

Form 3160-5  
(June 2019)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No. NMNM14497

6. If Indian, Allottee or Tribe Name

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator EOG RESOURCES INCORPORATED

3a. Address 1111 BAGBY SKY LOBBY 2, HOUSTON, TX 77030 3b. Phone No. (include area code)  
(713) 651-70004. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SEC 5/T25S/R34E/NMP

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

8. Well Name and No. SHIPROCK 5 FED COM/302H

9. API Well No. 3002550768

10. Field and Pool or Exploratory Area  
BOBCAT DRAW; UPPER WOLFCAMP11. Country or Parish, State  
LEA/NM

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

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

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

EOG respectfully requests an amendment to our approved APD for this well to reflect the following changes:

Change name from Shiprock 5 Fed Com 302H to Shiprock 5 Fed Com 714H.

Change BHL from T-25-S, R-34-E, Sec 8, 2540' FNL, 744' FEL, Lea Co., NM, to T-25-S, R-34-E, Sec 8, 2540' FNL, 984' FEL, Lea Co., N.M.

Change target formation to Wolfcamp Clastics Y.

Update casing and cement program to current design.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
STAR HARRELL / Ph: (432) 848-9161

Title Regulatory Specialist

Signature

Date

11/22/2022

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

KEITH P IMMATTY / Ph: (575) 988-4722 / Approved

Title ENGINEER

Date 12/07/2022

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office CARLSBAD

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

## Additional Information

### Location of Well

0. SHL: TR A / 240 FNL / 843 FEL / TWSP: 25S / RANGE: 34E / SECTION: 5 / LAT: 32.1661242 / LONG: -103.4861172 ( TVD: 0 feet, MD: 0 feet )

PPP: TR I / 0 FNL / 744 FEL / TWSP: 25S / RANGE: 34E / SECTION: 5 / LAT: 32.1595275 / LONG: -103.4858285 ( TVD: 10354 feet, MD: 12742 feet )

PPP: TR A / 100 FNL / 750 FEL / TWSP: 25S / RANGE: 34E / SECTION: 5 / LAT: 32.166509 / LONG: -103.485139 ( TVD: 10089 feet, MD: 10100 feet )

BHL: TR H / 2540 FNL / 744 FEL / TWSP: 25S / RANGE: 34E / SECTION: 8 / LAT: 32.1452885 / LONG: -103.4858581 ( TVD: 10354 feet, MD: 17923 feet )

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><b>30-025-50768</b> | <sup>2</sup> Pool Code<br><b>98094</b>                   | <sup>3</sup> Pool Name<br><b>Bobcat Draw; Upper Wolfcamp</b> |
| <sup>4</sup> Property Code<br><b>331512</b>    | <sup>5</sup> Property Name<br><b>SHIPROCK 5 FED COM</b>  | <sup>6</sup> Well Number<br><b>714H</b>                      |
| <sup>7</sup> OGRID No.<br><b>7377</b>          | <sup>8</sup> Operator Name<br><b>EOG RESOURCES, INC.</b> | <sup>9</sup> Elevation<br><b>3411'</b>                       |

<sup>10</sup>Surface Location

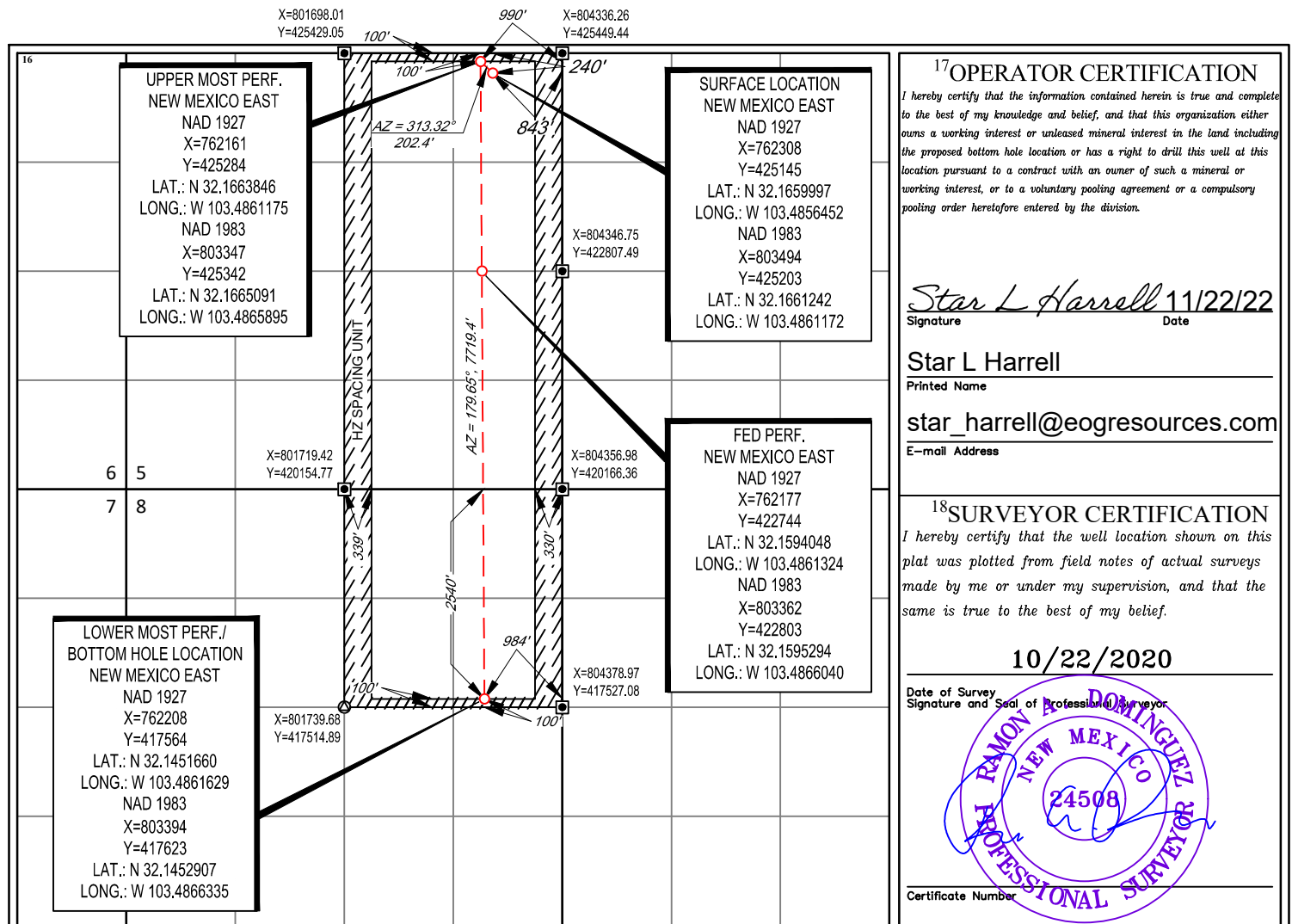
| UL or lot no. | Section  | Township    | Range       | Lot Idn  | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|----------|-------------|-------------|----------|---------------|------------------|---------------|----------------|------------|
| <b>1</b>      | <b>5</b> | <b>25-S</b> | <b>34-E</b> | <b>-</b> | <b>240'</b>   | <b>NORTH</b>     | <b>843'</b>   | <b>EAST</b>    | <b>LEA</b> |

<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     |
|---------------|----------|-------------|-------------|----------|---------------|------------------|---------------|----------------|------------|
| <b>H</b>      | <b>8</b> | <b>25-S</b> | <b>34-E</b> | <b>-</b> | <b>2540'</b>  | <b>NORTH</b>     | <b>984'</b>   | <b>EAST</b>    | <b>LEA</b> |

|                                                |                               |                                  |                         |
|------------------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>480.04</b> | <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.





### Shiprock 5 Fed Com 714H

#### Revised Permit Information 11/11/2022:

Well Name: Shiprock 5 Fed Com 714H

Location: SHL: 240' FNL & 843' FEL, Section 5, T-25-S, R-34-E, Lea Co., N.M.

BHL: 2540' FNL & 984' FEL, Section 8, T-25-S, R-34-E, Lea Co., N.M.

#### Casing Design A

| Hole Size | Interval MD |         | Interval TVD |         | Csg OD | Weight | Grade   | Conn          |
|-----------|-------------|---------|--------------|---------|--------|--------|---------|---------------|
|           | From (ft)   | To (ft) | From (ft)    | To (ft) |        |        |         |               |
| 12-1/4"   | 0           | 1,230   | 0            | 1,230   | 9-5/8" | 36#    | J-55    | LTC           |
| 8-3/4"    | 0           | 11,384  | 0            | 11,380  | 7-5/8" | 29.7#  | HCP-110 | FXL           |
| 6-3/4"    | 0           | 10,884  | 0            | 10,880  | 5-1/2" | 20#    | P110-EC | DWC/C IS MS   |
| 6-3/4"    | 10,884      | 11,384  | 10,880       | 11,380  | 5-1/2" | 20#    | P110-EC | Vam Sprint SF |
| 6-3/4"    | 11,384      | 19,946  | 11,380       | 12,377  | 5-1/2" | 20#    | P110-EC | DWC/C IS MS   |

Variance is requested to waive the centralizer requirements for the 7-5/8" casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4 hole interval to maximize cement bond and zonal isolation.

Variance is also requested to waive any centralizer requirements for the 5-1/2" casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to waive the annular clearance requirements for the 5-1/2" casing by 7-5/8" casing annulus to the proposed top of cement.

EOG requests permission to allow deviation from the 0.422" annulus clearance requirement from Onshore Order #2 under the following conditions:

- Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casing strings.
- Annular clearance less than 0.422" is acceptable for the production open hole section.

#### Cementing Program:

| Depth             | No. Sacks | Wt. ppg | Yld Ft3/sk | Slurry Description                                                                                   |
|-------------------|-----------|---------|------------|------------------------------------------------------------------------------------------------------|
| 1,230'<br>9-5/8"  | 340       | 13.5    | 1.73       | Lead: Class C + 4.0% Bentonite Gel + 0.5% CaCl <sub>2</sub> + 0.25 lb/sk Cello-Flake (TOC @ Surface) |
|                   | 80        | 14.8    | 1.34       | Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate (TOC @ 1,030')        |
| 11,380'<br>7-5/8" | 440       | 14.2    | 1.11       | 1st Stage (Tail): Class C + 0.6% Halad-9 + 0.45% HR-601 + 3% Microbond (TOC @ 7,662')                |
|                   | 1310      | 14.8    | 1.5        | 2nd Stage (Bradenhead squeeze): Class C + 3% Salt + 1% PreMag-M + 6% Bentonite Gel (TOC @ surface)   |
| 19,946'<br>5-1/2" | 790       | 14.2    | 1.31       | Lead: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% Microbond (TOC @ 10,880')                         |



### Shiprock 5 Fed Com 714H

| Additive            | Purpose                                 |
|---------------------|-----------------------------------------|
| Bentonite Gel       | Lightweight/Lost circulation prevention |
| Calcium Chloride    | Accelerator                             |
| Cello-flake         | Lost circulation prevention             |
| Sodium Metasilicate | Accelerator                             |
| MagOx               | Expansive agent                         |
| Pre-Mag-M           | Expansive agent                         |
| Sodium Chloride     | Accelerator                             |
| FL-62               | Fluid loss control                      |
| Halad-344           | Fluid loss control                      |
| Halad-9             | Fluid loss control                      |
| HR-601              | Retarder                                |
| Microbond           | Expansive Agent                         |

EOG requests variance from minimum standards to pump a two stage cement job on the 7-5/8" intermediate casing string with the first stage being pumped conventionally with the calculated top of cement at the Brushy Canyon (7,862') and the second stage performed as a bradenhead squeeze with planned cement from the Brushy Canyon to surface. If necessary, a top out consisting of 308 sacks of Class C cement + 3% Salt + 1% PreMag-M + 6% Bentonite Gel (2.30 yld, 12.91 ppg) will be executed as a contingency. Top will be verified by Echo-meter.

EOG will include the Echo-meter verified fluid top and the volume of displacement fluid above the cement slurry in the annulus in all post-drill sundries on wells utilizing this cement program.

EOG will report to the BLM the volume of fluid (limited to 5 bbls) used to flush intermediate casing valves following backside cementing procedures.

#### Mud Program:

| Depth             | Type        | Weight (ppg) | Viscosity | Water Loss |
|-------------------|-------------|--------------|-----------|------------|
| 0 – 1,230'        | Fresh - Gel | 8.6-8.8      | 28-34     | N/c        |
| 1,230' – 11,380'  | Brine       | 10.0-10.2    | 28-34     | N/c        |
| 11,380' – 11,904' | Oil Base    | 8.7-9.4      | 58-68     | N/c - 6    |
| 11,904' – 19,946' | Oil Base    | 10.0-14.0    | 58-68     | 4 - 6      |



## Shiprock 5 Fed Com 714H

### Wellhead & Offline Cementing:

EOG Resources Inc. (EOG) respectfully requests a variance from the minimum standards for well control equipment testing of Onshore Order No. 2 (item III.A.2.a.i) to allow a testing schedule of the blow out preventer (BOP) and blow out prevention equipment (BOPE) along with Batch Drilling & Offline cement operations to include the following:

- Full BOPE test at first installation on the pad.
- Full BOPE test every 30 days per Onshore Order No. 2.
- Function test BOP elements per Onshore Order No. 2.
- Break testing BOP and BOPE coupled with batch drilling operations and option to offline cement and/or remediate (if needed) any surface or intermediate sections, according to attached offline cementing support documentation.
- After the well section is secured, the BOP will be disconnected from the wellhead and walked with the rig to another well on the pad.
- TA cap will also be installed per Wellhead vendor procedure and pressure inside the casing will be monitored via the valve on the TA cap as per standard batch drilling ops.
- See attached "EOG BLM Variance 3a -Offline Cement Intermediate Operational Procedure"



## Shiprock 5 Fed Com 714H

240' FNL  
843' FEL  
Section 5  
T-25-S, R-34-E

Revised Wellbore

KB: 3436'  
GL: 3411'

API: 30-025-50768

**Bit Size: 12-1/4"**  
9-5/8", 36#, J-55, LTC,  
@ 0' - 1,230'

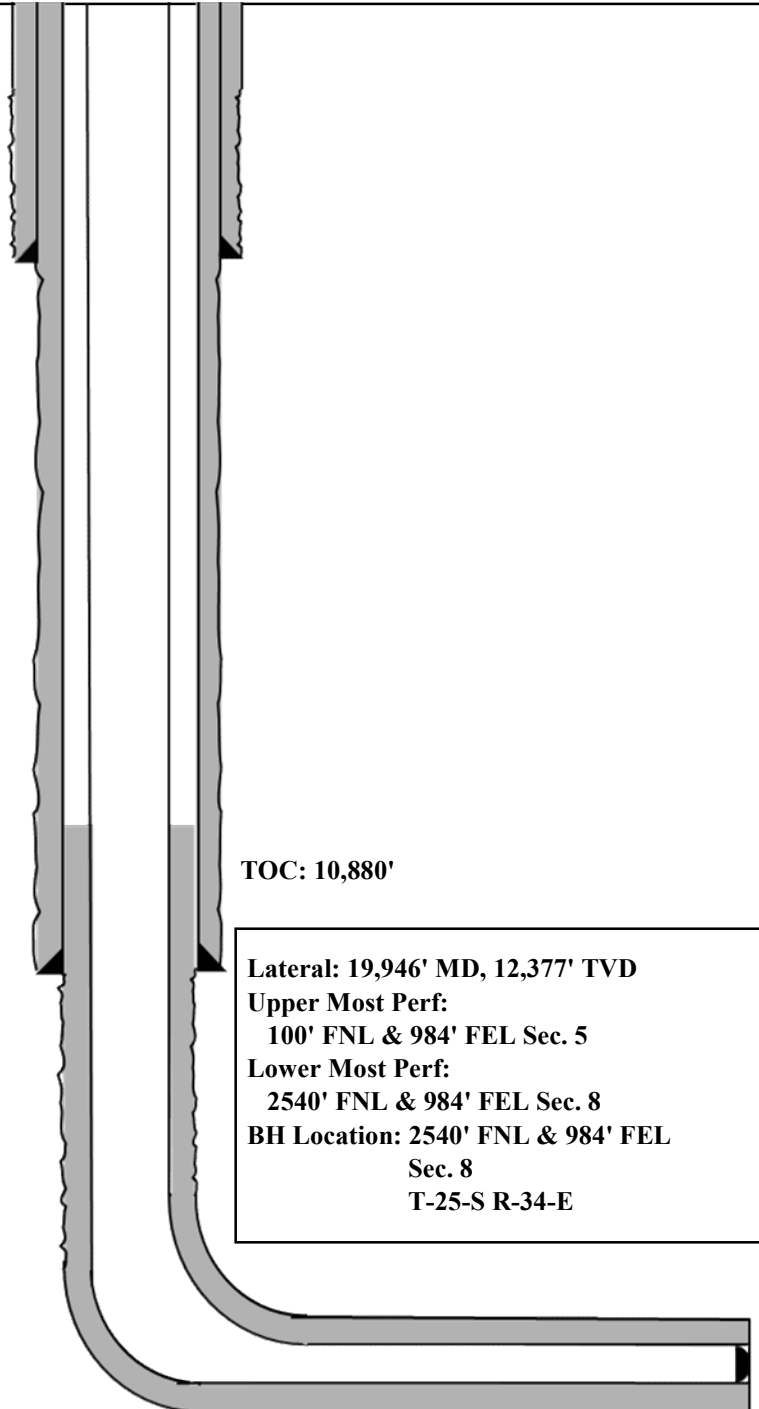
**Bit Size: 8-3/4"**  
7-5/8", 29.7#, HCP-110, FXL,  
@ 0' - 11,380'

**Bit Size: 6-3/4"**  
5-1/2", 20#, P110-EC, DWC/C IS MS,  
@ 0' - 10,880'

5-1/2", 20#, P110-EC, Vam Sprint SF,  
@ 10,880' - 11,380'

5-1/2", 20#, P110-EC, DWC/C IS MS,  
@ 11,380' - 19,946'

KOP: 11,904' MD, 11,900' TVD  
EOC: 12,654' MD, 12,377' TVD







## Midland

Lea County, NM (NAD 83 NME)

Shiprock 5 Fed Com

#714H

OH

Plan: Plan #0.1 RT

## Standard Planning Report

21 November, 2022





## Planning Report



|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

|                    |                             |                      |                |
|--------------------|-----------------------------|----------------------|----------------|
| <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>                  | Shiprock 5 Fed Com |                     |                 |
| <b>Site Position:</b>        |                    | <b>Northing:</b>    | 425,204.00 usft |
| <b>From:</b>                 | Map                | <b>Easting:</b>     | 803,674.00 usft |
| <b>Position Uncertainty:</b> | 0.0 usft           | <b>Slot Radius:</b> | 13-3/16 "       |
|                              |                    | <b>Latitude:</b>    | 32.1661233°N    |
|                              |                    | <b>Longitude:</b>   | 103.4855353°W   |

|                             |              |                            |                  |
|-----------------------------|--------------|----------------------------|------------------|
| <b>Well</b>                 | #714H        |                            |                  |
| <b>Well Position</b>        | <b>+N/-S</b> | 0.0 usft                   | <b>Northing:</b> |
|                             | <b>+E/-W</b> | 0.0 usft                   | <b>Easting:</b>  |
| <b>Position Uncertainty</b> | 0.0 usft     | <b>Wellhead Elevation:</b> | usft             |
| <b>Grid Convergence:</b>    | 0.45 °       | <b>Ground Level:</b>       | 3,411.0 usft     |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | OH                |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | IGRF2020          | 11/21/2022         | 6.33                   | 59.81                | 47,318.70074705            |

|                          |                                |                     |                      |                      |  |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|--|
| <b>Design</b>            | Plan #0.1 RT                   |                     |                      |                      |  |
| <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                  | 180.76               |  |

|                                 |                        |                          |                   |                |  |
|---------------------------------|------------------------|--------------------------|-------------------|----------------|--|
| <b>Plan Survey Tool Program</b> | <b>Date</b>            | 11/21/2022               |                   |                |  |
| <b>Depth From (usft)</b>        | <b>Depth To (usft)</b> | <b>Survey (Wellbore)</b> | <b>Tool Name</b>  | <b>Remarks</b> |  |
| 1                               | 0.0                    | 19,945.6                 | Plan #0.1 RT (OH) | EOG MWD+IFR1   |  |
|                                 |                        |                          | MWD + IFR1        |                |  |



## Planning Report



|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

| 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    |                       |
| 1,406.2               | 2.12            | 322.13      | 1,406.2               | 1.6          | -1.2         | 2.00                    | 2.00                   | 0.00                  | 322.13  |                       |
| 7,760.2               | 2.12            | 322.13      | 7,755.8               | 187.4        | -145.8       | 0.00                    | 0.00                   | 0.00                  | 0.00    |                       |
| 7,866.4               | 0.00            | 0.00        | 7,862.0               | 189.0        | -147.0       | 2.00                    | -2.00                  | 0.00                  | 180.00  |                       |
| 11,903.9              | 0.00            | 0.00        | 11,899.5              | 189.0        | -147.0       | 0.00                    | 0.00                   | 0.00                  | 0.00    | KOP(Shiprock 5 Fed C  |
| 12,124.4              | 26.46           | 180.00      | 12,112.2              | 139.0        | -147.0       | 12.00                   | 12.00                  | 81.65                 | 180.00  | FTP(Shiprock 5 Fed C  |
| 12,653.9              | 90.00           | 179.64      | 12,376.9              | -288.4       | -145.2       | 12.00                   | 12.00                  | -0.07                 | -0.40   |                       |
| 14,765.5              | 90.00           | 179.64      | 12,377.0              | -2,400.0     | -132.0       | 0.00                    | 0.00                   | 0.00                  | 0.00    | Fed Perf 1(Shiprock 5 |
| 14,824.1              | 90.00           | 179.64      | 12,377.0              | -2,458.6     | -131.6       | 0.00                    | 0.00                   | 0.00                  | 0.00    |                       |
| 19,945.6              | 90.00           | 179.64      | 12,377.0              | -7,580.0     | -100.0       | 0.00                    | 0.00                   | 0.00                  | 0.00    | PBHL(Shiprock 5 Fed   |



## Planning Report



|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

| 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                  |
| 1,406.2               | 2.12            | 322.13      | 1,406.2               | 1.6          | -1.2         | -1.5                    | 2.00                    | 2.00                   | 0.00                  |
| 1,500.0               | 2.12            | 322.13      | 1,499.9               | 4.3          | -3.3         | -4.3                    | 0.00                    | 0.00                   | 0.00                  |
| 1,600.0               | 2.12            | 322.13      | 1,599.8               | 7.2          | -5.6         | -7.1                    | 0.00                    | 0.00                   | 0.00                  |
| 1,700.0               | 2.12            | 322.13      | 1,699.8               | 10.1         | -7.9         | -10.0                   | 0.00                    | 0.00                   | 0.00                  |
| 1,800.0               | 2.12            | 322.13      | 1,799.7               | 13.1         | -10.2        | -12.9                   | 0.00                    | 0.00                   | 0.00                  |
| 1,900.0               | 2.12            | 322.13      | 1,899.6               | 16.0         | -12.4        | -15.8                   | 0.00                    | 0.00                   | 0.00                  |
| 2,000.0               | 2.12            | 322.13      | 1,999.6               | 18.9         | -14.7        | -18.7                   | 0.00                    | 0.00                   | 0.00                  |
| 2,100.0               | 2.12            | 322.13      | 2,099.5               | 21.9         | -17.0        | -21.6                   | 0.00                    | 0.00                   | 0.00                  |
| 2,200.0               | 2.12            | 322.13      | 2,199.4               | 24.8         | -19.3        | -24.5                   | 0.00                    | 0.00                   | 0.00                  |
| 2,300.0               | 2.12            | 322.13      | 2,299.4               | 27.7         | -21.5        | -27.4                   | 0.00                    | 0.00                   | 0.00                  |
| 2,400.0               | 2.12            | 322.13      | 2,399.3               | 30.6         | -23.8        | -30.3                   | 0.00                    | 0.00                   | 0.00                  |
| 2,500.0               | 2.12            | 322.13      | 2,499.2               | 33.6         | -26.1        | -33.2                   | 0.00                    | 0.00                   | 0.00                  |
| 2,600.0               | 2.12            | 322.13      | 2,599.2               | 36.5         | -28.4        | -36.1                   | 0.00                    | 0.00                   | 0.00                  |
| 2,700.0               | 2.12            | 322.13      | 2,699.1               | 39.4         | -30.6        | -39.0                   | 0.00                    | 0.00                   | 0.00                  |
| 2,800.0               | 2.12            | 322.13      | 2,799.0               | 42.3         | -32.9        | -41.9                   | 0.00                    | 0.00                   | 0.00                  |
| 2,900.0               | 2.12            | 322.13      | 2,898.9               | 45.3         | -35.2        | -44.8                   | 0.00                    | 0.00                   | 0.00                  |
| 3,000.0               | 2.12            | 322.13      | 2,998.9               | 48.2         | -37.5        | -47.7                   | 0.00                    | 0.00                   | 0.00                  |
| 3,100.0               | 2.12            | 322.13      | 3,098.8               | 51.1         | -39.8        | -50.6                   | 0.00                    | 0.00                   | 0.00                  |
| 3,200.0               | 2.12            | 322.13      | 3,198.7               | 54.0         | -42.0        | -53.5                   | 0.00                    | 0.00                   | 0.00                  |
| 3,300.0               | 2.12            | 322.13      | 3,298.7               | 57.0         | -44.3        | -56.4                   | 0.00                    | 0.00                   | 0.00                  |
| 3,400.0               | 2.12            | 322.13      | 3,398.6               | 59.9         | -46.6        | -59.3                   | 0.00                    | 0.00                   | 0.00                  |
| 3,500.0               | 2.12            | 322.13      | 3,498.5               | 62.8         | -48.9        | -62.2                   | 0.00                    | 0.00                   | 0.00                  |
| 3,600.0               | 2.12            | 322.13      | 3,598.5               | 65.7         | -51.1        | -65.1                   | 0.00                    | 0.00                   | 0.00                  |
| 3,700.0               | 2.12            | 322.13      | 3,698.4               | 68.7         | -53.4        | -68.0                   | 0.00                    | 0.00                   | 0.00                  |
| 3,800.0               | 2.12            | 322.13      | 3,798.3               | 71.6         | -55.7        | -70.8                   | 0.00                    | 0.00                   | 0.00                  |
| 3,900.0               | 2.12            | 322.13      | 3,898.3               | 74.5         | -58.0        | -73.7                   | 0.00                    | 0.00                   | 0.00                  |
| 4,000.0               | 2.12            | 322.13      | 3,998.2               | 77.4         | -60.2        | -76.6                   | 0.00                    | 0.00                   | 0.00                  |
| 4,100.0               | 2.12            | 322.13      | 4,098.1               | 80.4         | -62.5        | -79.5                   | 0.00                    | 0.00                   | 0.00                  |
| 4,200.0               | 2.12            | 322.13      | 4,198.1               | 83.3         | -64.8        | -82.4                   | 0.00                    | 0.00                   | 0.00                  |
| 4,300.0               | 2.12            | 322.13      | 4,298.0               | 86.2         | -67.1        | -85.3                   | 0.00                    | 0.00                   | 0.00                  |
| 4,400.0               | 2.12            | 322.13      | 4,397.9               | 89.1         | -69.3        | -88.2                   | 0.00                    | 0.00                   | 0.00                  |
| 4,500.0               | 2.12            | 322.13      | 4,497.8               | 92.1         | -71.6        | -91.1                   | 0.00                    | 0.00                   | 0.00                  |
| 4,600.0               | 2.12            | 322.13      | 4,597.8               | 95.0         | -73.9        | -94.0                   | 0.00                    | 0.00                   | 0.00                  |
| 4,700.0               | 2.12            | 322.13      | 4,697.7               | 97.9         | -76.2        | -96.9                   | 0.00                    | 0.00                   | 0.00                  |
| 4,800.0               | 2.12            | 322.13      | 4,797.6               | 100.8        | -78.4        | -99.8                   | 0.00                    | 0.00                   | 0.00                  |
| 4,900.0               | 2.12            | 322.13      | 4,897.6               | 103.8        | -80.7        | -102.7                  | 0.00                    | 0.00                   | 0.00                  |
| 5,000.0               | 2.12            | 322.13      | 4,997.5               | 106.7        | -83.0        | -105.6                  | 0.00                    | 0.00                   | 0.00                  |
| 5,100.0               | 2.12            | 322.13      | 5,097.4               | 109.6        | -85.3        | -108.5                  | 0.00                    | 0.00                   | 0.00                  |
| 5,200.0               | 2.12            | 322.13      | 5,197.4               | 112.5        | -87.5        | -111.4                  | 0.00                    | 0.00                   | 0.00                  |
| 5,300.0               | 2.12            | 322.13      | 5,297.3               | 115.5        | -89.8        | -114.3                  | 0.00                    | 0.00                   | 0.00                  |



## Planning Report



|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

| 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) |  |
| 5,400.0               | 2.12            | 322.13      | 5,397.2               | 118.4        | -92.1        | -117.2                  | 0.00                    | 0.00                   | 0.00                  |  |
| 5,500.0               | 2.12            | 322.13      | 5,497.2               | 121.3        | -94.4        | -120.1                  | 0.00                    | 0.00                   | 0.00                  |  |
| 5,600.0               | 2.12            | 322.13      | 5,597.1               | 124.2        | -96.6        | -123.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 5,700.0               | 2.12            | 322.13      | 5,697.0               | 127.2        | -98.9        | -125.9                  | 0.00                    | 0.00                   | 0.00                  |  |
| 5,800.0               | 2.12            | 322.13      | 5,797.0               | 130.1        | -101.2       | -128.8                  | 0.00                    | 0.00                   | 0.00                  |  |
| 5,900.0               | 2.12            | 322.13      | 5,896.9               | 133.0        | -103.5       | -131.6                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,000.0               | 2.12            | 322.13      | 5,996.8               | 135.9        | -105.7       | -134.5                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,100.0               | 2.12            | 322.13      | 6,096.8               | 138.9        | -108.0       | -137.4                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,200.0               | 2.12            | 322.13      | 6,196.7               | 141.8        | -110.3       | -140.3                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,300.0               | 2.12            | 322.13      | 6,296.6               | 144.7        | -112.6       | -143.2                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,400.0               | 2.12            | 322.13      | 6,396.5               | 147.7        | -114.8       | -146.1                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,500.0               | 2.12            | 322.13      | 6,496.5               | 150.6        | -117.1       | -149.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,600.0               | 2.12            | 322.13      | 6,596.4               | 153.5        | -119.4       | -151.9                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,700.0               | 2.12            | 322.13      | 6,696.3               | 156.4        | -121.7       | -154.8                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,800.0               | 2.12            | 322.13      | 6,796.3               | 159.4        | -123.9       | -157.7                  | 0.00                    | 0.00                   | 0.00                  |  |
| 6,900.0               | 2.12            | 322.13      | 6,896.2               | 162.3        | -126.2       | -160.6                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,000.0               | 2.12            | 322.13      | 6,996.1               | 165.2        | -128.5       | -163.5                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,100.0               | 2.12            | 322.13      | 7,096.1               | 168.1        | -130.8       | -166.4                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,200.0               | 2.12            | 322.13      | 7,196.0               | 171.1        | -133.0       | -169.3                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,300.0               | 2.12            | 322.13      | 7,295.9               | 174.0        | -135.3       | -172.2                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,400.0               | 2.12            | 322.13      | 7,395.9               | 176.9        | -137.6       | -175.1                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,500.0               | 2.12            | 322.13      | 7,495.8               | 179.8        | -139.9       | -178.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,600.0               | 2.12            | 322.13      | 7,595.7               | 182.8        | -142.1       | -180.9                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,700.0               | 2.12            | 322.13      | 7,695.7               | 185.7        | -144.4       | -183.8                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,760.2               | 2.12            | 322.13      | 7,755.8               | 187.4        | -145.8       | -185.5                  | 0.00                    | 0.00                   | 0.00                  |  |
| 7,800.0               | 1.33            | 322.13      | 7,795.6               | 188.4        | -146.5       | -186.4                  | 2.00                    | -2.00                  | 0.00                  |  |
| 7,866.4               | 0.00            | 0.00        | 7,862.0               | 189.0        | -147.0       | -187.0                  | 2.00                    | -2.00                  | 0.00                  |  |
| 7,900.0               | 0.00            | 0.00        | 7,895.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,000.0               | 0.00            | 0.00        | 7,995.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,100.0               | 0.00            | 0.00        | 8,095.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,200.0               | 0.00            | 0.00        | 8,195.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,300.0               | 0.00            | 0.00        | 8,295.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,400.0               | 0.00            | 0.00        | 8,395.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,500.0               | 0.00            | 0.00        | 8,495.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,600.0               | 0.00            | 0.00        | 8,595.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,700.0               | 0.00            | 0.00        | 8,695.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,800.0               | 0.00            | 0.00        | 8,795.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 8,900.0               | 0.00            | 0.00        | 8,895.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,000.0               | 0.00            | 0.00        | 8,995.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,100.0               | 0.00            | 0.00        | 9,095.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,200.0               | 0.00            | 0.00        | 9,195.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,300.0               | 0.00            | 0.00        | 9,295.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,400.0               | 0.00            | 0.00        | 9,395.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,500.0               | 0.00            | 0.00        | 9,495.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,600.0               | 0.00            | 0.00        | 9,595.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,700.0               | 0.00            | 0.00        | 9,695.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,800.0               | 0.00            | 0.00        | 9,795.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 9,900.0               | 0.00            | 0.00        | 9,895.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 10,000.0              | 0.00            | 0.00        | 9,995.6               | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 10,100.0              | 0.00            | 0.00        | 10,095.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 10,200.0              | 0.00            | 0.00        | 10,195.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 10,300.0              | 0.00            | 0.00        | 10,295.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 10,400.0              | 0.00            | 0.00        | 10,395.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |
| 10,500.0              | 0.00            | 0.00        | 10,495.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |  |



## Planning Report



|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

| 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) |
| 10,600.0              | 0.00            | 0.00        | 10,595.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 10,700.0              | 0.00            | 0.00        | 10,695.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 10,800.0              | 0.00            | 0.00        | 10,795.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 10,900.0              | 0.00            | 0.00        | 10,895.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,000.0              | 0.00            | 0.00        | 10,995.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,100.0              | 0.00            | 0.00        | 11,095.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,200.0              | 0.00            | 0.00        | 11,195.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,300.0              | 0.00            | 0.00        | 11,295.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,400.0              | 0.00            | 0.00        | 11,395.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,500.0              | 0.00            | 0.00        | 11,495.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,600.0              | 0.00            | 0.00        | 11,595.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,700.0              | 0.00            | 0.00        | 11,695.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,800.0              | 0.00            | 0.00        | 11,795.6              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,903.9              | 0.00            | 0.00        | 11,899.5              | 189.0        | -147.0       | -187.0                  | 0.00                    | 0.00                   | 0.00                  |
| 11,925.0              | 2.53            | 180.00      | 11,920.6              | 188.5        | -147.0       | -186.6                  | 12.00                   | 12.00                  | 0.00                  |
| 11,950.0              | 5.53            | 180.00      | 11,945.5              | 186.8        | -147.0       | -184.8                  | 12.00                   | 12.00                  | 0.00                  |
| 11,975.0              | 8.53            | 180.00      | 11,970.3              | 183.7        | -147.0       | -181.8                  | 12.00                   | 12.00                  | 0.00                  |
| 12,000.0              | 11.53           | 180.00      | 11,994.9              | 179.4        | -147.0       | -177.4                  | 12.00                   | 12.00                  | 0.00                  |
| 12,025.0              | 14.53           | 180.00      | 12,019.3              | 173.7        | -147.0       | -171.8                  | 12.00                   | 12.00                  | 0.00                  |
| 12,050.0              | 17.53           | 180.00      | 12,043.3              | 166.8        | -147.0       | -164.9                  | 12.00                   | 12.00                  | 0.00                  |
| 12,075.0              | 20.53           | 180.00      | 12,066.9              | 158.7        | -147.0       | -156.7                  | 12.00                   | 12.00                  | 0.00                  |
| 12,100.0              | 23.53           | 180.00      | 12,090.1              | 149.3        | -147.0       | -147.3                  | 12.00                   | 12.00                  | 0.00                  |
| 12,124.4              | 26.46           | 180.00      | 12,112.2              | 139.0        | -147.0       | -137.0                  | 12.00                   | 12.00                  | 0.00                  |
| 12,150.0              | 29.53           | 179.96      | 12,134.8              | 127.0        | -147.0       | -125.0                  | 12.00                   | 12.00                  | -0.17                 |
| 12,175.0              | 32.53           | 179.92      | 12,156.3              | 114.1        | -147.0       | -112.1                  | 12.00                   | 12.00                  | -0.14                 |
| 12,200.0              | 35.53           | 179.89      | 12,177.0              | 100.1        | -147.0       | -98.1                   | 12.00                   | 12.00                  | -0.12                 |
| 12,225.0              | 38.53           | 179.87      | 12,196.9              | 85.0         | -146.9       | -83.1                   | 12.00                   | 12.00                  | -0.10                 |
| 12,250.0              | 41.53           | 179.84      | 12,216.1              | 69.0         | -146.9       | -67.0                   | 12.00                   | 12.00                  | -0.09                 |
| 12,275.0              | 44.53           | 179.82      | 12,234.3              | 51.9         | -146.8       | -50.0                   | 12.00                   | 12.00                  | -0.08                 |
| 12,300.0              | 47.53           | 179.81      | 12,251.7              | 33.9         | -146.8       | -32.0                   | 12.00                   | 12.00                  | -0.07                 |
| 12,325.0              | 50.53           | 179.79      | 12,268.1              | 15.0         | -146.7       | -13.1                   | 12.00                   | 12.00                  | -0.07                 |
| 12,350.0              | 53.53           | 179.77      | 12,283.5              | -4.7         | -146.6       | 6.6                     | 12.00                   | 12.00                  | -0.06                 |
| 12,375.0              | 56.53           | 179.76      | 12,297.8              | -25.2        | -146.6       | 27.1                    | 12.00                   | 12.00                  | -0.06                 |
| 12,400.0              | 59.53           | 179.75      | 12,311.0              | -46.4        | -146.5       | 48.3                    | 12.00                   | 12.00                  | -0.05                 |
| 12,425.0              | 62.53           | 179.74      | 12,323.1              | -68.2        | -146.4       | 70.2                    | 12.00                   | 12.00                  | -0.05                 |
| 12,450.0              | 65.53           | 179.72      | 12,334.1              | -90.7        | -146.3       | 92.6                    | 12.00                   | 12.00                  | -0.05                 |
| 12,475.0              | 68.53           | 179.71      | 12,343.8              | -113.7       | -146.1       | 115.6                   | 12.00                   | 12.00                  | -0.04                 |
| 12,500.0              | 71.53           | 179.70      | 12,352.4              | -137.2       | -146.0       | 139.1                   | 12.00                   | 12.00                  | -0.04                 |
| 12,525.0              | 74.53           | 179.69      | 12,359.7              | -161.1       | -145.9       | 163.0                   | 12.00                   | 12.00                  | -0.04                 |
| 12,550.0              | 77.53           | 179.68      | 12,365.7              | -185.4       | -145.8       | 187.3                   | 12.00                   | 12.00                  | -0.04                 |
| 12,575.0              | 80.53           | 179.67      | 12,370.4              | -209.9       | -145.6       | 211.8                   | 12.00                   | 12.00                  | -0.04                 |
| 12,600.0              | 83.53           | 179.66      | 12,373.9              | -234.7       | -145.5       | 236.6                   | 12.00                   | 12.00                  | -0.04                 |
| 12,625.0              | 86.53           | 179.65      | 12,376.1              | -259.6       | -145.3       | 261.5                   | 12.00                   | 12.00                  | -0.04                 |
| 12,650.0              | 89.53           | 179.64      | 12,376.9              | -284.6       | -145.2       | 286.5                   | 12.00                   | 12.00                  | -0.04                 |
| 12,653.9              | 90.00           | 179.64      | 12,376.9              | -288.4       | -145.2       | 290.3                   | 12.00                   | 12.00                  | -0.04                 |
| 12,700.0              | 90.00           | 179.64      | 12,376.9              | -334.6       | -144.9       | 336.4                   | 0.00                    | 0.00                   | 0.00                  |
| 12,800.0              | 90.00           | 179.64      | 12,376.9              | -434.6       | -144.2       | 436.4                   | 0.00                    | 0.00                   | 0.00                  |
| 12,900.0              | 90.00           | 179.64      | 12,377.0              | -534.6       | -143.6       | 536.4                   | 0.00                    | 0.00                   | 0.00                  |
| 13,000.0              | 90.00           | 179.64      | 12,377.0              | -634.6       | -143.0       | 636.4                   | 0.00                    | 0.00                   | 0.00                  |
| 13,100.0              | 90.00           | 179.64      | 12,377.0              | -734.6       | -142.4       | 736.4                   | 0.00                    | 0.00                   | 0.00                  |
| 13,200.0              | 90.00           | 179.64      | 12,377.0              | -834.6       | -141.8       | 836.3                   | 0.00                    | 0.00                   | 0.00                  |
| 13,300.0              | 90.00           | 179.64      | 12,377.0              | -934.6       | -141.1       | 936.3                   | 0.00                    | 0.00                   | 0.00                  |
| 13,400.0              | 90.00           | 179.64      | 12,377.0              | -1,034.5     | -140.5       | 1,036.3                 | 0.00                    | 0.00                   | 0.00                  |
| 13,500.0              | 90.00           | 179.64      | 12,377.0              | -1,134.5     | -139.9       | 1,136.3                 | 0.00                    | 0.00                   | 0.00                  |



## Planning Report



|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

| 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) |
| 13,600.0              | 90.00           | 179.64      | 12,377.0              | -1,234.5     | -139.3       | 1,236.3                 | 0.00                    | 0.00                   | 0.00                  |
| 13,700.0              | 90.00           | 179.64      | 12,377.0              | -1,334.5     | -138.6       | 1,336.3                 | 0.00                    | 0.00                   | 0.00                  |
| 13,800.0              | 90.00           | 179.64      | 12,377.0              | -1,434.5     | -138.0       | 1,436.2                 | 0.00                    | 0.00                   | 0.00                  |
| 13,900.0              | 90.00           | 179.64      | 12,377.0              | -1,534.5     | -137.4       | 1,536.2                 | 0.00                    | 0.00                   | 0.00                  |
| 14,000.0              | 90.00           | 179.64      | 12,377.0              | -1,634.5     | -136.8       | 1,636.2                 | 0.00                    | 0.00                   | 0.00                  |
| 14,100.0              | 90.00           | 179.64      | 12,377.0              | -1,734.5     | -136.1       | 1,736.2                 | 0.00                    | 0.00                   | 0.00                  |
| 14,200.0              | 90.00           | 179.64      | 12,377.0              | -1,834.5     | -135.5       | 1,836.2                 | 0.00                    | 0.00                   | 0.00                  |
| 14,300.0              | 90.00           | 179.64      | 12,377.0              | -1,934.5     | -134.9       | 1,936.1                 | 0.00                    | 0.00                   | 0.00                  |
| 14,400.0              | 90.00           | 179.64      | 12,377.0              | -2,034.5     | -134.3       | 2,036.1                 | 0.00                    | 0.00                   | 0.00                  |
| 14,500.0              | 90.00           | 179.64      | 12,377.0              | -2,134.5     | -133.7       | 2,136.1                 | 0.00                    | 0.00                   | 0.00                  |
| 14,600.0              | 90.00           | 179.64      | 12,377.0              | -2,234.5     | -133.0       | 2,236.1                 | 0.00                    | 0.00                   | 0.00                  |
| 14,700.0              | 90.00           | 179.64      | 12,377.0              | -2,334.5     | -132.4       | 2,336.1                 | 0.00                    | 0.00                   | 0.00                  |
| 14,765.5              | 90.00           | 179.64      | 12,377.0              | -2,400.0     | -132.0       | 2,401.5                 | 0.00                    | 0.00                   | 0.00                  |
| 14,800.0              | 90.00           | 179.64      | 12,377.0              | -2,434.5     | -131.8       | 2,436.0                 | 0.00                    | 0.00                   | 0.00                  |
| 14,824.1              | 90.00           | 179.64      | 12,377.0              | -2,458.6     | -131.6       | 2,460.2                 | 0.00                    | 0.00                   | 0.00                  |
| 14,900.0              | 90.00           | 179.64      | 12,377.0              | -2,534.5     | -131.2       | 2,536.0                 | 0.00                    | 0.00                   | 0.00                  |
| 15,000.0              | 90.00           | 179.64      | 12,377.0              | -2,634.5     | -130.5       | 2,636.0                 | 0.00                    | 0.00                   | 0.00                  |
| 15,100.0              | 90.00           | 179.64      | 12,377.0              | -2,734.5     | -129.9       | 2,736.0                 | 0.00                    | 0.00                   | 0.00                  |
| 15,200.0              | 90.00           | 179.64      | 12,377.0              | -2,834.5     | -129.3       | 2,836.0                 | 0.00                    | 0.00                   | 0.00                  |
| 15,300.0              | 90.00           | 179.64      | 12,377.0              | -2,934.5     | -128.7       | 2,936.0                 | 0.00                    | 0.00                   | 0.00                  |
| 15,400.0              | 90.00           | 179.64      | 12,377.0              | -3,034.5     | -128.0       | 3,035.9                 | 0.00                    | 0.00                   | 0.00                  |
| 15,500.0              | 90.00           | 179.64      | 12,377.0              | -3,134.5     | -127.4       | 3,135.9                 | 0.00                    | 0.00                   | 0.00                  |
| 15,600.0              | 90.00           | 179.64      | 12,377.0              | -3,234.5     | -126.8       | 3,235.9                 | 0.00                    | 0.00                   | 0.00                  |
| 15,700.0              | 90.00           | 179.64      | 12,377.0              | -3,334.5     | -126.2       | 3,335.9                 | 0.00                    | 0.00                   | 0.00                  |
| 15,800.0              | 90.00           | 179.64      | 12,377.0              | -3,434.5     | -125.6       | 3,435.9                 | 0.00                    | 0.00                   | 0.00                  |
| 15,900.0              | 90.00           | 179.64      | 12,377.0              | -3,534.5     | -124.9       | 3,535.8                 | 0.00                    | 0.00                   | 0.00                  |
| 16,000.0              | 90.00           | 179.64      | 12,377.0              | -3,634.5     | -124.3       | 3,635.8                 | 0.00                    | 0.00                   | 0.00                  |
| 16,100.0              | 90.00           | 179.64      | 12,377.0              | -3,734.5     | -123.7       | 3,735.8                 | 0.00                    | 0.00                   | 0.00                  |
| 16,200.0              | 90.00           | 179.64      | 12,377.0              | -3,834.5     | -123.1       | 3,835.8                 | 0.00                    | 0.00                   | 0.00                  |
| 16,300.0              | 90.00           | 179.64      | 12,377.0              | -3,934.5     | -122.4       | 3,935.8                 | 0.00                    | 0.00                   | 0.00                  |
| 16,400.0              | 90.00           | 179.64      | 12,377.0              | -4,034.5     | -121.8       | 4,035.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,500.0              | 90.00           | 179.64      | 12,377.0              | -4,134.5     | -121.2       | 4,135.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,600.0              | 90.00           | 179.64      | 12,377.0              | -4,234.5     | -120.6       | 4,235.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,700.0              | 90.00           | 179.64      | 12,377.0              | -4,334.5     | -119.9       | 4,335.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,800.0              | 90.00           | 179.64      | 12,377.1              | -4,434.5     | -119.3       | 4,435.7                 | 0.00                    | 0.00                   | 0.00                  |
| 16,900.0              | 90.00           | 179.64      | 12,377.1              | -4,534.5     | -118.7       | 4,535.7                 | 0.00                    | 0.00                   | 0.00                  |
| 17,000.0              | 90.00           | 179.64      | 12,377.1              | -4,634.5     | -118.1       | 4,635.6                 | 0.00                    | 0.00                   | 0.00                  |
| 17,100.0              | 90.00           | 179.64      | 12,377.1              | -4,734.5     | -117.5       | 4,735.6                 | 0.00                    | 0.00                   | 0.00                  |
| 17,200.0              | 90.00           | 179.64      | 12,377.1              | -4,834.5     | -116.8       | 4,835.6                 | 0.00                    | 0.00                   | 0.00                  |
| 17,300.0              | 90.00           | 179.64      | 12,377.1              | -4,934.5     | -116.2       | 4,935.6                 | 0.00                    | 0.00                   | 0.00                  |
| 17,400.0              | 90.00           | 179.64      | 12,377.1              | -5,034.5     | -115.6       | 5,035.6                 | 0.00                    | 0.00                   | 0.00                  |
| 17,500.0              | 90.00           | 179.64      | 12,377.1              | -5,134.5     | -115.0       | 5,135.5                 | 0.00                    | 0.00                   | 0.00                  |
| 17,600.0              | 90.00           | 179.64      | 12,377.1              | -5,234.5     | -114.3       | 5,235.5                 | 0.00                    | 0.00                   | 0.00                  |
| 17,700.0              | 90.00           | 179.64      | 12,377.1              | -5,334.5     | -113.7       | 5,335.5                 | 0.00                    | 0.00                   | 0.00                  |
| 17,800.0              | 90.00           | 179.64      | 12,377.1              | -5,434.5     | -113.1       | 5,435.5                 | 0.00                    | 0.00                   | 0.00                  |
| 17,900.0              | 90.00           | 179.64      | 12,377.1              | -5,534.5     | -112.5       | 5,535.5                 | 0.00                    | 0.00                   | 0.00                  |
| 18,000.0              | 90.00           | 179.64      | 12,377.1              | -5,634.5     | -111.8       | 5,635.4                 | 0.00                    | 0.00                   | 0.00                  |
| 18,100.0              | 90.00           | 179.64      | 12,377.1              | -5,734.5     | -111.2       | 5,735.4                 | 0.00                    | 0.00                   | 0.00                  |
| 18,200.0              | 90.00           | 179.64      | 12,377.1              | -5,834.5     | -110.6       | 5,835.4                 | 0.00                    | 0.00                   | 0.00                  |
| 18,300.0              | 90.00           | 179.64      | 12,377.1              | -5,934.5     | -110.0       | 5,935.4                 | 0.00                    | 0.00                   | 0.00                  |
| 18,400.0              | 90.00           | 179.64      | 12,377.1              | -6,034.5     | -109.4       | 6,035.4                 | 0.00                    | 0.00                   | 0.00                  |
| 18,500.0              | 90.00           | 179.64      | 12,377.1              | -6,134.4     | -108.7       | 6,135.4                 | 0.00                    | 0.00                   | 0.00                  |
| 18,600.0              | 90.00           | 179.64      | 12,377.1              | -6,234.4     | -108.1       | 6,235.3                 | 0.00                    | 0.00                   | 0.00                  |
| 18,700.0              | 90.00           | 179.64      | 12,377.1              | -6,334.4     | -107.5       | 6,335.3                 | 0.00                    | 0.00                   | 0.00                  |



## Planning Report

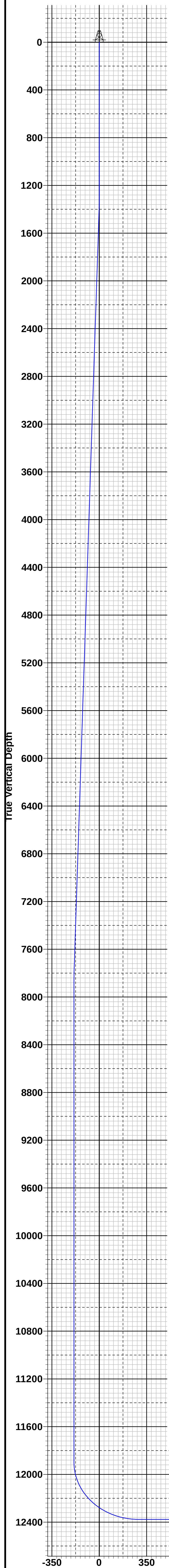


|                  |                             |                                     |                       |
|------------------|-----------------------------|-------------------------------------|-----------------------|
| <b>Database:</b> | PEDM                        | <b>Local Co-ordinate Reference:</b> | Well #714H            |
| <b>Company:</b>  | Midland                     | <b>TVD Reference:</b>               | kb = 26' @ 3437.0usft |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME) | <b>MD Reference:</b>                | kb = 26' @ 3437.0usft |
| <b>Site:</b>     | Shiprock 5 Fed Com          | <b>North Reference:</b>             | Grid                  |
| <b>Well:</b>     | #714H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature     |
| <b>Wellbore:</b> | OH                          |                                     |                       |
| <b>Design:</b>   | Plan #0.1 RT                |                                     |                       |

| 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) |  |
| 18,800.0              | 90.00           | 179.64      | 12,377.1              | -6,434.4     | -106.9       | 6,435.3                 | 0.00                    | 0.00                   | 0.00                  |  |
| 18,900.0              | 90.00           | 179.64      | 12,377.1              | -6,534.4     | -106.2       | 6,535.3                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,000.0              | 90.00           | 179.64      | 12,377.1              | -6,634.4     | -105.6       | 6,635.3                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,100.0              | 90.00           | 179.64      | 12,377.1              | -6,734.4     | -105.0       | 6,735.2                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,200.0              | 90.00           | 179.64      | 12,377.1              | -6,834.4     | -104.4       | 6,835.2                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,300.0              | 90.00           | 179.64      | 12,377.1              | -6,934.4     | -103.7       | 6,935.2                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,400.0              | 90.00           | 179.64      | 12,377.1              | -7,034.4     | -103.1       | 7,035.2                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,500.0              | 90.00           | 179.64      | 12,377.1              | -7,134.4     | -102.5       | 7,135.2                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,600.0              | 90.00           | 179.64      | 12,377.1              | -7,234.4     | -101.9       | 7,235.1                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,700.0              | 90.00           | 179.64      | 12,377.1              | -7,334.4     | -101.3       | 7,335.1                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,800.0              | 90.00           | 179.64      | 12,377.1              | -7,434.4     | -100.6       | 7,435.1                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,900.0              | 90.00           | 179.64      | 12,377.1              | -7,534.4     | -100.0       | 7,535.1                 | 0.00                    | 0.00                   | 0.00                  |  |
| 19,945.6              | 90.00           | 179.64      | 12,377.0              | -7,580.0     | -100.0       | 7,580.7                 | 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     |
| - hit/miss target                                               |               |              |            |              |              |                 |                |              |               |
| - Shape                                                         |               |              |            |              |              |                 |                |              |               |
| KOP(Shiprock 5 Fed Co<br>- plan hits target center<br>- Point   | 0.00          | 0.00         | 11,899.5   | 189.0        | -147.0       | 425,392.00      | 803,347.00     | 32.1666471°N | 103.4865872°W |
| FTP(Shiprock 5 Fed Cor<br>- plan hits target center<br>- Point  | 0.00          | 0.00         | 12,112.2   | 139.0        | -147.0       | 425,342.00      | 803,347.00     | 32.1665097°N | 103.4865885°W |
| PBHL(Shiprock 5 Fed C<br>- plan hits target center<br>- Point   | 0.00          | 0.00         | 12,377.0   | -7,580.0     | -100.0       | 417,623.00      | 803,394.00     | 32.1452920°N | 103.4866328°W |
| Fed Perf 1(Shiprock 5 F<br>- plan hits target center<br>- Point | 0.00          | 0.00         | 12,377.0   | -2,400.0     | -132.0       | 422,803.00      | 803,362.00     | 32.1595306°N | 103.4866045°W |





To convert a Magnetic Direction to a Grid Direction, Add 5.88°  
To convert a Magnetic Direction to a True Direction, Add 6.33° East  
To convert a True Direction to a Grid Direction, Subtract 0.45°

| WELL DETAILS: #714H   |           |              |               |
|-----------------------|-----------|--------------|---------------|
| 3411.0                |           |              |               |
| kb = 26' @ 3437.0usft |           |              |               |
| Northing              | Easting   | Latitude     | Longitude     |
| 425203.00             | 803494.00 | 32.1661244°N | 103.4861170°W |

| SECTION DETAILS |         |       |        |         |         |        |       |        |        |                                      |
|-----------------|---------|-------|--------|---------|---------|--------|-------|--------|--------|--------------------------------------|
| Sec             | MD      | Inc   | Azi    | TVD     | +N/-S   | +E/-W  | Dleg  | TFace  | VSect  | Target                               |
| 1               | 0.0     | 0.00  | 0.00   | 0.0     | 0.0     | 0.0    | 0.00  | 0.00   | 0.0    |                                      |
| 2               | 1300.0  | 0.00  | 0.00   | 1300.0  | 0.0     | 0.0    | 0.00  | 0.00   | 0.0    |                                      |
| 3               | 1406.2  | 2.12  | 322.13 | 1406.2  | 1.6     | -1.2   | 2.00  | 322.13 | -1.5   |                                      |
| 4               | 7760.2  | 2.12  | 322.13 | 7755.8  | 187.4   | -145.8 | 0.00  | 0.00   | -185.5 |                                      |
| 5               | 7866.4  | 0.00  | 0.00   | 7862.0  | 189.0   | -147.0 | 2.00  | 180.00 | -187.0 |                                      |
| 6               | 11903.9 | 0.00  | 0.00   | 11899.5 | 189.0   | -147.0 | 0.00  | 0.00   | -187.0 | KOP(Shiprock 5 Fed Com #714H)        |
| 7               | 12124.4 | 26.46 | 180.00 | 12112.2 | 139.0   | -147.0 | 12.00 | 180.00 | -137.0 | FTP(Shiprock 5 Fed Com #714H)        |
| 8               | 12653.9 | 90.00 | 179.64 | 12376.9 | -288.4  | -145.2 | 12.00 | -0.40  | 290.3  |                                      |
| 9               | 14765.5 | 90.00 | 179.64 | 12377.0 | -2400.0 | -132.0 | 0.00  | 0.00   | 2401.5 | Fed Perf 1(Shiprock 5 Fed Com #714H) |
| 10              | 14765.6 | 90.00 | 179.64 | 12377.0 | -2400.2 | -132.0 | 0.00  | 0.00   | 2401.7 |                                      |
| 11              | 19945.6 | 90.00 | 179.64 | 12377.0 | -7580.0 | -100.0 | 0.00  | 0.00   | 7580.7 | PBHL(Shiprock 5 Fed Com #714H)       |

| CASING DETAILS              |
|-----------------------------|
| No casing data is available |

| WELLBORE TARGET DETAILS (MAP CO-ORDINATES) |         |         |        |           |           |
|--------------------------------------------|---------|---------|--------|-----------|-----------|
| Name                                       | TVD     | +N/-S   | +E/-W  | Northing  | Easting   |
| KOP(Shiprock 5 Fed Com #714H)              | 11899.5 | 189.0   | -147.0 | 425392.00 | 803347.00 |
| FTP(Shiprock 5 Fed Com #714H)              | 12112.2 | 139.0   | -147.0 | 425342.00 | 803347.00 |
| Fed Perf 1(Shiprock 5 Fed Com #714H)       | 12377.0 | -2400.0 | -132.0 | 422803.00 | 803362.00 |
| PBHL(Shiprock 5 Fed Com #714H)             | 12377.0 | -7580.0 | -100.0 | 417623.00 | 803394.00 |

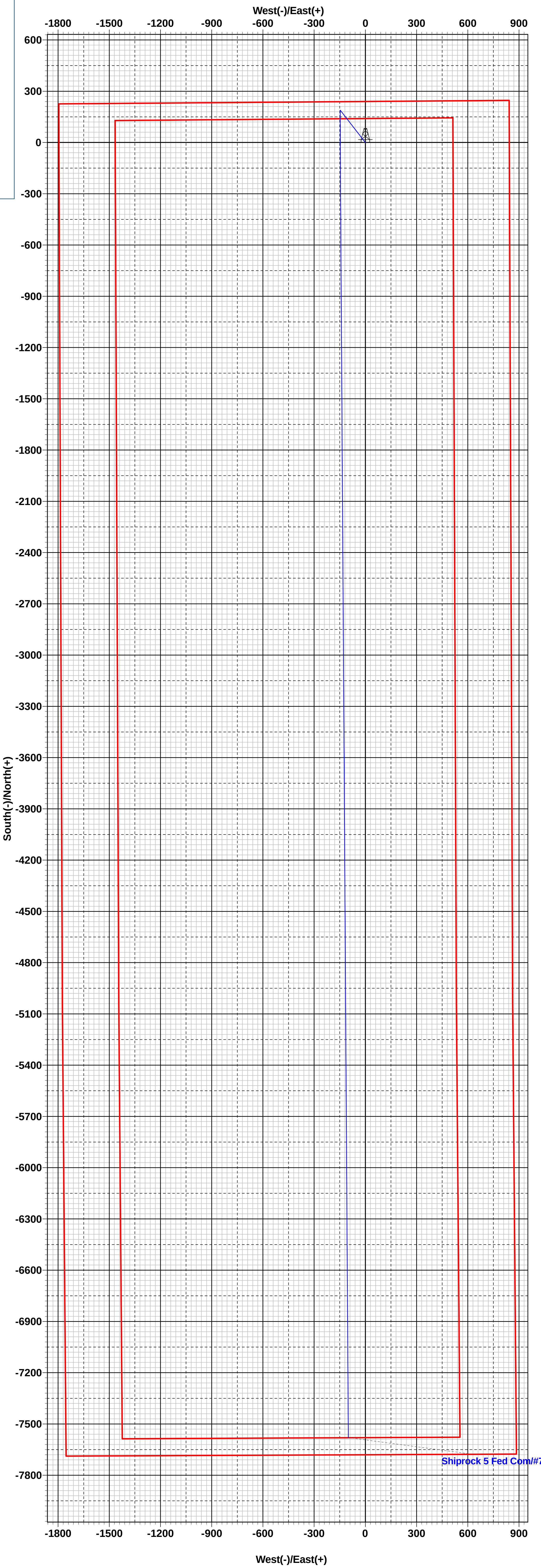
Lea County, NM (NAD 83 NME)

Shiprock 5 Fed Com #714H

Plan #0.1 RT

PROJECT DETAILS: Lea County, NM (NAD 83 NME)

Geodetic System: US State Plane 1983  
Datum: North American Datum 1983  
Ellipsoid: GRS 1980  
Zone: New Mexico Eastern Zone  
System Datum: Mean Sea Level



Shiprock 5 Fed Com/#714H/Plan #0.1 RT

Vertical Section at 180.76°





## Offline Intermediate Cementing Procedure

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**Cement Program**

1. No changes to the cement program will take place for offline cementing.

**Summarized Operational Procedure for Intermediate Casing**

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment back pressure valves.
  - a. Float equipment is equipped with two back pressure valves rated to a minimum of 5,000 psi.
2. Land production casing on mandrel hanger through BOP.
  - a. If casing is unable to be landed with a mandrel hanger, then the **casing will be cemented online**.
3. Break circulation and confirm no restrictions.
  - a. Ensure no blockage of float equipment and appropriate annular returns.
  - b. Perform flow check to confirm well is static.
4. Set pack-off
  - a. If utilizing a fluted/ported mandrel hanger, ensure well is static on the annulus and inside the casing by filling the pipe with kill weight fluid, remove landing joint, and set annular packoff through BOP. Pressure test to 5,000 psi for 10 min.
  - b. If utilizing a solid mandrel hanger, ensure well is static on the annulus and inside the casing by filling the pipe with kill weight fluid. Pressure test seals to 5,000 psi for 10 min. Remove landing joint through BOP.
5. After confirmation of both annular barriers and the two casing barriers, install TA plug and pressure test to 5,000 psi for 10 min. Notify the BLM with intent to proceed with nipple down and offline cementing.
  - a. Minimum 4 hrs notice.
6. With the well secured and BLM notified, nipple down BOP and secure on hydraulic carrier or cradle.
  - a. **Note, if any of the barriers fail to test, the BOP stack will not be nipped down until after the cement job has concluded and both lead and tail slurry have reached 500 psi.**
7. Skid/Walk rig off current well.
8. Confirm well is static before removing TA Plug.
  - a. Cementing operations will not proceed until well is under control. (If well is not static, notify BLM and proceed to kill)
  - b. Casing outlet valves will provide access to both the casing ID and annulus. Rig or third party pump truck will kill well prior to cementing.
  - c. Well control plan can be seen in Section B, Well Control Procedures.
  - d. If need be, rig can be moved back over well and BOP nipped back up for any further remediation.





## Offline Intermediate Cementing Procedure

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- e. Diagram for rig positioning relative to offline cementing can be seen in Figure 4.
9. Rig up return lines to take returns from wellhead to pits and rig choke.
  - a. Test all connections and lines from wellhead to choke manifold to 5,000 psi high for 10 min.
  - b. If either test fails, perform corrections and retest before proceeding.
  - c. Return line schematics can be seen in Figure 3.
10. Remove TA Plug from the casing.
11. Install offline cement tool.
  - a. Current offline cement tool schematics can be seen in Figure 1 (Cameron) and Figure 2 (Cactus).
12. Rig up cement head and cementing lines.
  - a. Pressure test cement lines against cement head to 80% of casing burst for 10 min.
13. Break circulation on well to confirm no restrictions.
  - a. If gas is present on circulation, well will be shut in and returns rerouted through gas buster.
  - b. Max anticipated time before circulating with cement truck is 6 hrs.
14. Pump cement job as per plan.
  - a. At plug bump, test casing to 0.22 psi/ft or 1500 psi, whichever is greater.
  - b. If plug does not bump on calculated, shut down and wait 8 hrs or 500 psi compressive strength, whichever is greater before testing casing.
15. Confirm well is static and floats are holding after cement job.
  - a. With floats holding and backside static:
    - i. Remove cement head.
  - b. If floats are leaking:
    - i. Shut-in well and WOC (Wait on Cement) until tail slurry reaches 500 psi compressive strength and the casing is static prior to removing cement head.
  - c. If there is flow on the backside:
    - i. Shut in well and WOC until tail slurry reaches 500 psi compressive strength. Ensure that the casing is static prior to removing cement head.
16. Remove offline cement tool.
17. Install night cap with pressure gauge for monitoring.
18. Test night cap to 5,000 psi for 10 min.



Offline Intermediate Cementing Procedure

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## Example Well Control Plan Content

### A. Well Control Component Table

The table below, which covers the cementing of the **5M MASP (Maximum Allowable Surface Pressure) portion of the well**, outlines the well control component rating in use. This table, combined with the mud program, documents that two barriers to flow can be maintained at all times, independent of the BOP nipped up to the wellhead.

Intermediate hole section, 5M requirement

| Component                | RWP |
|--------------------------|-----|
| Pack-off                 | 10M |
| Casing Wellhead Valves   | 10M |
| Annular Wellhead Valves  | 5M  |
| TA Plug                  | 10M |
| Float Valves             | 5M  |
| 2" 1502 Lo-Torque Valves | 15M |

### B. Well Control Procedures

Well control procedures are specific to the rig equipment and the operation at the time the kick occurs. Below are the minimal high-level tasks prescribed to assure a proper shut-in while circulating and cementing through the Offline Cement Adapter.

#### General Procedure While Circulating

1. Sound alarm (alert crew).
2. Shut down pumps.
3. Shut-in Well (close valves to rig pits and open valve to rig choke line. Rig choke will already be in the closed position).
4. Confirm shut-in.
5. Notify tool pusher/company representative.



## Offline Intermediate Cementing Procedure

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6. Read and record the following:
  - a. SICP (Shut in Casing Pressure) and AP (Annular Pressure)
  - b. Pit gain
  - c. Time
  - d. Regroup and identify forward plan to continue circulating out kick via rig choke and mud/gas separator. Circulate and adjust mud density as needed to control well.

### General Procedure While Cementing

1. Sound alarm (alert crew).
2. Shut down pumps.
3. Shut-in Well (close valves to rig pits and open valve to rig choke line. Rig choke will already be in the closed position).
4. Confirm shut-in.
5. Notify tool pusher/company representative.
6. Open rig choke and begin pumping again taking returns through choke manifold and mud/gas separator.
7. Continue to place cement until plug bumps.
8. At plug bump close rig choke and cement head.
9. Read and record the following
  - a. SICP and AP
  - b. Pit gain
  - c. Time
  - d. Shut-in annulus valves on wellhead

### General Procedure After Cementing

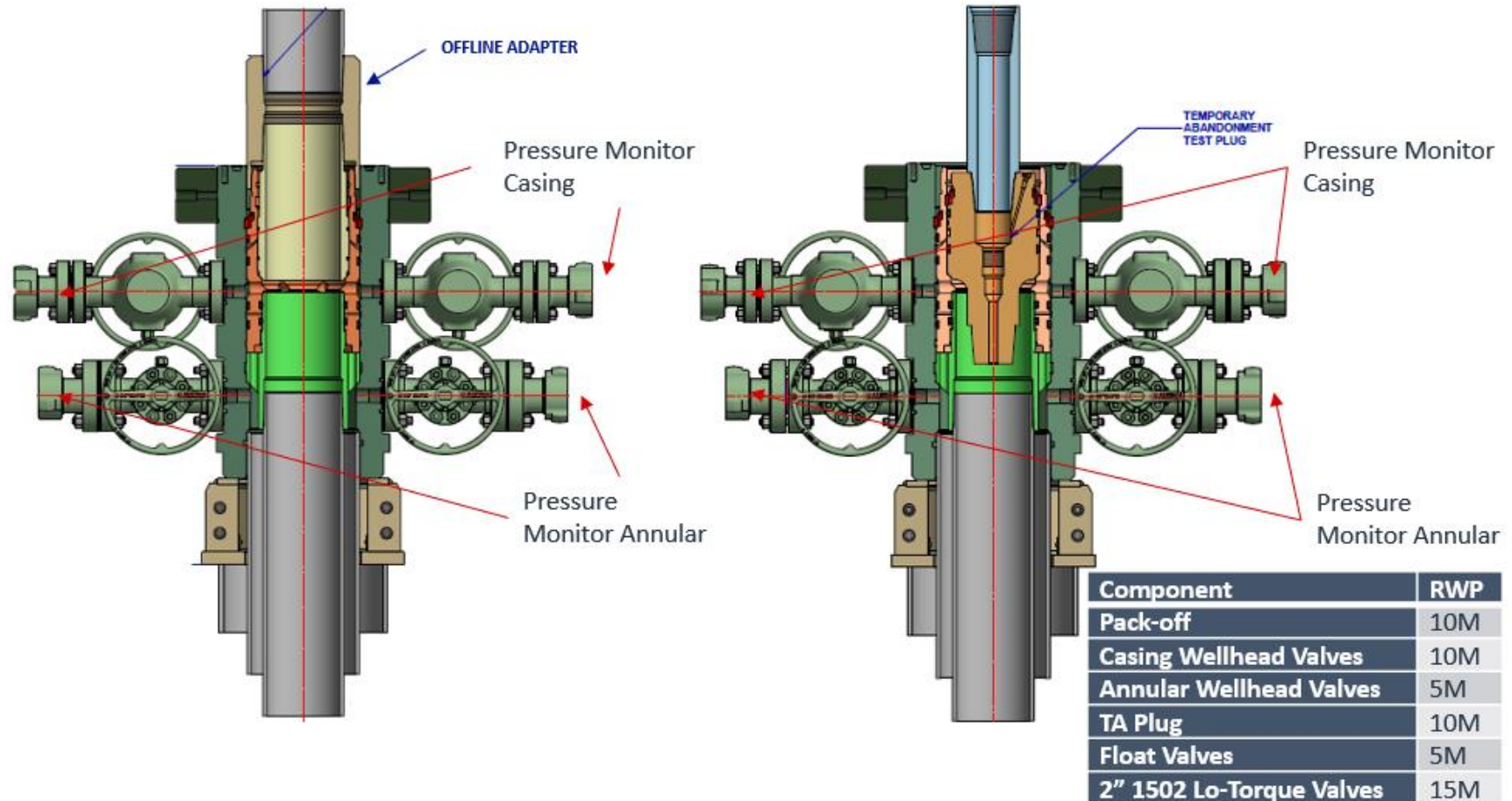
1. Sound alarm (alert crew).
2. Shut-in Well (close valves to rig pits and open valve to rig choke line. Rig choke will already be in the closed position).
3. Confirm shut-in.
4. Notify tool pusher/company representative.
5. Read and record the following:
  - a. SICP and AP
  - b. Pit gain
  - c. Time
  - d. Shut-in annulus valves on wellhead



## Offline Intermediate Cementing Procedure

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Figure 1: Cameron TA Plug and Offline Adapter Schematic

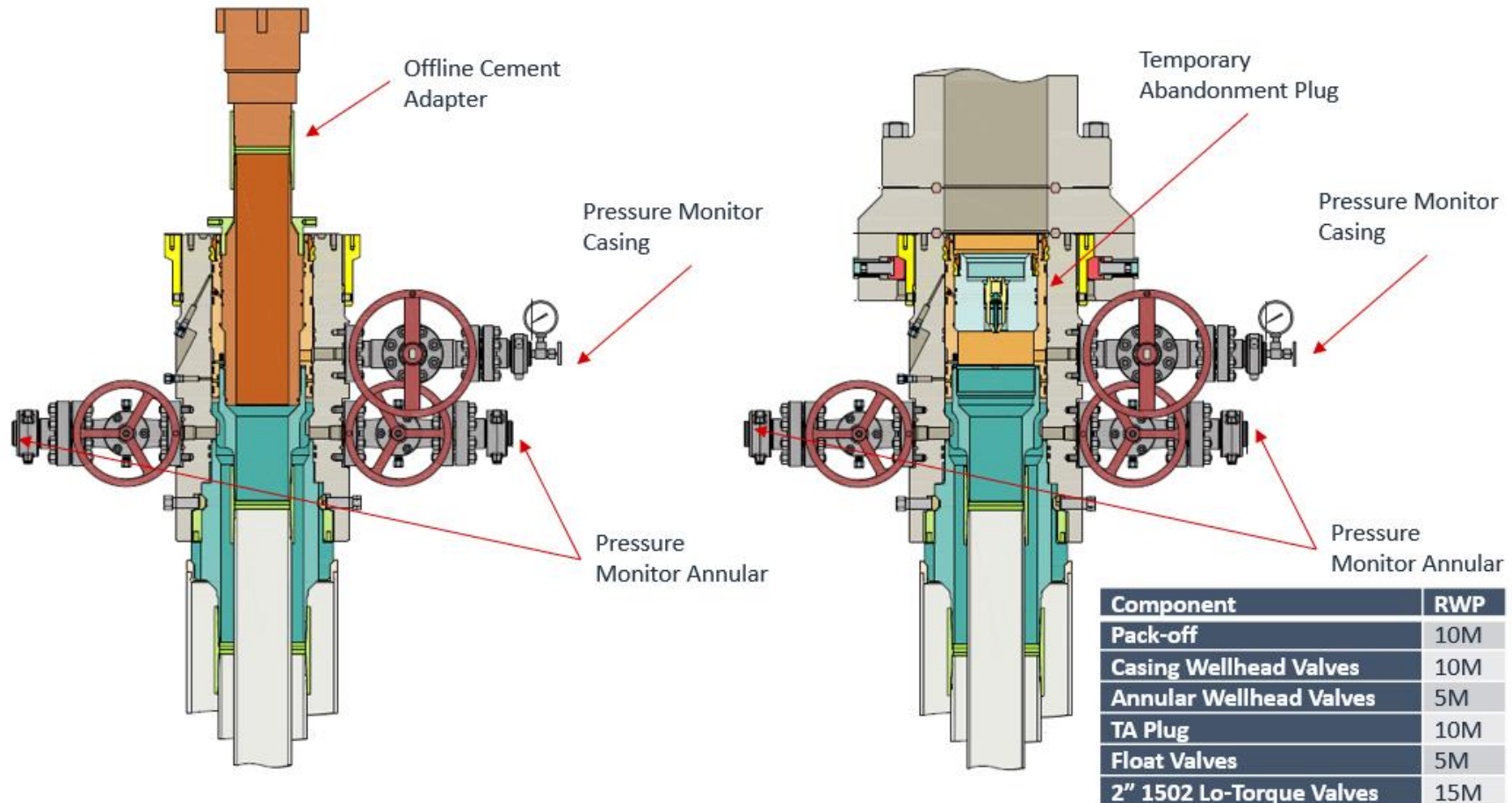




## Offline Intermediate Cementing Procedure

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Figure 2: Cactus TA Plug and Offline Adapter Schematic

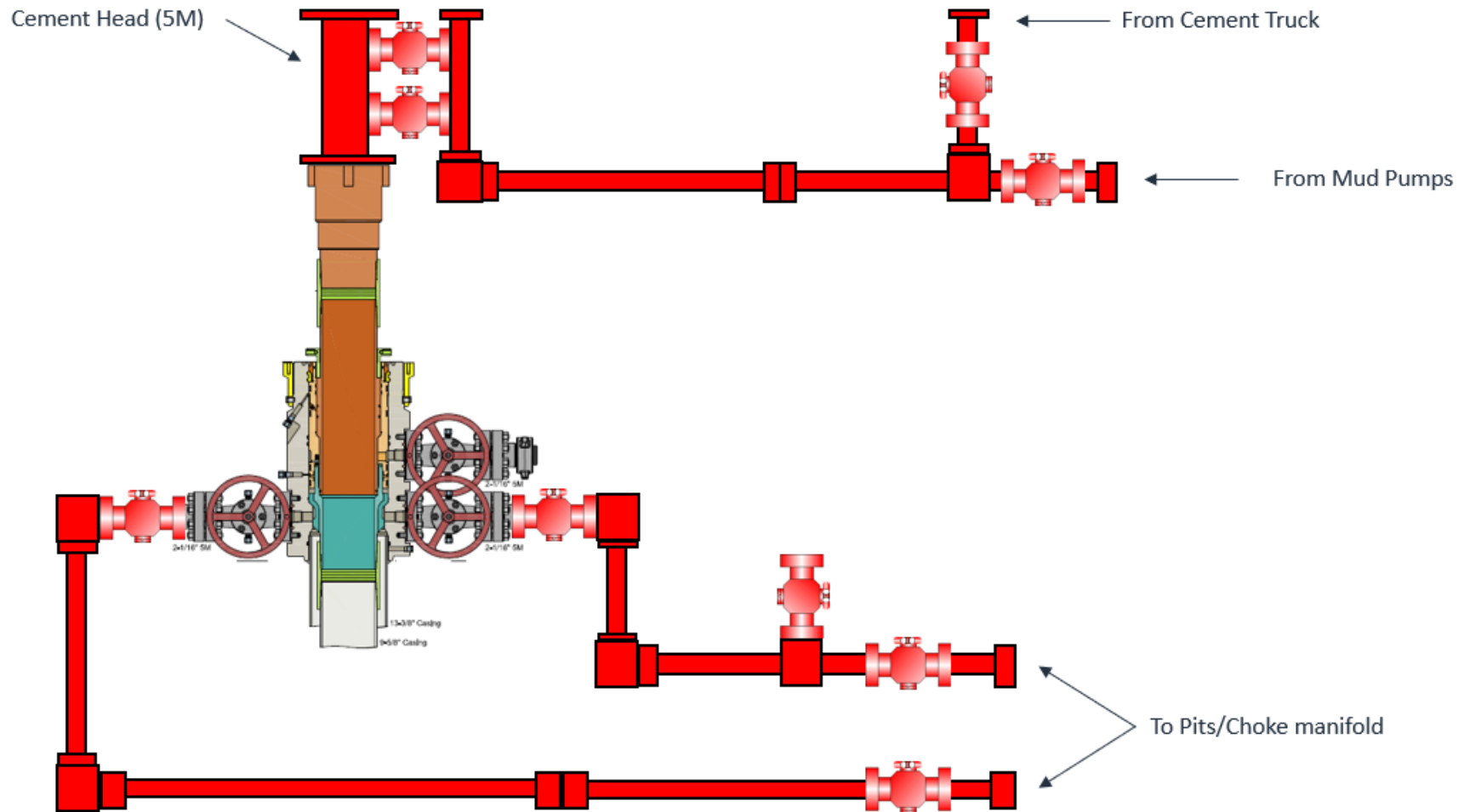




## Offline Intermediate Cementing Procedure

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Figure 3: Back Yard Rig Up



\*\*\* All Lines 10M rated working pressure

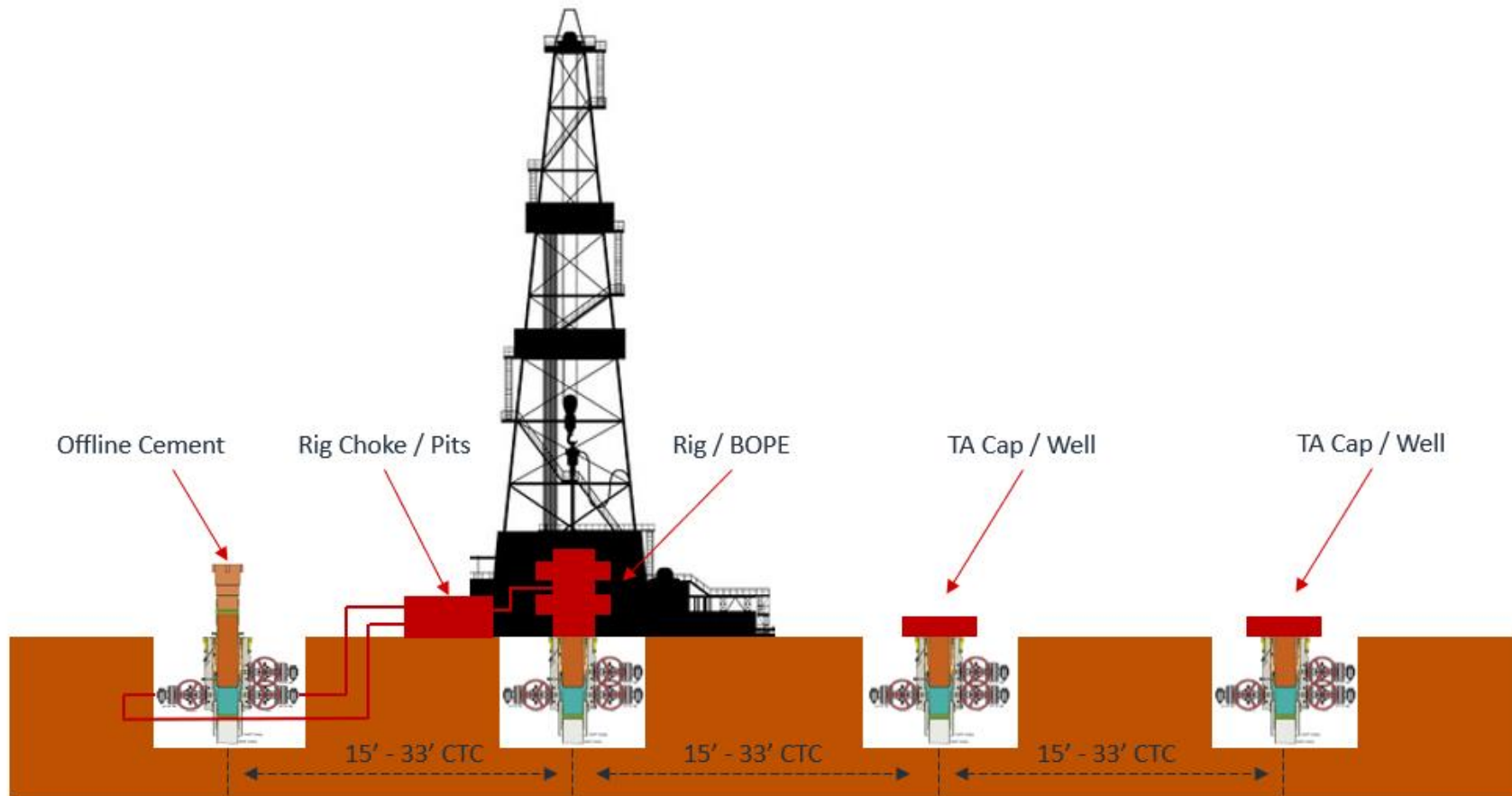




Offline Intermediate Cementing Procedure

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Figure 4: Rig Placement Diagram



**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 165078

CONDITIONS

|                                                                      |                                                      |
|----------------------------------------------------------------------|------------------------------------------------------|
| Operator:<br>EOG RESOURCES INC<br>P.O. Box 2267<br>Midland, TX 79702 | OGRID:<br>7377                                       |
|                                                                      | Action Number:<br>165078                             |
|                                                                      | Action Type:<br>[C-103] NOI Change of Plans (C-103A) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| pkautz     | None      | 12/23/2022     |