



04/17/17 Phone call and email to agencies: Unable to achieve anticipated build rates in curve. Based on current position and mud motor performance anticipate landing curve at 90.8 degrees at 5,261' TVD, which is 75' lower than TVD in permitted directional plan (at 5,186' TVD).

Projected landing depth remains in the Gallup formation. Plan to drill upwards to intersect with planned target.