Yeso	97565
Huber 3 Federal 5H	3001539177	(N) 3-20S-25E	NM14758	Yeso	97565
Huber 3 Federal 6H	3001539765	(M) 3-20S-25E	NM14758	Yeso	97565
Huber 3 Federal 7H	3001544706	(P) 34-19S-25E	NM31200	Yeso	97565
Huber 3 Federal 8H	3001544707	(P) 34-19S-25E	NM31200	Yeso	97565

The Huber 3 Federal facility produced water information:

Formation:	Yeso
Water Production:	3000 BWPD
Onsite Storage:	Produced water is stored in four(4) 1000 bbl fiberglass tanks
Transportation:	Produced water is pumped from the Huber 3 Federal facility into the Dagger Draw Water Disposal System through a series of 4" and 8" polylines that distribute the water to five(5) permitted disposal wells.

The Dagger Draw Water Disposal System consists of the following active permitted wells:

Completion	API#	Surf Location	Pool Code	SWD Permit#
AIKMAN SWD STATE 1	3001521045	(N) 27-19S-25E	SWD Devonian 96101	SWD-417 ✓
B&B 22 SWD #001	3001528430	(B) 22-19S-25E	SWD Cisco – Canyon 96186	SWD-1718
HOLSTUN SWD-1	3001521141	(B) 4-20S-25E	SWD Devonian 96101	TBD*
OSAGE BOYD 15 SWD 1	3001528992	(F) 15-19S-25E	SWD Cisco – Canyon 96186	SWD-1717
SECRET ET AL 1 (SWD)	3001522321	(B) 07-19S-26E	SWD Canyon R13494 96184	TBD*

TBD* - R. Klein with the NMOCD is reviewing their records to identify the actual SWD Permit# for these 2 long time active SWD wells.

WATER DISPOSAL ONSHORE ORDER #7

DATE

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.

2. Amount of water produced from each formation in barrels per day.

3. A water analysis of produced water from each zone showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates.

4. How water is stored on the lease.

5. How water is moved to disposal facility.

6. Operator's of disposal facility
 - a. Lease name or well name and number _____
 - b. Location by $\frac{1}{4}$ $\frac{1}{4}$ Section, Township, and Range of the disposal system _____

 - c. The appropriate NMOCD permit number _____

