

|                                |                                                       |                                  |
|--------------------------------|-------------------------------------------------------|----------------------------------|
| Well Name: TALCO STATE FED COM | Well Location: T26S / R35E / SEC 16 / NWNW /          | County or Parish/State:          |
| Well Number: 112H              | Type of Well: CONVENTIONAL GAS WELL                   | Allottee or Tribe Name:          |
| Lease Number: NMNM0448921A     | Unit or CA Name:                                      | Unit or CA Number:               |
| US Well Number: 3002548606     | Well Status: Approved Application for Permit to Drill | Operator: TAP ROCK OPERATING LLC |

Notice of Intent

Sundry ID: 2652429

|                                                |                              |
|------------------------------------------------|------------------------------|
| Type of Submission: Notice of Intent           | Type of Action: Other        |
| Date Sundry Submitted: 01/13/2022              | Time Sundry Submitted: 10:22 |
| Date proposed operation will begin: 03/17/2022 |                              |

**Procedure Description:** For the referenced well, Tap Rock requests: 1. To change the SHL to: 410' FNL – 1214' FWL, NWNW (Lot D) Section 16, T26S-R35E, Lea County, NM 2. To change the BHL to: 5' FSL – 1650' FWL, SESW (Lot N) Section 21, T26S-R35E, Lea County, NM 3. Approval to have the option to drill 8-3/4 inch OH size from Intermediate Casing Point down to KOP, then drill 6-3/4 inch OH or 7-7/8 inch OH from KOP to planned production TD depth. See attached updated plat, drilling and directional plans

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- APD\_Drilling\_Plan\_\_\_Talco\_Fed\_Com\_112\_01\_12\_22\_20220317140254.pdf
- Talco\_State\_Fed\_Com\_112H\_Plan\_3\_20220113102234.pdf
- LO\_TALCO\_STATE\_FED\_COM\_112H\_REV3\_SIGNED\_20220113102155.pdf

|                                       |                                                              |                                         |
|---------------------------------------|--------------------------------------------------------------|-----------------------------------------|
| <b>Well Name:</b> TALCO STATE FED COM | <b>Well Location:</b> T26S / R35E / SEC 16 / NWNW /          | <b>County or Parish/State:</b>          |
| <b>Well Number:</b> 112H              | <b>Type of Well:</b> CONVENTIONAL GAS WELL                   | <b>Allottee or Tribe Name:</b>          |
| <b>Lease Number:</b> NMNM0448921A     | <b>Unit or CA Name:</b>                                      | <b>Unit or CA Number:</b>               |
| <b>US Well Number:</b> 3002548606     | <b>Well Status:</b> Approved Application for Permit to Drill | <b>Operator:</b> TAP ROCK OPERATING LLC |

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

|                                                       |                                         |
|-------------------------------------------------------|-----------------------------------------|
| <b>Operator Electronic Signature:</b> JEFFREY TRLICA  | <b>Signed on:</b> MAR 17, 2022 02:03 PM |
| <b>Name:</b> TAP ROCK OPERATING LLC                   |                                         |
| <b>Title:</b> Regulatory Analyst                      |                                         |
| <b>Street Address:</b> 523 PARK POINT DRIVE SUITE 200 |                                         |
| <b>City:</b> GOLDEN                                   | <b>State:</b> CO                        |
| <b>Phone:</b> (720) 772-5910                          |                                         |
| <b>Email address:</b> JTRLICA@TAPRK.COM               |                                         |

Field Representative

|                             |               |             |
|-----------------------------|---------------|-------------|
| <b>Representative Name:</b> |               |             |
| <b>Street Address:</b>      |               |             |
| <b>City:</b>                | <b>State:</b> | <b>Zip:</b> |
| <b>Phone:</b>               |               |             |
| <b>Email address:</b>       |               |             |

BLM Point of Contact

|                                  |                                                                |
|----------------------------------|----------------------------------------------------------------|
| <b>BLM POC Name:</b> Cody Layton | <b>BLM POC Title:</b> Assistant Field Manager Lands & Minerals |
| <b>BLM POC Phone:</b> 5752345959 | <b>BLM POC Email Address:</b> clayton@blm.gov                  |
| <b>Disposition:</b> Approved     | <b>Disposition Date:</b> 04/21/2022                            |
| <b>Signature:</b> Cody R. Layton |                                                                |

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                         |                                                        |                                                                         |
|-----------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------|
| <sup>1</sup> API Number<br>30-025-48606 | <sup>2</sup> Pool Code<br>98143                        | <sup>3</sup> Pool Name<br>WC-025 G-09 S263527D; BONE SPRING             |
| <sup>4</sup> Property Code<br>329955    | <sup>5</sup> Property Name<br>TALCO STATE FED COM      |                                                                         |
| <sup>7</sup> OGRID No.<br>372043        | <sup>8</sup> Operator Name<br>TAP ROCK OPERATING, LLC. | <sup>6</sup> Well Number<br>112H<br><br><sup>9</sup> Elevation<br>3199' |

<sup>10</sup>Surface Location

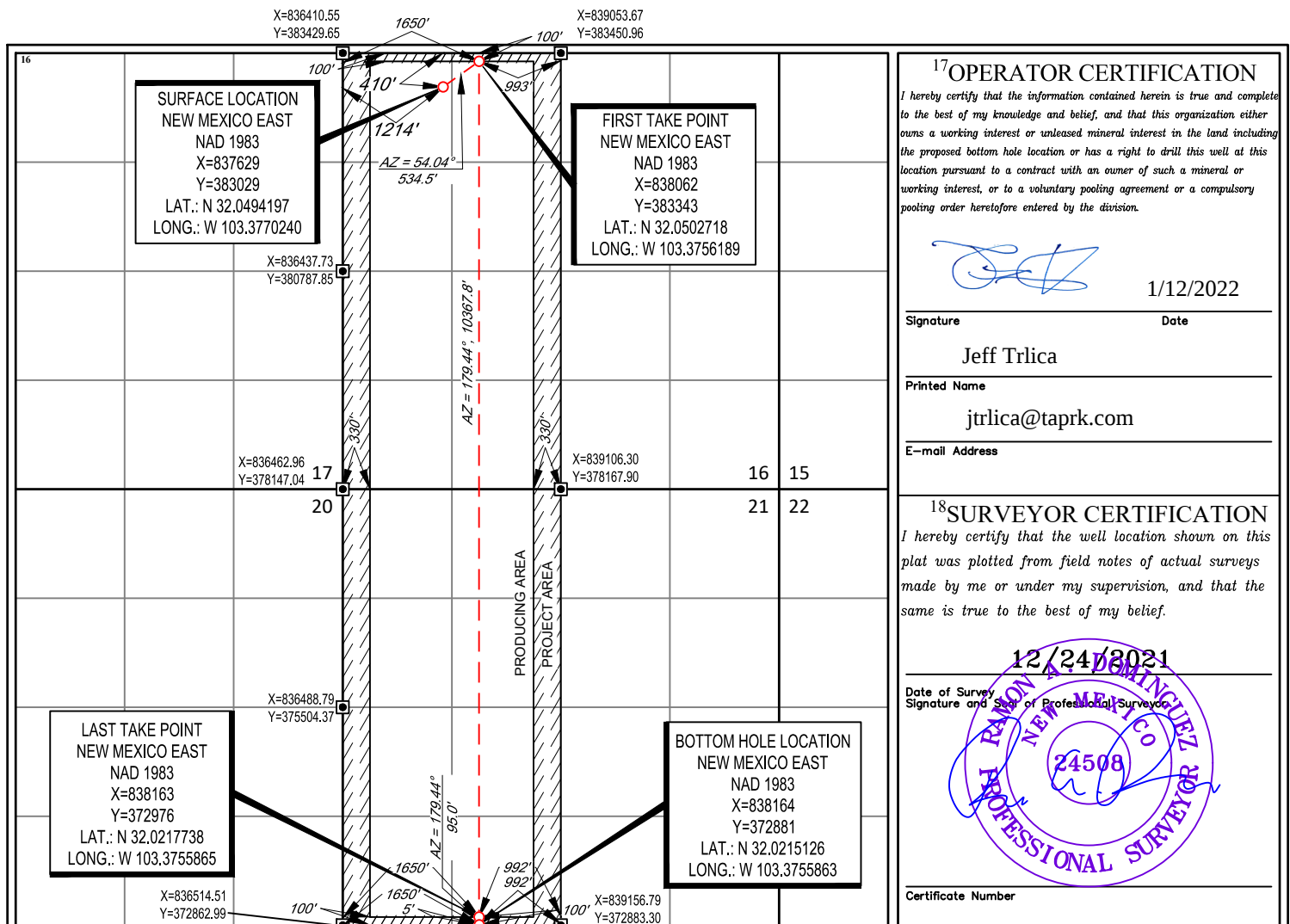
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D             | 16      | 26-S     | 35-E  | -       | 410'          | NORTH            | 1214'         | WEST           | LEA    |

<sup>11</sup>Bottom Hole Location If Different From Surface

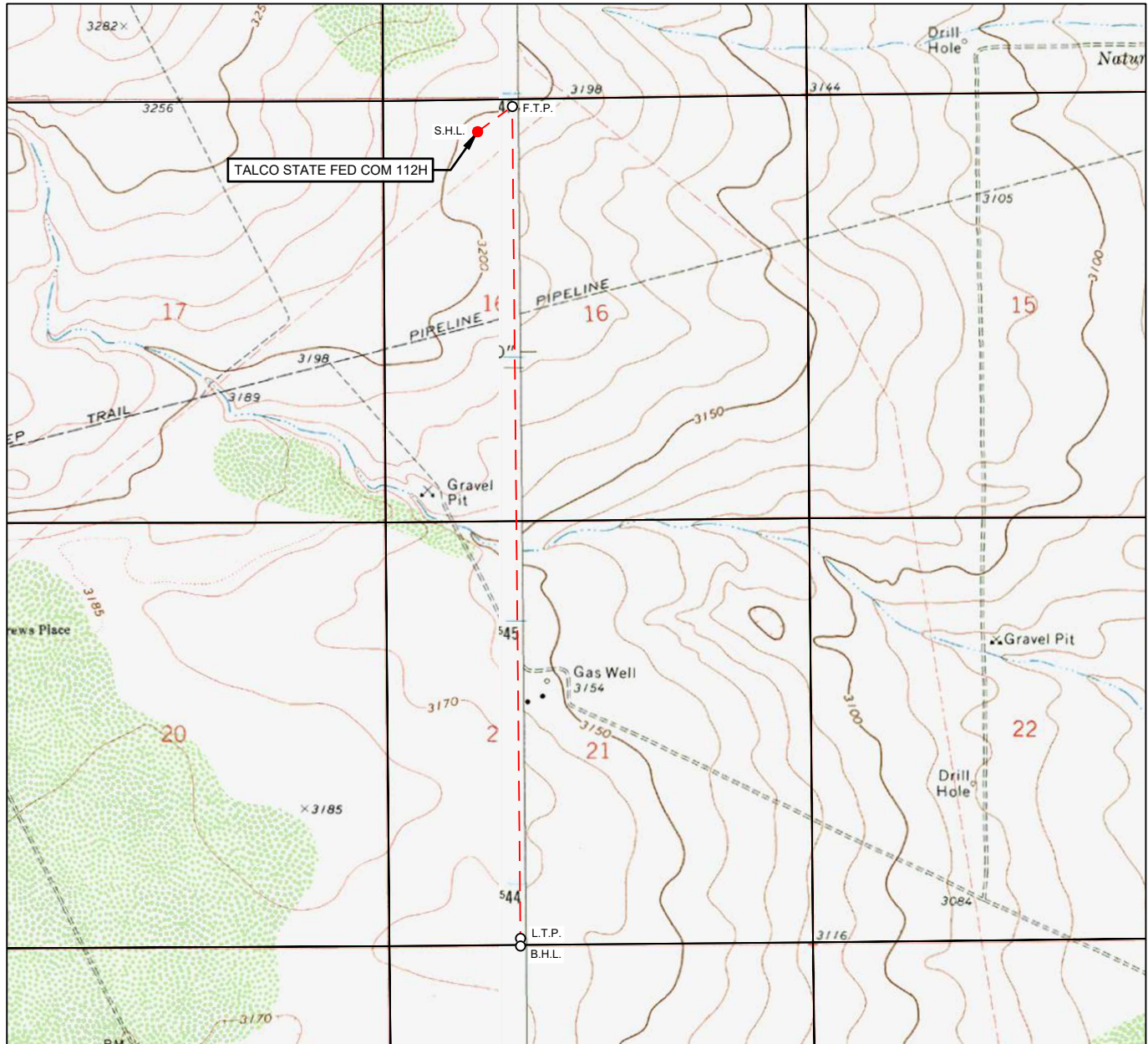
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N             | 21      | 26-S     | 35-E  | -       | 5'            | SOUTH            | 1650'         | WEST           | LEA    |

|                               |                               |                                  |                         |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



## LOCATION &amp; ELEVATION VERIFICATION MAP



LEASE NAME & WELL NO.: TALCO STATE FED COM 112H

SECTION 16 TWP 26-S RGE 35-E SURVEY N.M.P.M.  
 COUNTY LEA STATE NM ELEVATION 3199'  
 DESCRIPTION 410' FNL & 1214' FWL

LATITUDE N 32.0494197 LONGITUDE W 103.3770240



SCALE: 1" = 2000'  
 0' 1000' 2000'

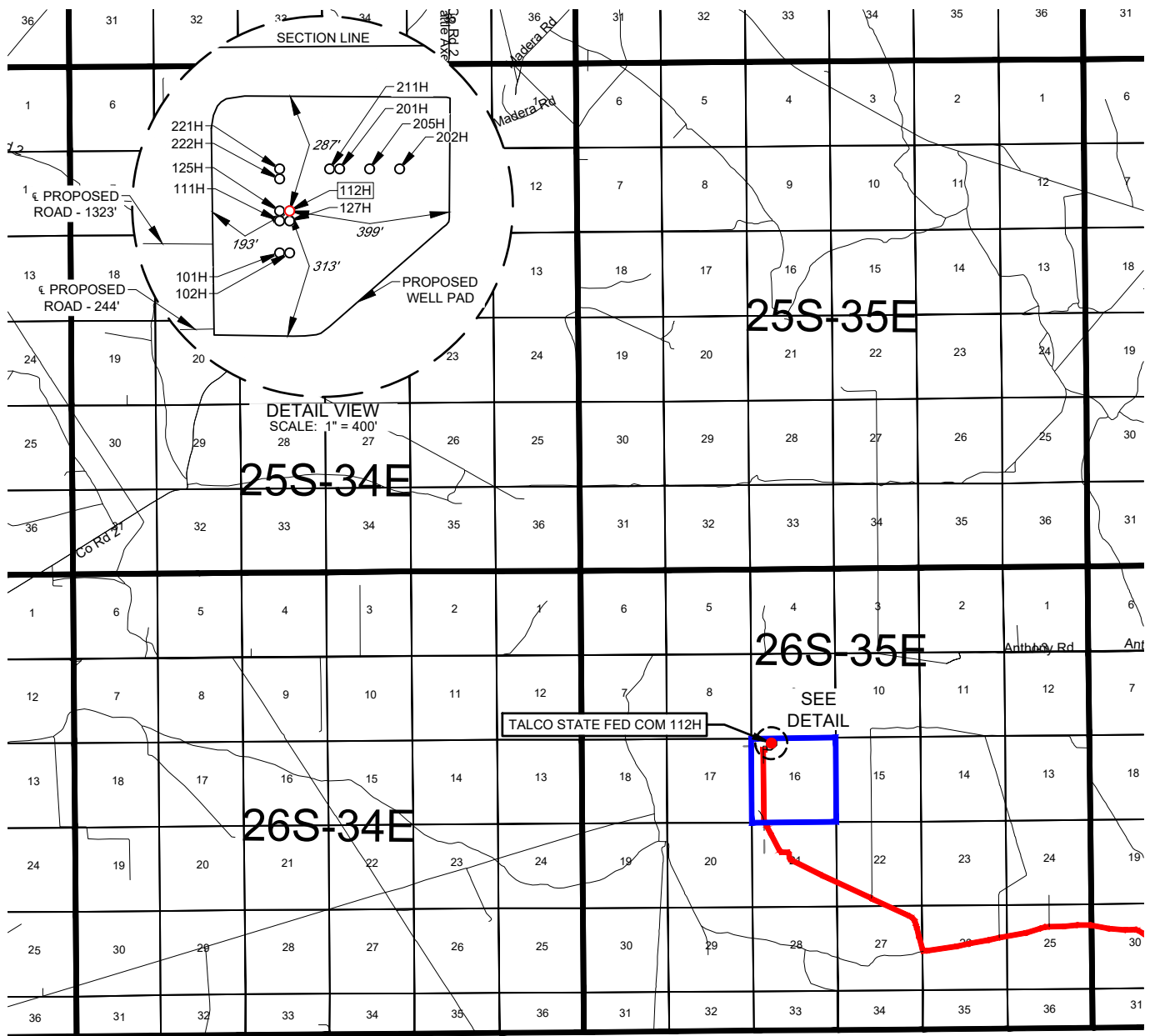
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.



**TOPOGRAPHIC**  
 LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140  
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743  
 WWW.TOPOGRAPHIC.COM

EXHIBIT 2  
VICINITY MAP

LEASE NAME &amp; WELL NO.: TALCO STATE FED COM 112H

SECTION 16 TWP 26-S RGE 35-E SURVEY N.M.P.M.

COUNTY LEA STATE NM

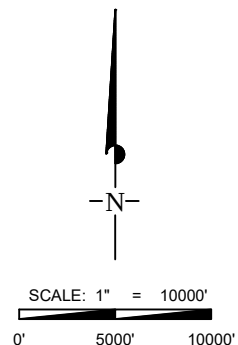
DESCRIPTION 410' FNL &amp; 1214' FWL

## DISTANCE &amp; DIRECTION

FROM INT. OF NM-205. & E NEVADA AVE. GO SOUTH ON NM-205 ±3.4 MILES.  
 THENCE CONTINUE SOUTH ON FRYING PAN RD. ±4.4 MILES, THENCE WEST  
 (RIGHT) ON BECKHAM RD. ±5.4 MILES, THENCE NORTHWEST (RIGHT) ON A  
 LEASE RD. ±2.3 MILES, THENCE NORTH (RIGHT) ON A LEASE RD. ±1.2 MILES,  
 THENCE EAST (RIGHT) ON A PROPOSED RD. ±1323 FEET TO A POINT ±209  
 FEET SOUTHWEST OF THE LOCATION.

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY  
 SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA  
 PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR  
 ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS  
 TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW  
 MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.

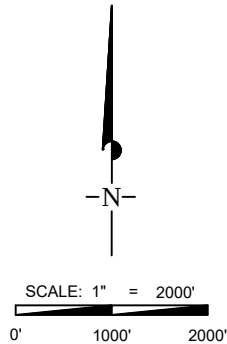
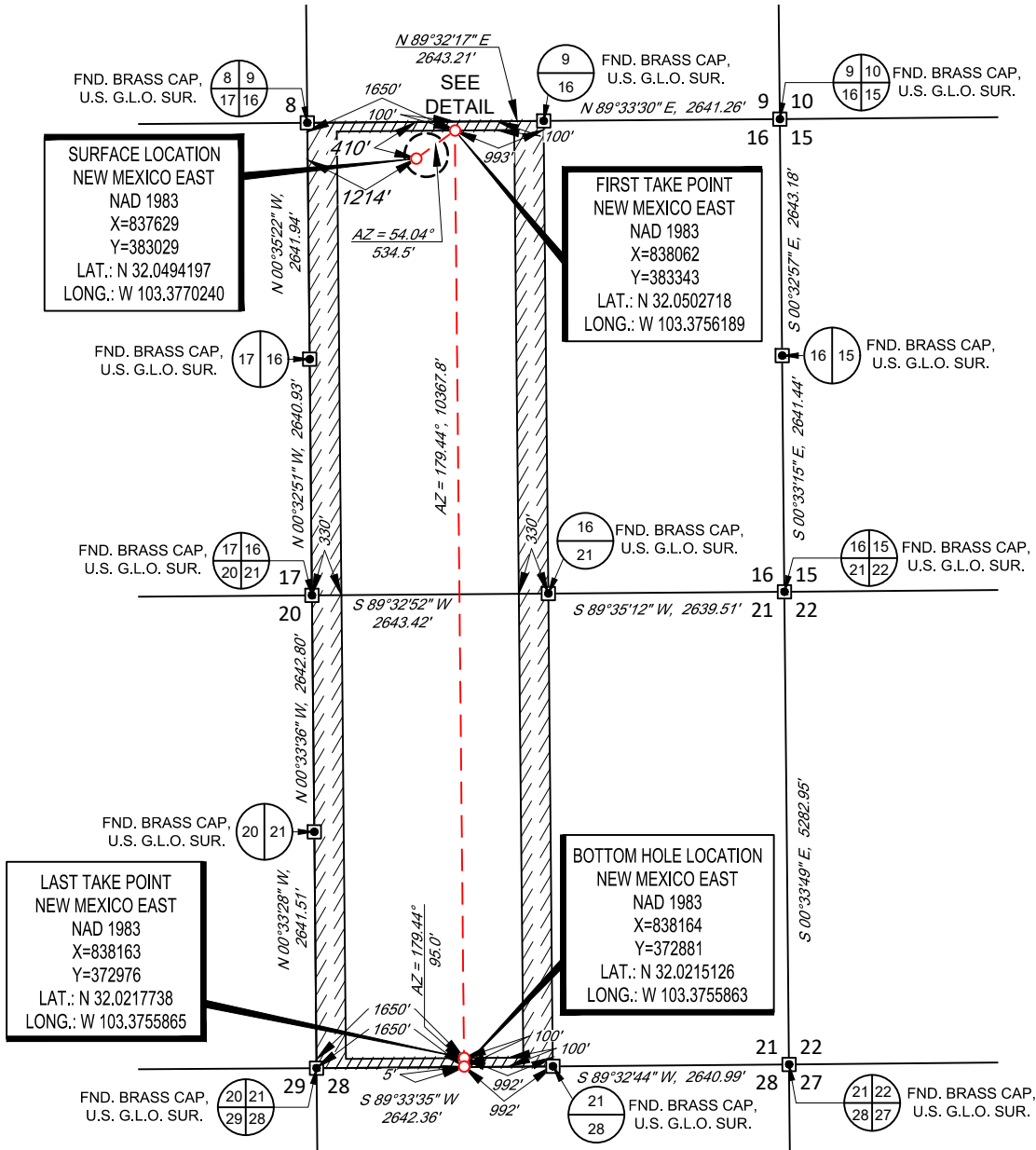


**TOPOGRAPHIC**  
 LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140  
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
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 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743  
 WWW.TOPOGRAPHIC.COM

TAP  
ROCK  
EXHIBIT 2A

SECTION 16, TOWNSHIP 26-S, RANGE 35-E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

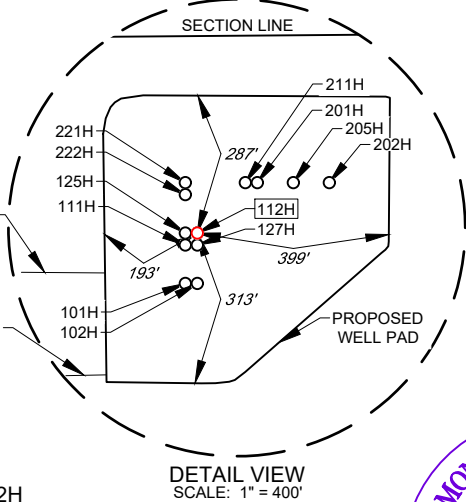


LEASE NAME & WELL NO.: TALCO STATE FED COM 112H

SECTION 16 TWP 26-S RGE 35-E SURVEY N.M.P.M.  
COUNTY LEA STATE NM  
DESCRIPTION 410' FNL & 1214' FWL

DISTANCE & DIRECTION  
FROM INT. OF NM-205, & E NEVADA AVE. GO SOUTH ON NM-205 ±3.4 MILES.  
THENCE CONTINUE SOUTH ON FRYING PAN RD. ±4.4 MILES. THENCE  
WEST (RIGHT) ON BECKHAM RD. ±5.4 MILES, THENCE NORTHWEST  
(RIGHT) ON A LEASE RD. ±2.3 MILES, THENCE NORTH (RIGHT) ON A LEASE  
RD. ±1.2 MILES, THENCE EAST (RIGHT) ON A PROPOSED RD. ±1323 FEET  
TO A POINT ±209 FEET SOUTHWEST OF THE LOCATION.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID  
BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY  
FEET.  
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND  
UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF  
SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC THIS CERTIFICATION IS MADE AND  
LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS  
NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.



Ramon A. Dominguez, P.S. No. 24508  
December 24, 2021

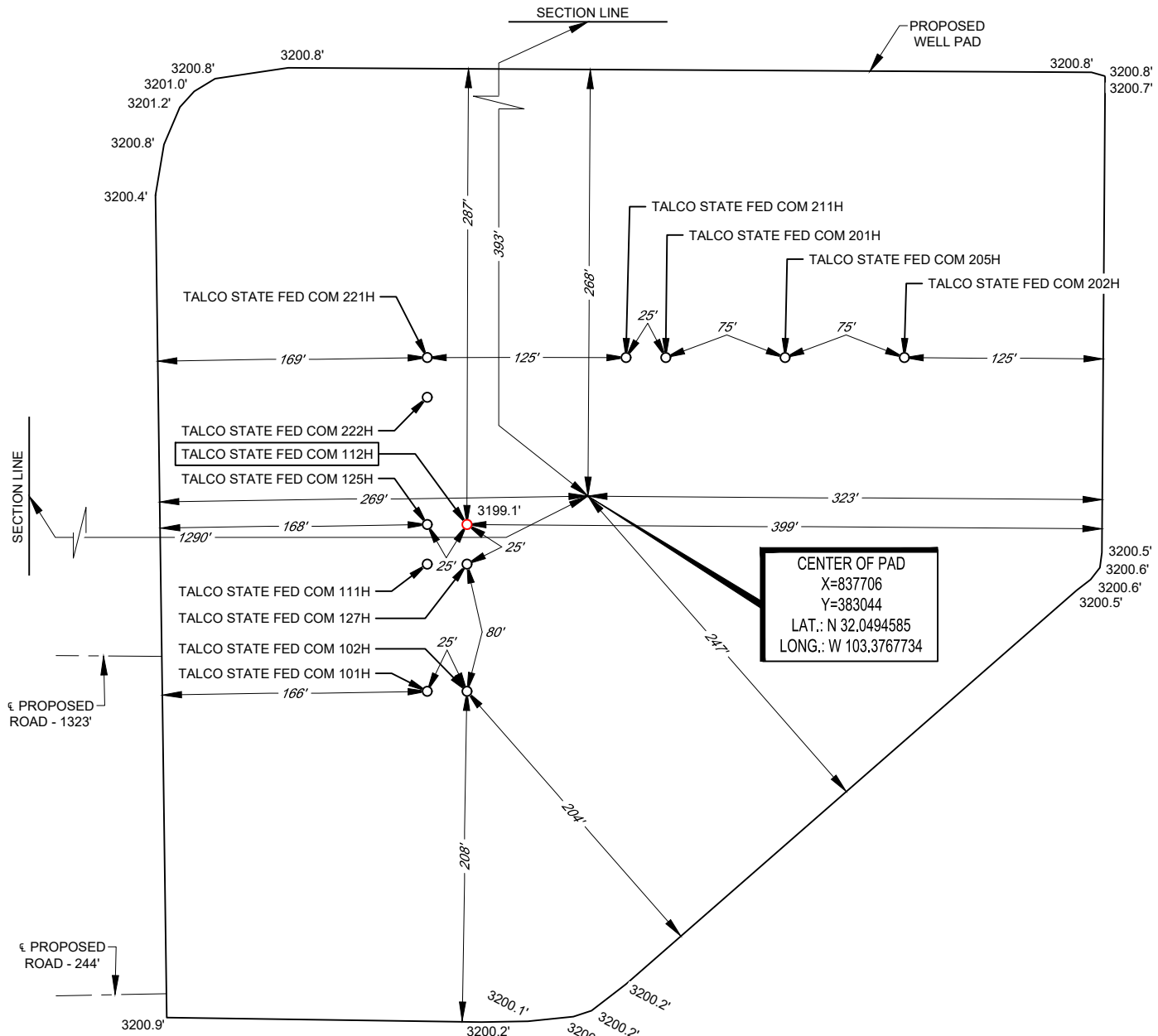
 **TOPOGRAPHIC**  
LOYALTY INNOVATION LEGACY  
1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
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WWW.TOPOGRAPHIC.COM



## LEGEND

SECTION LINE  
PROPOSED ROAD

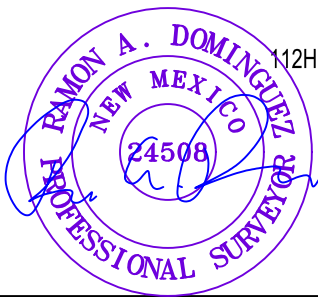
SECTION 16, TOWNSHIP 26-S, RANGE 35-E, N.M.P.M.  
LEA COUNTY, NEW MEXICO



LEASE NAME & WELL NO.: TALCO STATE FED COM 112H

112H LATITUDE N 32.0494197 112H LONGITUDE W 103.3770240

CENTER OF PAD IS 393' FNL & 1290' FWL



Ramon A. Dominguez, P.S. No. 24508

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO. ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. THIS CERTIFICATION IS MADE AND IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ORIGINAL DOCUMENT SIZE: 8.5" X 11"



1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM



Drilling Operations Plan  
Talco State Fed Com #112H  
Tap Rock Operating, LLC  
SHL 410' FNL & 1,214' FWL, Sec. 16  
BHL 5' FSL & 1,650' FWL, Sec. 21  
T. 26S., R. 35E Lea County, NM

Elevation above Sea Level: 3199'

## **DRILLING PROGRAM**

### **1. Estimated Tops**

| Formation            | TVD   | MD    | Lithologies | Bearing      |
|----------------------|-------|-------|-------------|--------------|
| Quaternary Deposits  | 0     | 0     | Surface     | None         |
| Rustler Anhydrite    | 1120  | 1120  |             | Salt         |
| Salado               | 1685  | 1685  | Salt        | Salt         |
| Base Salt            | 5010  | 5041  | Salt        | Salt         |
| Lamar                | 5430  | 5466  | Sandstone   | None         |
| Bell Canyon          | 5455  | 5491  | Sandstone   | Hydrocarbons |
| Cherry Canyon        | 6650  | 6688  | Sandstone   | Hydrocarbons |
| Brushy Canyon        | 7930  | 7968  | Sandstone   | Hydrocarbons |
| Bone Spring Lime     | 9330  | 9368  | Limestone   | Hydrocarbons |
| Upper Avalon         | 9385  | 9423  | Sandstone   | Hydrocarbons |
| Midde Avalon         | 9705  | 9743  | Sandstone   | Hydrocarbons |
| Lower Avalon         | 10085 | 10123 | Sandstone   | Hydrocarbons |
| 1st Bone Spring Sand | 10505 | 10656 | Sandstone   | Hydrocarbons |
| 2nd Bone Spring Carb | NA    | NA    | Limestone   | Hydrocarbons |
| 2nd Bone Spring Sand | NA    | NA    | Sandstone   | Hydrocarbons |
| KOP                  | 10000 | 10037 | Sandstone   | Hydrocarbons |
| TD                   | 10556 | 20877 | Shale       | Hydrocarbons |

### **2. Notable Zones**

1<sup>st</sup> Bone Spring Sand is the formation target.

### **3. Pressure Control**

Pressure Control Equipment (See Schematics):

At 12,000', a 5,000 psi BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and 1 annular preventer will be used below surface casing to TD. See attachments for BOP and choke manifold diagrams. Also present will be an accumulator that meets the requirements of Onshore Order #2 for the pressure rating of the BOP stack. A rotating head will also be installed as needed. BOP will be inspected and operated as recommended in Onshore Order #2. A top drive check valve and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position. The wellhead will be a multi-bowl speed head.

BOP Test procedure will be as follows:

After surface casing is set and the BOP is nipped up, the BOP pressure tests will be made with a third party tester to 250 psi low, 5000 psi high, and the annular preventer will be tested to 2,500 psi. The BOP will be tested in this manner after nipple-up if any break of the stack occurs.



Drilling Operations Plan  
 Talco State Fed Com #112H  
 Tap Rock Operating, LLC  
 SHL 410' FNL & 1,214' FWL, Sec. 16  
 BHL 5' FSL & 1,650' FWL, Sec. 21  
 T. 26S., R. 35E Lea County, NM

#### Variance Requests:

Tap Rock requests a variance to run a multi-bowl speed head for setting the Intermediate and Production Strings. Tap Rock requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Tap Rock requests a variance to have the option of batch drilling this well with other wells on the same pad. In the event that this well is batch drilled, after cementing a casing string, a 5M dry hole cap with bleed off valve will be installed. The rig will then walk to another well on the pad. When the rig returns to this well and BOPs are installed, the operator will perform a full BOP test. Tap Rock requests a variance to use a 5000 psi annular BOP on a 10M BOP stack. The annular will be tested to 250 psi low and 2,500 psi high.

#### 4. Casing & Cement

All Casing will be new.

##### Primary Casing Design:

| Section      | Drilled Interval |        |        | Casing Size | Standard | Tapered | Casing Set Depths |           |         |         | Casing Details |        |        |          |       |         |
|--------------|------------------|--------|--------|-------------|----------|---------|-------------------|-----------|---------|---------|----------------|--------|--------|----------|-------|---------|
|              | Hole Size        | Top    | Btm    |             |          |         | Top MD            | Bottom MD | Top TVD | BTM TVD | Grade          | Weight | Thread | Collapse | Burst | Tension |
| Surface      | 17 1/2           | 0      | 1145   | 13 3/8      | API      | No      | 0                 | 1145      | 0       | 1145    | J-55           | 54.5   | BUTT   | 1.13     | 1.15  | 1.6     |
| Intermediate | 12 1/4           | 1145   | 5515.5 | 9 5/8       | API      | No      | 0                 | 5516      | 0       | 5480    | J-55           | 40     | BUTT   | 1.13     | 1.15  | 1.6     |
| Production   | 8 3/4            | 5515.5 | 10037  | 5 1/2       | NON API  | No      | 0                 | 9737      | 0       | 9700    | P-110          | 20     | TXP    | 1.13     | 1.15  | 1.6     |
|              | 6 3/4            | 10037  | 20877  | 5 1/2       | NON API  | No      | 9737              | 20877     | 9700    | 10556   | P-110          | 20     | W-441  | 1.13     | 1.15  | 1.6     |

##### Alternative Casing Design:

| Section      | Drilled Interval |        |        | Casing Size | Standard | Tapered | Casing Set Depths |           |         |         | Casing Details |        |        |          |       |         |
|--------------|------------------|--------|--------|-------------|----------|---------|-------------------|-----------|---------|---------|----------------|--------|--------|----------|-------|---------|
|              | Hole Size        | Top    | Btm    |             |          |         | Top MD            | Bottom MD | Top TVD | BTM TVD | Grade          | Weight | Thread | Collapse | Burst | Tension |
| Surface      | 17 1/2           | 0      | 1145   | 13 3/8      | API      | No      | 0                 | 1145      | 0       | 1145    | J-55           | 54.5   | BUTT   | 1.13     | 1.15  | 1.6     |
| Intermediate | 12 1/4           | 1145   | 5515.5 | 9 5/8       | API      | No      | 0                 | 5516      | 0       | 5480    | J-55           | 40     | BUTT   | 1.13     | 1.15  | 1.6     |
| Production   | 8 3/4            | 5515.5 | 10037  | 5 1/2       | NON API  | No      | 0                 | 20877     | 0       | 10556   | P-110          | 20     | TXP    | 1.13     | 1.15  | 1.6     |
|              | 7 7/8            | 10037  | 20877  |             |          |         |                   |           |         |         |                |        |        |          |       |         |

##### Primary Cement Volumes:

| Name         | Type | Top MD | Sacks | Yield | Cu. Ft | Weight | Excess | Cement | Additives                                |
|--------------|------|--------|-------|-------|--------|--------|--------|--------|------------------------------------------|
| Surface      | Lead | 0      | 682   | 1.72  | 1174   | 13.5   | 100%   | C      | 5% NCI + LCM                             |
|              | Tail | 845    | 313   | 1.33  | 417    | 14.8   | 100%   | C      | 5% NCI + LCM                             |
| Intermediate | Lead | 0      | 1018  | 2.12  | 2158   | 11.0   | 65%    | C      | Bentonite + 1% CaCL2 + 8% NaCl + LCM     |
|              | Tail | 4516   | 389   | 1.33  | 517    | 14.8   | 65%    | C      | 5% NaCl + LCM                            |
| Production   | Lead | 5316   | 425   | 3.35  | 1423   | 10.5   | 20%    | H      | Fluid Loss + Dispersant + Retarder + LCM |
|              | Tail | 10037  | 946   | 1.63  | 1542   | 13.5   | 20%    | H      | Fluid Loss + Dispersant + Retarder + LCM |



Drilling Operations Plan  
Talco State Fed Com #112H  
Tap Rock Operating, LLC  
SHL 410' FNL & 1,214' FWL, Sec. 16  
BHL 5' FSL & 1,650' FWL, Sec. 21  
T. 26S., R. 35E Lea County, NM

**Alternative Cement Volumes:**

| Name         | Type | Top MD | Sacks | Yield | Cu. Ft | Weight | Excess | Cement | Additives                                        |
|--------------|------|--------|-------|-------|--------|--------|--------|--------|--------------------------------------------------|
| Surface      | Lead | 0      | 682   | 1.72  | 1174   | 13.5   | 100%   | C      | 5% NCI + LCM                                     |
|              | Tail | 845    | 313   | 1.33  | 417    | 14.8   | 100%   | C      | 5% NCI + LCM                                     |
| Intermediate | Lead | 0      | 1018  | 2.12  | 2158   | 11.0   | 65%    | C      | Bentonite + 1% CaCL <sub>2</sub> + 8% NaCl + LCM |
|              | Tail | 4516   | 389   | 1.33  | 517    | 14.8   | 65%    | C      | 5% NaCl + LCM                                    |
| Production   | Lead | 5316   | 425   | 3.35  | 1423   | 10.5   | 20%    | H      | Fluid Loss + Dispersant + Retarder + LCM         |
|              | Tail | 10037  | 1962  | 1.63  | 3198   | 13.5   | 20%    | H      | Fluid Loss + Dispersant + Retarder + LCM         |

## 5. Mud Program

**Mud Design:**

| Name         | Top  | Bottom | Type         | Mud Weight | Visc  | Fluid Loss |
|--------------|------|--------|--------------|------------|-------|------------|
| Surface      | 0    | 1145   | FW Spud Mud  | 8.30       | 28    | NC         |
| Intermediate | 1145 | 5516   | Brine Water  | 10.00      | 30-32 | NC         |
| Production   | 5516 | 20877  | FW/Cut Brine | 9.00       | 30-32 | NC         |

Electronic Pason mud monitor system complying with Onshore Order 1 will be used. All necessary mud products (e. g., barite, cedar bark) for weight addition and fluid loss control will always be on site. Mud program is subject to change due to hole conditions. A closed loop system will be used.

## 6. Cores, Tests, & Logs

- Electric Logging Program: No open-hole logs are planned at this time for the pilot hole.
- GR will be collected while drilling through the MWD tools from 9.625" casing shoe to TD.
- A 2-person mud logging program will be used from 9.625" casing shoe to TD.
- No DSTs or cores are planned at this time.
- CBL w/ CCL from as far as gravity will let it fall to TOC.

## 7. Down Hole Conditions

No abnormal pressure or temperature is expected. Maximum expected bottom hole pressure is ≈4,940 psi. Expected bottom hole temperature is ≈165° F.

Tap Rock does not anticipate that there will be enough H<sub>2</sub>S from the surface to the 2<sup>nd</sup> Bone Spring Sand formations to meet the BLM's Onshore Order 6 requirements for the submission of an "H<sub>2</sub>S Drilling Operation Plan" or "Public Protection Plan" for drilling and completing this well. Tap Rock has an H<sub>2</sub>S safety package on all wells and an "H<sub>2</sub>S Drilling Operations Plan" is attached. Adequate flare lines will be installed off the mud/gas separator where gas may be safely flared. All personnel will be familiar with all aspects of safe operation of equipment being used.

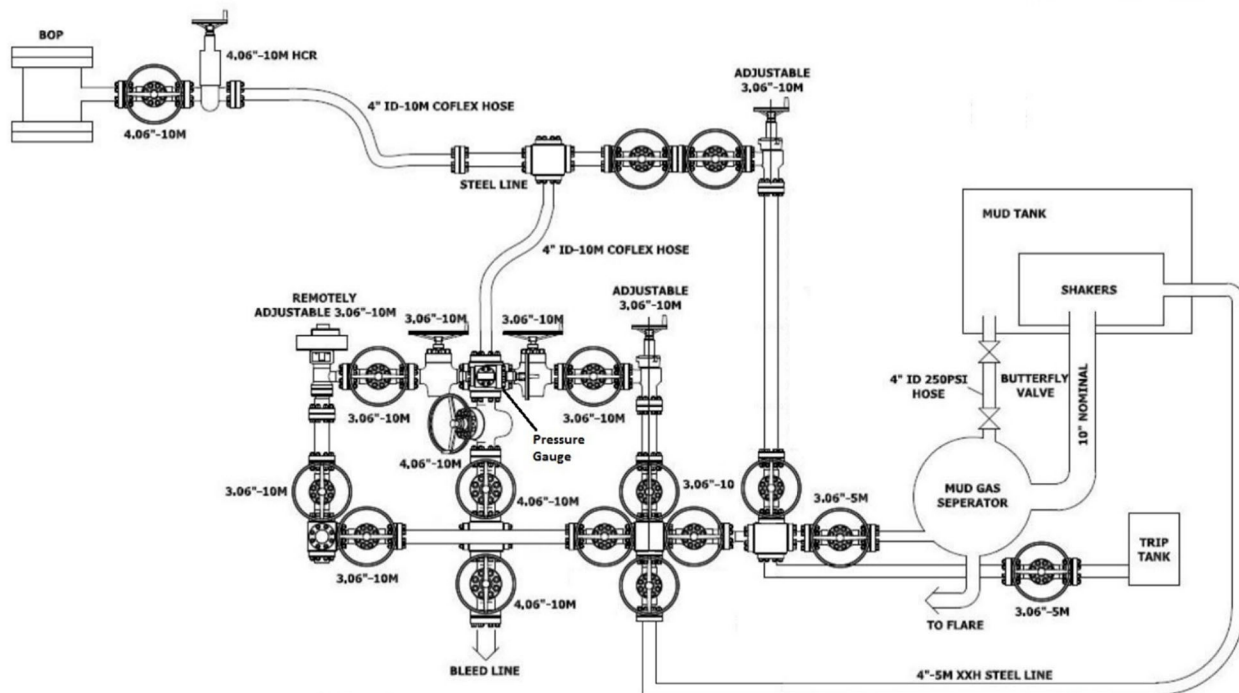


Drilling Operations Plan  
 Talco State Fed Com #112H  
 Tap Rock Operating, LLC  
 SHL 410' FNL & 1,214' FWL, Sec. 16  
 BHL 5' FSL & 1,650' FWL, Sec. 21  
 T. 26S., R. 35E Lea County, NM

## 8. Other Information

This is an existing pad so there is no road and location construction. Anticipated spud date as soon as approved. Drilling expected to take 30 days. If production casing is run an additional 60 days will be required to complete and construct surface facilities.

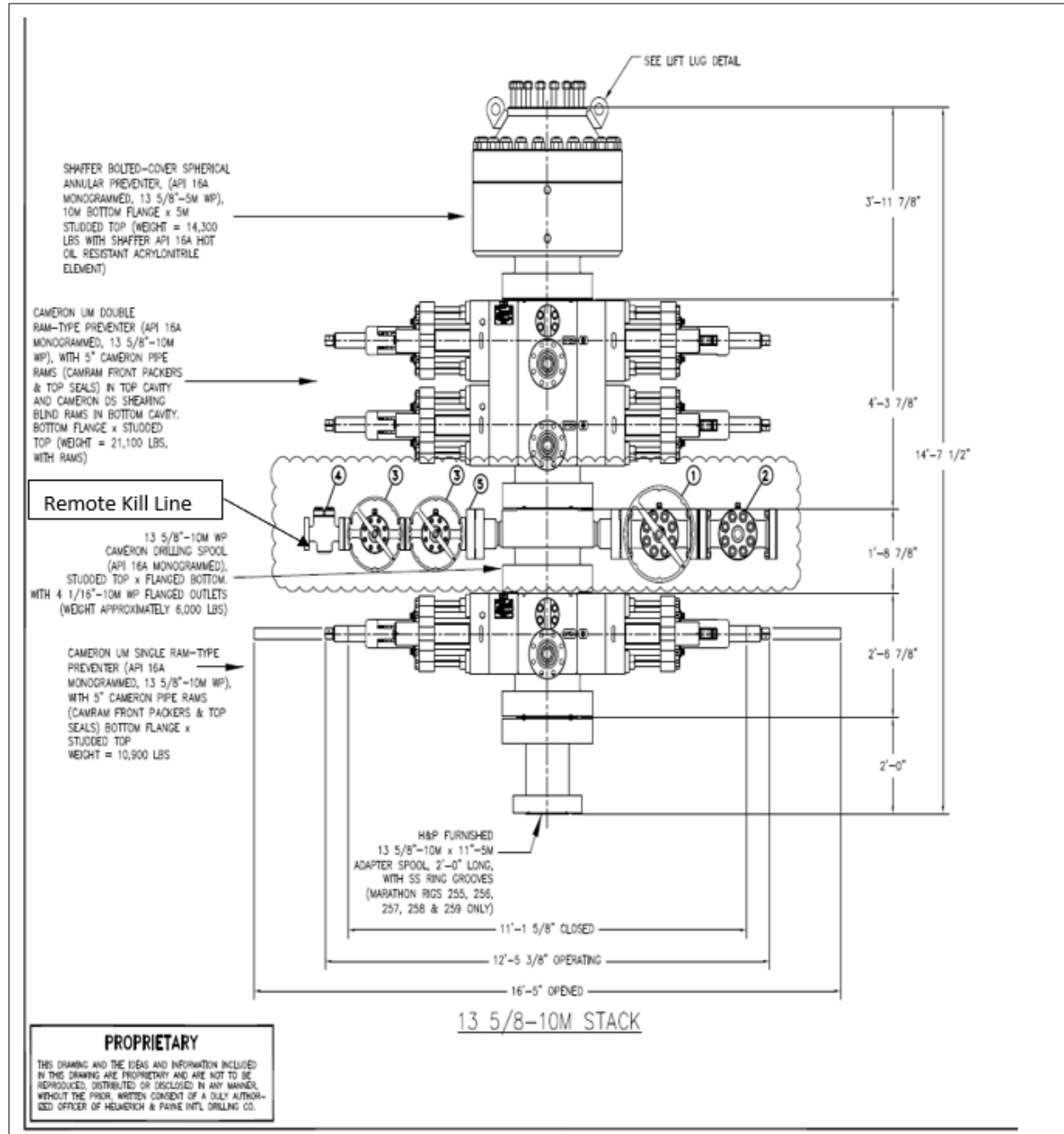
### 10M Choke Layout

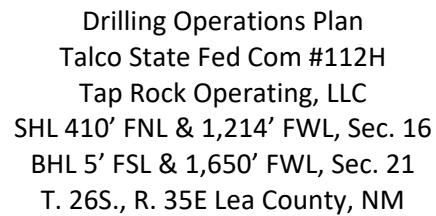




Drilling Operations Plan  
 Talco State Fed Com #112H  
 Tap Rock Operating, LLC  
 SHL 410' FNL & 1,214' FWL, Sec. 16  
 BHL 5' FSL & 1,650' FWL, Sec. 21  
 T. 26S., R. 35E Lea County, NM

10,000 psi BOP Stack

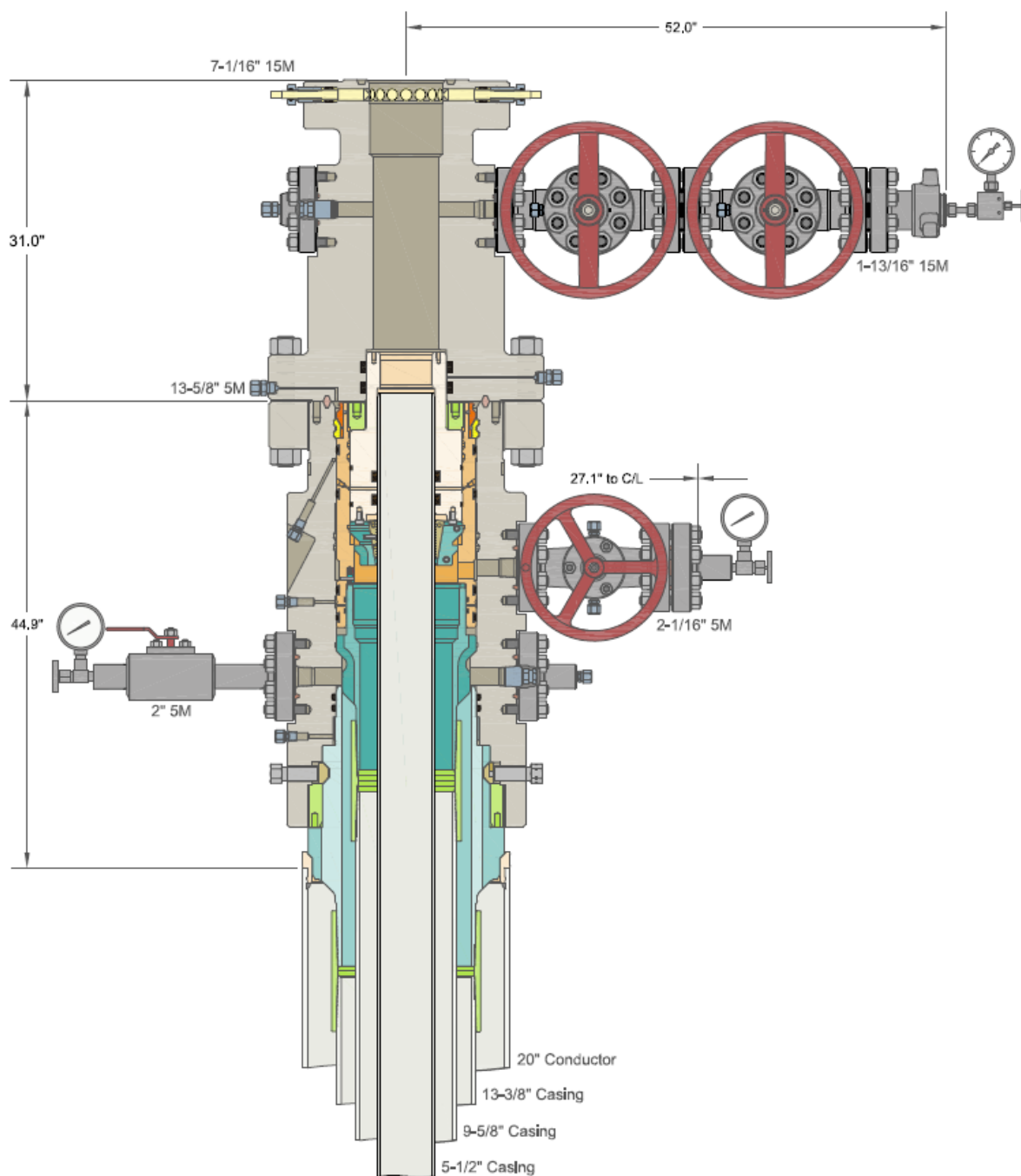






Drilling Operations Plan  
Talco State Fed Com #112H  
Tap Rock Operating, LLC  
SHL 410' FNL & 1,214' FWL, Sec. 16  
BHL 5' FSL & 1,650' FWL, Sec. 21  
T. 26S., R. 35E Lea County, NM

Multi-bowl Wellhead Design





# **Tap Rock Resources, LLC**

**Lea County, NM (NAD 83 NME)  
(Talco) Sec-16\_T-26-S\_R-35-E  
Talco State Fed Com #112H**

**OWB**

**Plan: Plan #3**

## **Standard Planning Report**

**07 January, 2022**





# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

|                    |                             |                      |                |
|--------------------|-----------------------------|----------------------|----------------|
| <b>Project</b>     | Lea County, NM (NAD 83 NME) |                      |                |
| <b>Map System:</b> | US State Plane 1983         | <b>System Datum:</b> | Mean Sea Level |
| <b>Geo Datum:</b>  | North American Datum 1983   |                      |                |
| <b>Map Zone:</b>   | New Mexico Eastern Zone     |                      |                |

|                              |                              |                          |                   |
|------------------------------|------------------------------|--------------------------|-------------------|
| <b>Site</b>                  | (Talco) Sec-16_T-26-S_R-35-E |                          |                   |
| <b>Site Position:</b>        |                              | <b>Northing:</b>         | 383,134.00 usft   |
| <b>From:</b>                 | Map                          | <b>Easting:</b>          | 837,904.00 usft   |
| <b>Position Uncertainty:</b> | 0.0 usft                     | <b>Slot Radius:</b>      | 13-3/16 "         |
|                              |                              | <b>Latitude:</b>         | 32° 2' 58.925 N   |
|                              |                              | <b>Longitude:</b>        | 103° 22' 34.080 W |
|                              |                              | <b>Grid Convergence:</b> | 0.51 °            |

|                             |                           |             |                            |
|-----------------------------|---------------------------|-------------|----------------------------|
| <b>Well</b>                 | Talco State Fed Com #112H |             |                            |
| <b>Well Position</b>        | <b>+N/-S</b>              | -105.0 usft | <b>Northing:</b>           |
|                             | <b>+E/-W</b>              | -275.0 usft | <b>Easting:</b>            |
| <b>Position Uncertainty</b> | 0.0 usft                  |             | <b>Wellhead Elevation:</b> |
|                             |                           |             | <b>Latitude:</b>           |
|                             |                           |             | <b>Longitude:</b>          |
|                             |                           |             | <b>Ground Level:</b>       |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | OWB               |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | IGRF2015          | 05/07/21           | 6.42                   | 59.88                | 47,457.05522313            |

|                          |                                |                     |                      |                      |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|
| <b>Design</b>            | Plan #3                        |                     |                      |                      |
| <b>Audit Notes:</b>      |                                |                     |                      |                      |
| <b>Version:</b>          | <b>Phase:</b>                  | PLAN                | <b>Tie On Depth:</b> | 0.0                  |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b>  | <b>Direction (°)</b> |
|                          | 0.0                            | 0.0                 | 0.0                  | 179.44               |

|                                 |                        |                          |                  |                     |
|---------------------------------|------------------------|--------------------------|------------------|---------------------|
| <b>Plan Survey Tool Program</b> | <b>Date</b>            | 01/07/22                 |                  |                     |
| <b>Depth From (usft)</b>        | <b>Depth To (usft)</b> | <b>Survey (Wellbore)</b> | <b>Tool Name</b> | <b>Remarks</b>      |
| 1                               | 0.0                    | 8,494.0                  | Plan #3 (OWB)    | MWD                 |
|                                 |                        |                          |                  | OWSG MWD - Standard |
| 2                               | 10,090.0               | 20,877.1                 | Plan #3 (OWB)    | MWD                 |
|                                 |                        |                          |                  | OWSG MWD - Standard |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Plan Sections         |                 |             |                       |              |              |                         |                        |                       |         |                    |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|------------------------|-----------------------|---------|--------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target             |
| 0.0                   | 0.00            | 0.00        | 0.0                   | 0.0          | 0.0          | 0.00                    | 0.00                   | 0.00                  | 0.00    |                    |
| 1,300.0               | 0.00            | 0.00        | 1,300.0               | 0.0          | 0.0          | 0.00                    | 0.00                   | 0.00                  | 0.00    |                    |
| 2,100.0               | 8.00            | 57.00       | 2,097.4               | 30.4         | 46.8         | 1.00                    | 1.00                   | 0.00                  | 57.00   |                    |
| 3,100.0               | 8.00            | 57.00       | 3,087.7               | 106.2        | 163.5        | 0.00                    | 0.00                   | 0.00                  | 0.00    |                    |
| 3,243.0               | 8.03            | 46.73       | 3,229.3               | 118.4        | 179.1        | 1.00                    | 0.02                   | -7.18                 | -93.72  |                    |
| 5,404.2               | 8.03            | 46.73       | 5,369.2               | 325.5        | 399.1        | 0.00                    | 0.00                   | 0.00                  | 0.00    |                    |
| 6,207.6               | 0.00            | 0.00        | 6,170.0               | 364.0        | 440.0        | 1.00                    | -1.00                  | 0.00                  | 180.00  |                    |
| 10,037.6              | 0.00            | 0.00        | 10,000.0              | 364.0        | 440.0        | 0.00                    | 0.00                   | 0.00                  | 0.00    |                    |
| 10,938.6              | 90.10           | 180.20      | 10,573.0              | -210.0       | 438.0        | 10.00                   | 10.00                  | 0.00                  | 180.20  |                    |
| 10,976.6              | 90.10           | 179.44      | 10,572.9              | -248.0       | 438.1        | 2.00                    | -0.01                  | -2.00                 | -90.17  |                    |
| 20,877.1              | 90.10           | 179.44      | 10,556.0              | -10,148.0    | 535.0        | 0.00                    | 0.00                   | 0.00                  | 0.00    | PBHL (Talco State) |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.0                   | 0.00            | 0.00        | 0.0                   | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 100.0                 | 0.00            | 0.00        | 100.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 200.0                 | 0.00            | 0.00        | 200.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 300.0                 | 0.00            | 0.00        | 300.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 400.0                 | 0.00            | 0.00        | 400.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 500.0                 | 0.00            | 0.00        | 500.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 600.0                 | 0.00            | 0.00        | 600.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 700.0                 | 0.00            | 0.00        | 700.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 800.0                 | 0.00            | 0.00        | 800.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 900.0                 | 0.00            | 0.00        | 900.0                 | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 1,000.0               | 0.00            | 0.00        | 1,000.0               | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 1,100.0               | 0.00            | 0.00        | 1,100.0               | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 1,200.0               | 0.00            | 0.00        | 1,200.0               | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 1,300.0               | 0.00            | 0.00        | 1,300.0               | 0.0          | 0.0          | 0.0                     | 0.00                    | 0.00                   | 0.00                  |
| 1,400.0               | 1.00            | 57.00       | 1,400.0               | 0.5          | 0.7          | -0.5                    | 1.00                    | 1.00                   | 0.00                  |
| 1,500.0               | 2.00            | 57.00       | 1,500.0               | 1.9          | 2.9          | -1.9                    | 1.00                    | 1.00                   | 0.00                  |
| 1,600.0               | 3.00            | 57.00       | 1,599.9               | 4.3          | 6.6          | -4.2                    | 1.00                    | 1.00                   | 0.00                  |
| 1,700.0               | 4.00            | 57.00       | 1,699.7               | 7.6          | 11.7         | -7.5                    | 1.00                    | 1.00                   | 0.00                  |
| 1,800.0               | 5.00            | 57.00       | 1,799.4               | 11.9         | 18.3         | -11.7                   | 1.00                    | 1.00                   | 0.00                  |
| 1,900.0               | 6.00            | 57.00       | 1,898.9               | 17.1         | 26.3         | -16.8                   | 1.00                    | 1.00                   | 0.00                  |
| 2,000.0               | 7.00            | 57.00       | 1,998.3               | 23.3         | 35.8         | -22.9                   | 1.00                    | 1.00                   | 0.00                  |
| 2,100.0               | 8.00            | 57.00       | 2,097.4               | 30.4         | 46.8         | -29.9                   | 1.00                    | 1.00                   | 0.00                  |
| 2,200.0               | 8.00            | 57.00       | 2,196.4               | 37.9         | 58.4         | -37.4                   | 0.00                    | 0.00                   | 0.00                  |
| 2,300.0               | 8.00            | 57.00       | 2,295.5               | 45.5         | 70.1         | -44.8                   | 0.00                    | 0.00                   | 0.00                  |
| 2,400.0               | 8.00            | 57.00       | 2,394.5               | 53.1         | 81.8         | -52.3                   | 0.00                    | 0.00                   | 0.00                  |
| 2,500.0               | 8.00            | 57.00       | 2,493.5               | 60.7         | 93.5         | -59.8                   | 0.00                    | 0.00                   | 0.00                  |
| 2,600.0               | 8.00            | 57.00       | 2,592.5               | 68.3         | 105.1        | -67.2                   | 0.00                    | 0.00                   | 0.00                  |
| 2,700.0               | 8.00            | 57.00       | 2,691.6               | 75.8         | 116.8        | -74.7                   | 0.00                    | 0.00                   | 0.00                  |
| 2,800.0               | 8.00            | 57.00       | 2,790.6               | 83.4         | 128.5        | -82.2                   | 0.00                    | 0.00                   | 0.00                  |
| 2,900.0               | 8.00            | 57.00       | 2,889.6               | 91.0         | 140.1        | -89.6                   | 0.00                    | 0.00                   | 0.00                  |
| 3,000.0               | 8.00            | 57.00       | 2,988.6               | 98.6         | 151.8        | -97.1                   | 0.00                    | 0.00                   | 0.00                  |
| 3,100.0               | 8.00            | 57.00       | 3,087.7               | 106.2        | 163.5        | -104.6                  | 0.00                    | 0.00                   | 0.00                  |
| 3,200.0               | 8.00            | 49.81       | 3,186.7               | 114.4        | 174.6        | -112.7                  | 1.00                    | 0.00                   | -7.19                 |
| 3,243.0               | 8.03            | 46.73       | 3,229.3               | 118.4        | 179.1        | -116.7                  | 1.00                    | 0.09                   | -7.15                 |
| 3,300.0               | 8.03            | 46.73       | 3,285.7               | 123.9        | 184.9        | -122.1                  | 0.00                    | 0.00                   | 0.00                  |
| 3,400.0               | 8.03            | 46.73       | 3,384.7               | 133.5        | 195.1        | -131.6                  | 0.00                    | 0.00                   | 0.00                  |
| 3,500.0               | 8.03            | 46.73       | 3,483.8               | 143.1        | 205.3        | -141.0                  | 0.00                    | 0.00                   | 0.00                  |
| 3,600.0               | 8.03            | 46.73       | 3,582.8               | 152.6        | 215.4        | -150.5                  | 0.00                    | 0.00                   | 0.00                  |
| 3,700.0               | 8.03            | 46.73       | 3,681.8               | 162.2        | 225.6        | -160.0                  | 0.00                    | 0.00                   | 0.00                  |
| 3,800.0               | 8.03            | 46.73       | 3,780.8               | 171.8        | 235.8        | -169.5                  | 0.00                    | 0.00                   | 0.00                  |
| 3,900.0               | 8.03            | 46.73       | 3,879.8               | 181.4        | 246.0        | -179.0                  | 0.00                    | 0.00                   | 0.00                  |
| 4,000.0               | 8.03            | 46.73       | 3,978.9               | 191.0        | 256.1        | -188.4                  | 0.00                    | 0.00                   | 0.00                  |
| 4,100.0               | 8.03            | 46.73       | 4,077.9               | 200.5        | 266.3        | -197.9                  | 0.00                    | 0.00                   | 0.00                  |
| 4,200.0               | 8.03            | 46.73       | 4,176.9               | 210.1        | 276.5        | -207.4                  | 0.00                    | 0.00                   | 0.00                  |
| 4,300.0               | 8.03            | 46.73       | 4,275.9               | 219.7        | 286.7        | -216.9                  | 0.00                    | 0.00                   | 0.00                  |
| 4,400.0               | 8.03            | 46.73       | 4,374.9               | 229.3        | 296.9        | -226.4                  | 0.00                    | 0.00                   | 0.00                  |
| 4,500.0               | 8.03            | 46.73       | 4,473.9               | 238.8        | 307.0        | -235.8                  | 0.00                    | 0.00                   | 0.00                  |
| 4,600.0               | 8.03            | 46.73       | 4,573.0               | 248.4        | 317.2        | -245.3                  | 0.00                    | 0.00                   | 0.00                  |
| 4,700.0               | 8.03            | 46.73       | 4,672.0               | 258.0        | 327.4        | -254.8                  | 0.00                    | 0.00                   | 0.00                  |
| 4,800.0               | 8.03            | 46.73       | 4,771.0               | 267.6        | 337.6        | -264.3                  | 0.00                    | 0.00                   | 0.00                  |
| 4,900.0               | 8.03            | 46.73       | 4,870.0               | 277.2        | 347.7        | -273.8                  | 0.00                    | 0.00                   | 0.00                  |
| 5,000.0               | 8.03            | 46.73       | 4,969.0               | 286.7        | 357.9        | -283.2                  | 0.00                    | 0.00                   | 0.00                  |
| 5,100.0               | 8.03            | 46.73       | 5,068.1               | 296.3        | 368.1        | -292.7                  | 0.00                    | 0.00                   | 0.00                  |
| 5,200.0               | 8.03            | 46.73       | 5,167.1               | 305.9        | 378.3        | -302.2                  | 0.00                    | 0.00                   | 0.00                  |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 5,300.0               | 8.03            | 46.73       | 5,266.1               | 315.5        | 388.5        | -311.7                  | 0.00                    | 0.00                   | 0.00                  |
| 5,404.2               | 8.03            | 46.73       | 5,369.2               | 325.5        | 399.1        | -321.5                  | 0.00                    | 0.00                   | 0.00                  |
| 5,500.0               | 7.08            | 46.73       | 5,464.2               | 334.1        | 408.2        | -330.1                  | 1.00                    | -1.00                  | 0.00                  |
| 5,600.0               | 6.08            | 46.73       | 5,563.6               | 341.9        | 416.6        | -337.9                  | 1.00                    | -1.00                  | 0.00                  |
| 5,700.0               | 5.08            | 46.73       | 5,663.1               | 348.6        | 423.6        | -344.4                  | 1.00                    | -1.00                  | 0.00                  |
| 5,800.0               | 4.08            | 46.73       | 5,762.8               | 354.1        | 429.4        | -349.9                  | 1.00                    | -1.00                  | 0.00                  |
| 5,900.0               | 3.08            | 46.73       | 5,862.6               | 358.3        | 434.0        | -354.1                  | 1.00                    | -1.00                  | 0.00                  |
| 6,000.0               | 2.08            | 46.73       | 5,962.5               | 361.4        | 437.3        | -357.1                  | 1.00                    | -1.00                  | 0.00                  |
| 6,100.0               | 1.08            | 46.73       | 6,062.4               | 363.3        | 439.3        | -359.0                  | 1.00                    | -1.00                  | 0.00                  |
| 6,207.6               | 0.00            | 0.00        | 6,170.0               | 364.0        | 440.0        | -359.7                  | 1.00                    | -1.00                  | 0.00                  |
| 6,300.0               | 0.00            | 0.00        | 6,262.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 6,400.0               | 0.00            | 0.00        | 6,362.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 6,500.0               | 0.00            | 0.00        | 6,462.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 6,600.0               | 0.00            | 0.00        | 6,562.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 6,700.0               | 0.00            | 0.00        | 6,662.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 6,800.0               | 0.00            | 0.00        | 6,762.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 6,900.0               | 0.00            | 0.00        | 6,862.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,000.0               | 0.00            | 0.00        | 6,962.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,100.0               | 0.00            | 0.00        | 7,062.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,200.0               | 0.00            | 0.00        | 7,162.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,300.0               | 0.00            | 0.00        | 7,262.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,400.0               | 0.00            | 0.00        | 7,362.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,500.0               | 0.00            | 0.00        | 7,462.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,600.0               | 0.00            | 0.00        | 7,562.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,700.0               | 0.00            | 0.00        | 7,662.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,800.0               | 0.00            | 0.00        | 7,762.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 7,900.0               | 0.00            | 0.00        | 7,862.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,000.0               | 0.00            | 0.00        | 7,962.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,100.0               | 0.00            | 0.00        | 8,062.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,200.0               | 0.00            | 0.00        | 8,162.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,300.0               | 0.00            | 0.00        | 8,262.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,400.0               | 0.00            | 0.00        | 8,362.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,500.0               | 0.00            | 0.00        | 8,462.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,600.0               | 0.00            | 0.00        | 8,562.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,700.0               | 0.00            | 0.00        | 8,662.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,800.0               | 0.00            | 0.00        | 8,762.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 8,900.0               | 0.00            | 0.00        | 8,862.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,000.0               | 0.00            | 0.00        | 8,962.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,100.0               | 0.00            | 0.00        | 9,062.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,200.0               | 0.00            | 0.00        | 9,162.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,300.0               | 0.00            | 0.00        | 9,262.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,400.0               | 0.00            | 0.00        | 9,362.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,500.0               | 0.00            | 0.00        | 9,462.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,600.0               | 0.00            | 0.00        | 9,562.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,700.0               | 0.00            | 0.00        | 9,662.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,800.0               | 0.00            | 0.00        | 9,762.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 9,900.0               | 0.00            | 0.00        | 9,862.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 10,000.0              | 0.00            | 0.00        | 9,962.4               | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 10,037.6              | 0.00            | 0.00        | 10,000.0              | 364.0        | 440.0        | -359.7                  | 0.00                    | 0.00                   | 0.00                  |
| 10,050.0              | 1.24            | 180.20      | 10,012.4              | 363.9        | 440.0        | -359.5                  | 10.00                   | 10.00                  | 0.00                  |
| 10,100.0              | 6.24            | 180.20      | 10,062.3              | 360.6        | 440.0        | -356.3                  | 10.00                   | 10.00                  | 0.00                  |
| 10,150.0              | 11.24           | 180.20      | 10,111.7              | 353.0        | 440.0        | -348.7                  | 10.00                   | 10.00                  | 0.00                  |
| 10,200.0              | 16.24           | 180.20      | 10,160.3              | 341.1        | 439.9        | -336.8                  | 10.00                   | 10.00                  | 0.00                  |
| 10,250.0              | 21.24           | 180.20      | 10,207.6              | 325.1        | 439.9        | -320.8                  | 10.00                   | 10.00                  | 0.00                  |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 10,300.0              | 26.24           | 180.20      | 10,253.4              | 304.9        | 439.8        | -300.6                  | 10.00                   | 10.00                  | 0.00                  |
| 10,350.0              | 31.24           | 180.20      | 10,297.2              | 280.9        | 439.7        | -276.6                  | 10.00                   | 10.00                  | 0.00                  |
| 10,400.0              | 36.24           | 180.20      | 10,338.7              | 253.1        | 439.6        | -248.8                  | 10.00                   | 10.00                  | 0.00                  |
| 10,450.0              | 41.24           | 180.20      | 10,377.7              | 221.9        | 439.5        | -217.5                  | 10.00                   | 10.00                  | 0.00                  |
| 10,500.0              | 46.24           | 180.20      | 10,413.8              | 187.3        | 439.4        | -183.0                  | 10.00                   | 10.00                  | 0.00                  |
| 10,550.0              | 51.24           | 180.20      | 10,446.8              | 149.7        | 439.3        | -145.4                  | 10.00                   | 10.00                  | 0.00                  |
| 10,600.0              | 56.24           | 180.20      | 10,476.4              | 109.4        | 439.1        | -105.1                  | 10.00                   | 10.00                  | 0.00                  |
| 10,650.0              | 61.24           | 180.20      | 10,502.3              | 66.7         | 439.0        | -62.4                   | 10.00                   | 10.00                  | 0.00                  |
| 10,700.0              | 66.24           | 180.20      | 10,524.4              | 21.9         | 438.8        | -17.6                   | 10.00                   | 10.00                  | 0.00                  |
| 10,750.0              | 71.24           | 180.20      | 10,542.5              | -24.7        | 438.6        | 29.0                    | 10.00                   | 10.00                  | 0.00                  |
| 10,800.0              | 76.24           | 180.20      | 10,556.5              | -72.7        | 438.5        | 77.0                    | 10.00                   | 10.00                  | 0.00                  |
| 10,850.0              | 81.24           | 180.20      | 10,566.3              | -121.7       | 438.3        | 126.0                   | 10.00                   | 10.00                  | 0.00                  |
| 10,900.0              | 86.24           | 180.20      | 10,571.7              | -171.4       | 438.1        | 175.7                   | 10.00                   | 10.00                  | 0.00                  |
| 10,938.6              | 90.10           | 180.20      | 10,573.0              | -210.0       | 438.0        | 214.2                   | 10.00                   | 10.00                  | 0.00                  |
| 10,976.6              | 90.10           | 179.44      | 10,572.9              | -248.0       | 438.1        | 252.3                   | 2.00                    | -0.01                  | -2.00                 |
| 11,000.0              | 90.10           | 179.44      | 10,572.9              | -271.4       | 438.3        | 275.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,100.0              | 90.10           | 179.44      | 10,572.7              | -371.4       | 439.3        | 375.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,200.0              | 90.10           | 179.44      | 10,572.5              | -471.4       | 440.3        | 475.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,300.0              | 90.10           | 179.44      | 10,572.3              | -571.4       | 441.3        | 575.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,400.0              | 90.10           | 179.44      | 10,572.2              | -671.4       | 442.3        | 675.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,500.0              | 90.10           | 179.44      | 10,572.0              | -771.4       | 443.2        | 775.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,600.0              | 90.10           | 179.44      | 10,571.8              | -871.4       | 444.2        | 875.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,700.0              | 90.10           | 179.44      | 10,571.7              | -971.4       | 445.2        | 975.7                   | 0.00                    | 0.00                   | 0.00                  |
| 11,800.0              | 90.10           | 179.44      | 10,571.5              | -1,071.4     | 446.2        | 1,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 11,900.0              | 90.10           | 179.44      | 10,571.3              | -1,171.3     | 447.2        | 1,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,000.0              | 90.10           | 179.44      | 10,571.1              | -1,271.3     | 448.1        | 1,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,100.0              | 90.10           | 179.44      | 10,571.0              | -1,371.3     | 449.1        | 1,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,200.0              | 90.10           | 179.44      | 10,570.8              | -1,471.3     | 450.1        | 1,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,300.0              | 90.10           | 179.44      | 10,570.6              | -1,571.3     | 451.1        | 1,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,400.0              | 90.10           | 179.44      | 10,570.5              | -1,671.3     | 452.0        | 1,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,500.0              | 90.10           | 179.44      | 10,570.3              | -1,771.3     | 453.0        | 1,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,600.0              | 90.10           | 179.44      | 10,570.1              | -1,871.3     | 454.0        | 1,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,700.0              | 90.10           | 179.44      | 10,570.0              | -1,971.3     | 455.0        | 1,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,800.0              | 90.10           | 179.44      | 10,569.8              | -2,071.3     | 456.0        | 2,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 12,900.0              | 90.10           | 179.44      | 10,569.6              | -2,171.3     | 456.9        | 2,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,000.0              | 90.10           | 179.44      | 10,569.4              | -2,271.3     | 457.9        | 2,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,100.0              | 90.10           | 179.44      | 10,569.3              | -2,371.3     | 458.9        | 2,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,200.0              | 90.10           | 179.44      | 10,569.1              | -2,471.3     | 459.9        | 2,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,300.0              | 90.10           | 179.44      | 10,568.9              | -2,571.3     | 460.9        | 2,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,400.0              | 90.10           | 179.44      | 10,568.8              | -2,671.3     | 461.8        | 2,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,500.0              | 90.10           | 179.44      | 10,568.6              | -2,771.3     | 462.8        | 2,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,600.0              | 90.10           | 179.44      | 10,568.4              | -2,871.3     | 463.8        | 2,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,700.0              | 90.10           | 179.44      | 10,568.2              | -2,971.3     | 464.8        | 2,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,800.0              | 90.10           | 179.44      | 10,568.1              | -3,071.3     | 465.7        | 3,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 13,900.0              | 90.10           | 179.44      | 10,567.9              | -3,171.2     | 466.7        | 3,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,000.0              | 90.10           | 179.44      | 10,567.7              | -3,271.2     | 467.7        | 3,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,100.0              | 90.10           | 179.44      | 10,567.6              | -3,371.2     | 468.7        | 3,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,200.0              | 90.10           | 179.44      | 10,567.4              | -3,471.2     | 469.7        | 3,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,300.0              | 90.10           | 179.44      | 10,567.2              | -3,571.2     | 470.6        | 3,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,400.0              | 90.10           | 179.44      | 10,567.1              | -3,671.2     | 471.6        | 3,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,500.0              | 90.10           | 179.44      | 10,566.9              | -3,771.2     | 472.6        | 3,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,600.0              | 90.10           | 179.44      | 10,566.7              | -3,871.2     | 473.6        | 3,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,700.0              | 90.10           | 179.44      | 10,566.5              | -3,971.2     | 474.6        | 3,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 14,800.0              | 90.10           | 179.44      | 10,566.4              | -4,071.2     | 475.5        | 4,075.7                 | 0.00                    | 0.00                   | 0.00                  |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 14,900.0              | 90.10           | 179.44      | 10,566.2              | -4,171.2     | 476.5        | 4,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,000.0              | 90.10           | 179.44      | 10,566.0              | -4,271.2     | 477.5        | 4,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,100.0              | 90.10           | 179.44      | 10,565.9              | -4,371.2     | 478.5        | 4,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,200.0              | 90.10           | 179.44      | 10,565.7              | -4,471.2     | 479.4        | 4,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,300.0              | 90.10           | 179.44      | 10,565.5              | -4,571.2     | 480.4        | 4,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,400.0              | 90.10           | 179.44      | 10,565.3              | -4,671.2     | 481.4        | 4,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,500.0              | 90.10           | 179.44      | 10,565.2              | -4,771.2     | 482.4        | 4,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,600.0              | 90.10           | 179.44      | 10,565.0              | -4,871.2     | 483.4        | 4,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,700.0              | 90.10           | 179.44      | 10,564.8              | -4,971.2     | 484.3        | 4,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,800.0              | 90.10           | 179.44      | 10,564.7              | -5,071.2     | 485.3        | 5,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 15,900.0              | 90.10           | 179.44      | 10,564.5              | -5,171.2     | 486.3        | 5,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,000.0              | 90.10           | 179.44      | 10,564.3              | -5,271.1     | 487.3        | 5,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,100.0              | 90.10           | 179.44      | 10,564.2              | -5,371.1     | 488.3        | 5,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,200.0              | 90.10           | 179.44      | 10,564.0              | -5,471.1     | 489.2        | 5,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,300.0              | 90.10           | 179.44      | 10,563.8              | -5,571.1     | 490.2        | 5,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,400.0              | 90.10           | 179.44      | 10,563.6              | -5,671.1     | 491.2        | 5,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,500.0              | 90.10           | 179.44      | 10,563.5              | -5,771.1     | 492.2        | 5,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,600.0              | 90.10           | 179.44      | 10,563.3              | -5,871.1     | 493.1        | 5,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,700.0              | 90.10           | 179.44      | 10,563.1              | -5,971.1     | 494.1        | 5,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,800.0              | 90.10           | 179.44      | 10,563.0              | -6,071.1     | 495.1        | 6,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,900.0              | 90.10           | 179.44      | 10,562.8              | -6,171.1     | 496.1        | 6,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,000.0              | 90.10           | 179.44      | 10,562.6              | -6,271.1     | 497.1        | 6,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,100.0              | 90.10           | 179.44      | 10,562.4              | -6,371.1     | 498.0        | 6,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,200.0              | 90.10           | 179.44      | 10,562.3              | -6,471.1     | 499.0        | 6,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,300.0              | 90.10           | 179.44      | 10,562.1              | -6,571.1     | 500.0        | 6,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,400.0              | 90.10           | 179.44      | 10,561.9              | -6,671.1     | 501.0        | 6,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,500.0              | 90.10           | 179.44      | 10,561.8              | -6,771.1     | 502.0        | 6,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,600.0              | 90.10           | 179.44      | 10,561.6              | -6,871.1     | 502.9        | 6,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,700.0              | 90.10           | 179.44      | 10,561.4              | -6,971.1     | 503.9        | 6,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,800.0              | 90.10           | 179.44      | 10,561.2              | -7,071.1     | 504.9        | 7,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,900.0              | 90.10           | 179.44      | 10,561.1              | -7,171.1     | 505.9        | 7,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,000.0              | 90.10           | 179.44      | 10,560.9              | -7,271.0     | 506.8        | 7,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,100.0              | 90.10           | 179.44      | 10,560.7              | -7,371.0     | 507.8        | 7,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,200.0              | 90.10           | 179.44      | 10,560.6              | -7,471.0     | 508.8        | 7,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,300.0              | 90.10           | 179.44      | 10,560.4              | -7,571.0     | 509.8        | 7,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,400.0              | 90.10           | 179.44      | 10,560.2              | -7,671.0     | 510.8        | 7,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,500.0              | 90.10           | 179.44      | 10,560.1              | -7,771.0     | 511.7        | 7,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,600.0              | 90.10           | 179.44      | 10,559.9              | -7,871.0     | 512.7        | 7,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,700.0              | 90.10           | 179.44      | 10,559.7              | -7,971.0     | 513.7        | 7,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,800.0              | 90.10           | 179.44      | 10,559.5              | -8,071.0     | 514.7        | 8,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 18,900.0              | 90.10           | 179.44      | 10,559.4              | -8,171.0     | 515.7        | 8,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,000.0              | 90.10           | 179.44      | 10,559.2              | -8,271.0     | 516.6        | 8,275.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,100.0              | 90.10           | 179.44      | 10,559.0              | -8,371.0     | 517.6        | 8,375.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,200.0              | 90.10           | 179.44      | 10,558.9              | -8,471.0     | 518.6        | 8,475.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,300.0              | 90.10           | 179.44      | 10,558.7              | -8,571.0     | 519.6        | 8,575.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,400.0              | 90.10           | 179.44      | 10,558.5              | -8,671.0     | 520.5        | 8,675.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,500.0              | 90.10           | 179.44      | 10,558.3              | -8,771.0     | 521.5        | 8,775.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,600.0              | 90.10           | 179.44      | 10,558.2              | -8,871.0     | 522.5        | 8,875.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,700.0              | 90.10           | 179.44      | 10,558.0              | -8,971.0     | 523.5        | 8,975.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,800.0              | 90.10           | 179.44      | 10,557.8              | -9,071.0     | 524.5        | 9,075.7                 | 0.00                    | 0.00                   | 0.00                  |
| 19,900.0              | 90.10           | 179.44      | 10,557.7              | -9,171.0     | 525.4        | 9,175.7                 | 0.00                    | 0.00                   | 0.00                  |
| 20,000.0              | 90.10           | 179.44      | 10,557.5              | -9,270.9     | 526.4        | 9,275.6                 | 0.00                    | 0.00                   | 0.00                  |
| 20,100.0              | 90.10           | 179.44      | 10,557.3              | -9,370.9     | 527.4        | 9,375.6                 | 0.00                    | 0.00                   | 0.00                  |
| 20,200.0              | 90.10           | 179.44      | 10,557.2              | -9,470.9     | 528.4        | 9,475.6                 | 0.00                    | 0.00                   | 0.00                  |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |  |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|--|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |  |
| 20,300.0              | 90.10           | 179.44      | 10,557.0              | -9,570.9     | 529.4        | 9,575.6                 | 0.00                    | 0.00                   | 0.00                  |  |
| 20,400.0              | 90.10           | 179.44      | 10,556.8              | -9,670.9     | 530.3        | 9,675.6                 | 0.00                    | 0.00                   | 0.00                  |  |
| 20,500.0              | 90.10           | 179.44      | 10,556.6              | -9,770.9     | 531.3        | 9,775.6                 | 0.00                    | 0.00                   | 0.00                  |  |
| 20,600.0              | 90.10           | 179.44      | 10,556.5              | -9,870.9     | 532.3        | 9,875.6                 | 0.00                    | 0.00                   | 0.00                  |  |
| 20,700.0              | 90.10           | 179.44      | 10,556.3              | -9,970.9     | 533.3        | 9,975.6                 | 0.00                    | 0.00                   | 0.00                  |  |
| 20,800.0              | 90.10           | 179.44      | 10,556.1              | -10,070.9    | 534.2        | 10,075.6                | 0.00                    | 0.00                   | 0.00                  |  |
| 20,877.1              | 90.10           | 179.44      | 10,556.0              | -10,148.0    | 535.0        | 10,152.7                | 0.00                    | 0.00                   | 0.00                  |  |

| Design Targets                                                                                                                 |               |              |            |              |              |                 |                |                 |                   |  |
|--------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|-----------------|-------------------|--|
| Target Name                                                                                                                    | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude        | Longitude         |  |
| LTP (Talco State Fed<br>- hit/miss target<br>- Shape<br>- Point)                                                               | 0.00          | 0.00         | 10,556.0   | -10,053.0    | 534.0        | 372,976.00      | 838,163.00     | 32° 1' 18.389 N | 103° 22' 32.117 W |  |
| PBHL (Talco State Fe<br>- plan misses target center<br>- Rectangle (sides W100.0 H10,462.0 D30.0))                             | -0.10         | 179.44       | 10,556.0   | -10,148.0    | 535.0        | 372,881.00      | 838,164.00     | 32° 1' 17.449 N | 103° 22' 32.115 W |  |
| FTP (Talco State Fed<br>- plan misses target center by 203.7usft at 10510.4usft MD (10421.0 TVD, 179.7 N, 439.4 E)<br>- Point) | 0.00          | 0.00         | 10,574.0   | 314.0        | 433.0        | 383,343.00      | 838,062.00     | 32° 3' 0.979 N  | 103° 22' 32.223 W |  |

| Formations            |                       |                      |           |         |                   |  |
|-----------------------|-----------------------|----------------------|-----------|---------|-------------------|--|
| Measured Depth (usft) | Vertical Depth (usft) | Name                 | Lithology | Dip (°) | Dip Direction (°) |  |
| 1,120.0               | 1,120.0               | Rustler Anhydrite    |           |         |                   |  |
| 1,685.3               | 1,685.0               | Top Salt             |           |         |                   |  |
| 5,041.4               | 5,010.0               | Base Salt            |           |         |                   |  |
| 5,455.4               | 5,420.0               | Delaware Mountain Gp |           |         |                   |  |
| 5,465.5               | 5,430.0               | Lamar                |           |         |                   |  |
| 5,490.7               | 5,455.0               | Bell Canyon          |           |         |                   |  |
| 5,737.0               | 5,700.0               | Ramsey Sand          |           |         |                   |  |
| 6,687.6               | 6,650.0               | Cherry Canyon        |           |         |                   |  |
| 7,967.6               | 7,930.0               | Brushy Canyon        |           |         |                   |  |
| 9,367.6               | 9,330.0               | Bone Spring Lime     |           |         |                   |  |
| 9,422.6               | 9,385.0               | Upper Avalon         |           |         |                   |  |
| 9,742.6               | 9,705.0               | Middle Avalon        |           |         |                   |  |
| 10,122.9              | 10,085.0              | Lower Avalon         |           |         |                   |  |
| 10,655.7              | 10,505.0              | 1st Bone Spring Sand |           |         |                   |  |



# Intrepid Planning Report



|                  |                              |                                     |                                |
|------------------|------------------------------|-------------------------------------|--------------------------------|
| <b>Database:</b> | EDM 5000.15 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well Talco State Fed Com #112H |
| <b>Company:</b>  | Tap Rock Resources, LLC      | <b>TVD Reference:</b>               | KB @ 3225.0usft                |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)  | <b>MD Reference:</b>                | KB @ 3225.0usft                |
| <b>Site:</b>     | (Talco) Sec-16_T-26-S_R-35-E | <b>North Reference:</b>             | Grid                           |
| <b>Well:</b>     | Talco State Fed Com #112H    | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Wellbore:</b> | OWB                          |                                     |                                |
| <b>Design:</b>   | Plan #3                      |                                     |                                |

| Plan Annotations      |                       |                   |              |                                 |
|-----------------------|-----------------------|-------------------|--------------|---------------------------------|
| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates |              | Comment                         |
|                       |                       | +N/-S (usft)      | +E/-W (usft) |                                 |
| 1,300.0               | 1,300.0               | 0.0               | 0.0          | NUDGE - Build 1.00              |
| 2,100.0               | 2,097.4               | 30.4              | 46.8         | HOLD - 1000.0 at 2100.0 MD      |
| 3,100.0               | 3,087.7               | 106.2             | 163.5        | TRN - DLS 1.00 TFO -93.72       |
| 3,243.0               | 3,229.3               | 118.4             | 179.1        | HOLD - 2161.1 at 3243.0 MD      |
| 5,404.2               | 5,369.2               | 325.5             | 399.1        | DROP - -1.00                    |
| 6,207.6               | 6,170.0               | 364.0             | 440.0        | HOLD - 3830.0 at 6207.6 MD      |
| 10,037.6              | 10,000.0              | 364.0             | 440.0        | KOP - Build 10.00               |
| 10,938.6              | 10,573.0              | -210.0            | 438.0        | EOC/TRN - DLS 2.00 TFO -90.17   |
| 10,976.6              | 10,572.9              | -248.0            | 438.1        | Start 9900.5 hold at 10976.6 MD |
| 20,877.1              | 10,556.0              | -10,148.0         | 535.0        | TD at 20877.1                   |

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 104144

CONDITIONS

|                                                                                  |                                                      |
|----------------------------------------------------------------------------------|------------------------------------------------------|
| Operator:<br>TAP ROCK OPERATING, LLC<br>523 Park Point Drive<br>Golden, CO 80401 | OGRID:<br>372043                                     |
|                                                                                  | Action Number:<br>104144                             |
|                                                                                  | Action Type:<br>[C-103] NOI Change of Plans (C-103A) |

CONDITIONS

|            |           |                |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| pkautz     | None      | 5/12/2022      |