



Percussion Petroleum Announces Strong Well Results

Houston, April 3, 2018 — Percussion Petroleum, LLC (“Percussion”) today announced record results from four horizontal wells it recently completed in Eddy County, New Mexico, including the highest reported 30-day initial production for any horizontal Yeso formation (“Yeso”) well in southeast New Mexico’s Northwest Shelf.

Percussion, an independent oil and gas exploration and production company based in Houston, completed the Goodman 22 4H horizontal well (API #: 30-015-44366) across 4,835 feet of productive lateral within the Yeso. The well achieved a 30-day initial production rate of 1,208 barrels of oil equivalent per day on a three-stream basis (92% liquids, 80% oil). Production rates on a 24-hour basis peaked at 1,440 barrels of oil equivalent per day.

To date, Percussion has completed four consecutive horizontal wells in the Yeso with modern completion and stimulation techniques utilizing more than 1,000 pounds of proppant and 2,500 gallons of water per foot of lateral length. The four wells, which cost approximately \$3 to \$4 million each, average 4,915 feet of productive lateral at just under 3,000 feet TVD and have an average 30-day initial production rate of 1,080 barrels of oil equivalent per day on a three-stream basis (91% liquids, 80% oil).

“Our well results in the area continue to exceed legacy results,” said John Campbell III, Percussion’s Chief Executive Officer. “As we apply new completion technology across the multiple benches of the 2,000 foot-thick Yeso, we have seen the results continue to improve; the wells are demonstrating that our high oil IPs and increased EURs are repeatable across our position, yielding some of the best economics in the Lower 48.”

About Percussion Petroleum, LLC

Percussion is an independent oil and gas exploration and production company headquartered in Houston, Texas, led by John Campbell III, Lupe Carrillo and Brian Zwart. Percussion is currently pursuing horizontal Yeso opportunities in the Northwest Shelf in Eddy and Lea Counties, New Mexico, with more than 30,000 net acres currently owned. For more information, please visit www.percussionpetroleum.com.

About Carnelian Energy Capital Management, L.P.

Carnelian is an energy investment firm based in Houston, Texas. With \$1 billion of cumulative equity commitments, Carnelian focuses on lower-to-middle market equity investments in the North American upstream, midstream and oilfield services sectors. For more information, please contact Carnelian at info@carnelianec.com or visit www.carnelianenergy.com.