

Form 3160-3
(June 2015)FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|---------------------------------------|---|
| 1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 5. Lease Serial No. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No. |
| 2. Name of Operator | | 9. API Well No. 30-015-53944 |
| 3a. Address | 3b. Phone No. (include area code) | 10. Field and Pool, or Exploratory |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone | | 11. Sec., T. R. M. or Blk. and Survey or Area |
| 14. Distance in miles and direction from nearest town or post office* | | 12. County or Parish 13. State |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | 16. No of acres in lease | 17. Spacing Unit dedicated to this well 259.65 |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | 19. Proposed Depth | 20. BLM/BIA Bond No. in file |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) | 22. Approximate date work will start* | 23. Estimated duration |
| 24. Attachments | | |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

| | | |
|-------------------------|----------------------|------|
| 25. Signature | Name (Printed/Typed) | Date |
| Title | | |
| Approved by (Signature) | Name (Printed/Typed) | Date |
| Title | | |
| Office | | |

Application approval 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.
 Conditions of approval, if any, are attached.

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.

(Continued on page 2)

*(Instructions on page 2)



Approval Date: 11/23/2021

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

| | | |
|--|--|--|
| ¹ API Number 30-015-53944 | ² Pool Code 98220 | ³ Pool Name PURPLE SAGE; WOLFCAMP |
| ⁴ Property Code 327168 | ⁵ Property Name PHANTOM BANK 31 FED COM | ⁶ Well Number 708H |
| ⁷ OGRID No. 374034 | ⁸ Operator Name FLAT CREEK RESOURCES, LLC | ⁹ Elevation 3119' |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| L4 | 32 | 26 SOUTH | 31 EAST, N.M.P.M. | | 650' | SOUTH | 400' | WEST | EDDY |

¹¹ 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 |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| L2 | 31 | 26 SOUTH | 31 EAST, N.M.P.M. | | 698' | SOUTH | 30' | WEST | EDDY |

| | | | |
|--|--|----------------------------------|-------------------------|
| ¹² Dedicated Acres 264.48 | ¹³ Joint or Infill 259.65 | ¹⁴ Consolidation Code | ¹⁵ 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.

| | |
|---|--|
| <p>¹⁶</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>PROPOSED LAST TAKE POINT</p> <p>X= 657,478 Y= 364,808 LAT. 32.001954 N LONG. 103.825324 W NAD 27</p> <p>X= 698,665 Y= 364,865 LAT. 32.002079 N LONG. 103.825798 W NAD83/86</p> </div> <div style="width: 45%;"> <p>PROPOSED FIRST TAKE POINT</p> <p>X= 662,611 Y= 364,835 LAT. 32.001959 N LONG. 103.808763 W NAD 27</p> <p>X= 703,798 Y= 364,892 LAT. 32.002085 N LONG. 103.809237 W NAD83/86</p> </div> </div> <p style="text-align: center;">CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=366245.06, X=657370.11 B - Y=366283.60, X=660040.51 C - Y=366321.04, X=662703.16 D - Y=366332.89, X=665368.25 E - Y=364109.66, X=657381.51 F - Y=364123.23, X=660052.17 G - Y=364137.17, X=662715.32 H - Y=364152.16, X=665379.32</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 657,408 Y= 364,808 LAT. 32.001954 N LONG. 103.825550 W NAD 27</p> <p>X= 698,595 Y= 364,865 LAT. 32.002079 N LONG. 103.826024 W NAD83/86</p> </div> <div style="width: 45%;"> <p>PHANTOM BANK 31 FED COM NO. 708H WELL</p> <p>X= 663,112 Y= 364,789 LAT. 32.001828 N LONG. 103.807150 W NAD 27</p> <p>X= 704,299 Y= 364,846 LAT. 32.001954 N LONG. 103.807624 W NAD83/86</p> <p>ELEV. +3119' NAVD88</p> </div> </div> | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Rodney Littleton 12/22/20 Signature Date</p> <p>Rodney Littleton Printed Name</p> <p>rodney.littleton@flatcreekresources.com E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>02/26/2019 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: STEVEN M. COLEMAN 22921 12/18/2020 PROFESSIONAL SURVEYOR</p> <p>Steven M. Coleman Certificate Number</p> |
|---|--|

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

Submit Electronically
Via E-permitting

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Flat Creek Resources, LLC **OGRID:** 374034 **Date:** 06 / 25 / 23

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☒ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|-------------------------|---------|------------------|---------------|-----------------------|-----------------------|----------------------------------|
| Phantom Bank 31 Fed Com | 30-015- | | | | | |
| 707H | | Lot 4-32-26s-31e | 650 FS 350 FW | 350 | 2,350 | 1,725 |
| 708H | | Lot 4-32-26s-31e | 650 FS 400 FW | 350 | 2,350 | 1,725 |
| 709H | | Lot 4-32-26s-31e | 600 FS 400 FW | 350 | 2,350 | 1,725 |

IV. Central Delivery Point Name: Phantom Tank Battery (Delaware Basin Midstream 314437) [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|-------------------------|---------|-----------|-----------------|------------------------------|------------------------|-----------------------|
| Phantom Bank 31 Fed Com | 30-015- | | | | | |
| 707H | | 8-1-23 | 9-15-23 | 12-16-23 | 2-16-24 | 3-1-24 |
| 708H | | 8-2-23 | 11-1-23 | 12-16-23 | 2-16-24 | 3-1-24 |
| 709H | | 8-3-23 | 12-15-23 | 12-16-23 | 2-16-24 | 3-1-24 |

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

| Well | API | Anticipated Average Natural Gas Rate MCF/D | Anticipated Volume of Natural Gas for the First Year MCF |
|------|-----|--|--|
| | | | |
| | | | |

X. Natural Gas Gathering System (NGGS):

| Operator | System | ULSTR of Tie-in | Anticipated Gathering Start Date | Available Maximum Daily Capacity of System Segment Tie-in |
|----------|--------|-----------------|----------------------------------|---|
| | | | | |
| | | | | |

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

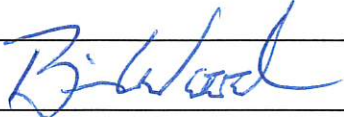
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

| | |
|-----------------|---|
| Signature: |  |
| Printed Name: | Brian Wood |
| Title: | Consultant |
| E-mail Address: | brian@permitswest.com |
| Date: | 6-25-23 |
| Phone: | 505 466-8120 |

OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)

| |
|-------------------------|
| Approved By: |
| Title: |
| Approval Date: |
| Conditions of Approval: |

VI. SEPARATION EQUIPMENT

Flat Creek Resources, LLC, will install:

- four 48" OD x 15', 500#, 3 phase separators
- one 96" OD x 20', 250# heater treater
- four 750 BBL water tanks
- three 750 BBL oil tanks
- one 15'6" x 30', 1000 BBL gun barrel
- one 72" OD x 15' gas scrubber
- one vapor recovery tower
- one vapor recovery unit
- vapor recovery piping for oil and water tanks

System is designed to capture 120% of the expected gas volume from separation all the way through the vapor recovery equipment.

VII. OPERATIONAL PRACTICES

NMAC 19.15.27.8 (A) Venting & Flaring of Natural Gas

1. Flat Creek Resources will comply with NMAC 19.15.27.8 – venting and flaring of gas during drilling, completion, or production that constitutes waste as defined in 19.15.2 is banned.

NMAC 19.15.27.8 (B) Venting & Flaring During Drilling

1. Flat Creek will combust gas if technically feasible during drilling operations using best industry practices.
2. A flare stack with a 100% capacity for expected volume will be set on the pad greater than 100 feet from the nearest well head and storage tank.
3. In an emergency, Flat Creek will vent the gas in order to avoid substantial impact. Flat Creek will report vented or flared gas to the NMOCD.

NMAC 19.15.27.8 (C) Venting & Flaring During Completion or Recompletion

1. Facilities will be built and ready from the first day of flowback.
2. Test separator will properly separate gas and liquids. Temporary test separator will be used initially to process volumes. In addition, separator will be tied into flowback tanks which will be tied into the gas processing equipment for sale down a pipeline.
3. Should the facility not be ready to process gas or the gas does not meet quality standards then the flowback will be delayed until the facility and pipeline are ready.

NMAC 19.15.27.8 (D) Venting & Flaring During Production

Flat Creek will not vent or flare natural gas except:

1. During and emergency or malfunction.
2. To unload or clean-up liquid holdup in a well to atmospheric pressure, provided
 - a. Flat Creek does not vent after the well achieves a stabilized rate and pressure
 - b. Flat Creek will be on-site while unloading liquids by manual purging and take all reasonable actions to achieve a stabilized rate and pressure as soon as possible
 - c. Flat Creek will optimize the system to minimize gas venting if the well is equipped with a plunger lift or auto control system
 - d. Best management practices will be used during downhole well maintenance
3. During the following activities unless prohibited
 - a. Gauging or sampling a storage tank or low-pressure production vessel
 - b. Loading out liquids from a storage tank
 - c. Repair and maintenance
 - d. Normal operations of a gas-activated pneumatic controller or pump
 - e. Normal operation of a storage tank but not including venting from a thief hatch
 - f. Normal operation of a dehydration units
 - g. Normal operations of compressors, engines, turbines, valves, flanges, & connectors
 - h. During bradenhead, packer leakage test, or production test lasting less than 24 hours
 - i. When natural gas does not meet the gathering line specifications

- j. Commissioning of pipelines, equipment, or facilities only for as long as necessary to purge introduced impurities

NMAC 19.15.27.8 (E) Performance Standards

1. Flat Creek used a safety factor to design the separation and storage equipment. The equipment will be routed to a vapor recovery system and uses a flare as back up to startup, shutdown, maintenance, or malfunction of the VRU system.
2. Flat Creek will install a flare that will handle the full volume of vapors from the facility in case of VRU failure. It will have an auto-ignition system.
3. Flare stacks will be appropriately sized and designed to ensure proper combustion efficiency
 - a. Flare stacks installed or replaced will be equipped with an automatic ignitor or continuous pilot.
 - b. Flare stacks will be located greater than 100 feet from well head and storage tanks and securely anchored
4. Flat Creek will conduct an AVO inspection on all components for leaks and defects every week.
5. Flat Creek will make and keep records of AVO inspection available to the NMOCD for at least 5 years.
6. Flat Creek may use a remote or automated monitoring technology to detect leaks and releases in lieu of AVO inspections with prior NMOCD approval.
7. Facilities will be designed to minimize waste.
8. Flat Creek will resolve emergencies as promptly as possible.

NMAC 19.15.27.8 (F) Measuring or Estimating Vented and Flared Natural Gas

1. Flat Creek will have meters on both the low pressure and high-pressure sides of the flares. Volumes will be recorded in the SCADA system.
2. Flat Creek will install equipment to measure the volume of flared natural gas that has an average production of greater than 60 MCFD.
3. Flat Creek's measuring equipment will conform to industry standards.
4. Measurement system will be designed such that it cannot be bypassed except for inspections and servicing the meters.
5. Flat Creek will estimate the volume of vented or flared gas using a methodology that can be independently verified if metering is not practicable due to low flow rate or pressure.
6. Flat Creek will estimate the volume of vented and/or flared gas based on the results of an annual GOR test for wells that do not require measuring equipment reported on form C-116.
7. Flat Creek will install measuring equipment whenever the NMOCD determines that metering is necessary.

VIII. BEST MANAGEMENT PRACTICES

Flat Creek Resources, LLC, will minimize venting during maintenance by:

1. System will be designed and operated to route storage tank and process equipment emissions to the VRU. If the VRU is not operable, then the vapors will be routed to the flare.
2. Scheduling maintenance for multiple tasks to minimize the need for blowdowns.
3. After completion of maintenance, gas will be flared until it meets pipeline specifications.



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

11/23/2021

APD ID: 10400066714

Submission Date: 12/31/2020

Highlighted data
reflects the most
recent changes

Operator Name: FLAT CREEK RESOURCES LLC

Well Name: PHANTOM BANK 31 FED COM

Well Number: 709H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|--------------|------------------------|-----------|---------------------|----------------|------------------|-------------------|---------------------|
| 1234381 | --- | 3141 | 25 | 25 | SANDSTONE, SHALE | NONE | N |
| 1234382 | RUSTLER | 2339 | 802 | 802 | ANHYDRITE | NONE | N |
| 1234383 | TOP SALT | 1562 | 1579 | 1579 | SALT | NONE | N |
| 1234384 | BASE OF SALT | -416 | 3557 | 3557 | ANHYDRITE | NONE | N |
| 1234385 | LAMAR | -633 | 3774 | 3774 | LIMESTONE, SHALE | NATURAL GAS, OIL | N |
| 1234386 | BELL CANYON | -671 | 3812 | 3812 | SANDSTONE, SHALE | NATURAL GAS, OIL | N |
| 1234387 | CHERRY CANYON | -1579 | 4720 | 4720 | SANDSTONE, SHALE | NATURAL GAS, OIL | N |
| 1234388 | BRUSHY CANYON | -2880 | 6021 | 6021 | SANDSTONE, SHALE | NATURAL GAS, OIL | N |
| 1234389 | BONE SPRING LIME | -4564 | 7705 | 7762 | LIMESTONE | NATURAL GAS, OIL | N |
| 1234390 | FIRST BONE SPRING SAND | -5490 | 8631 | 8784 | SANDSTONE | NATURAL GAS, OIL | N |
| 1234391 | BONE SPRING 2ND | -5779 | 8920 | 8920 | LIMESTONE, SHALE | NATURAL GAS, OIL | N |
| 1234392 | BONE SPRING 2ND | -6132 | 9273 | 9273 | SANDSTONE | NATURAL GAS, OIL | N |
| 1234393 | BONE SPRING 3RD | -6758 | 9899 | 9899 | LIMESTONE, SHALE | NATURAL GAS, OIL | N |
| 1234394 | BONE SPRING 3RD | -7426 | 10567 | 10567 | SANDSTONE | NATURAL GAS, OIL | N |
| 1234395 | WOLFCAMP | -7821 | 10962 | 10984 | SANDSTONE, SHALE | NATURAL GAS, OIL | N |
| 1236358 | WOLFCAMP | -7989 | 11130 | 11239 | LIMESTONE, SHALE | NATURAL GAS, OIL | Y |
| 1236359 | WOLFCAMP | -8061 | 11202 | 11535 | LIMESTONE, SHALE | NATURAL GAS, OIL | Y |

Operator Name: FLAT CREEK RESOURCES LLC**Well Name:** PHANTOM BANK 31 FED COM**Well Number:** 709H**Section 2 - Blowout Prevention****Pressure Rating (PSI):** 10M**Rating Depth:** 20000**Equipment:** 5M Choke Manifold Equipment, kill line, annular 10M Pipe rams and blind rams Rotating head**Requesting Variance?** YES**Variance request:** Variance is requested to use a co-flex line between the BOP and choke manifold instead of using a 4" O.D. steel line. Choke and kill line data book is attached.**Testing Procedure:** All testing will be done in accordance with Onshore Order 2 III.B.1.h. 1. Use water to test BOPs. 2. Make up testing assembly and set in into a wellhead profile. Ensure that the casing valve must be left opened and there must be personnel monitoring the outlet of casing valve all time while testing. You must ensure that personnel who monitor the outlet must stay for from the BOP while it is being tested. The reason behind this step is to prevent pressure build up in the casing if the test plug is leaking. 3. Circulate through choke/kill lines, choke manifold, standpipe manifold, and valves to ensure that all lines are full with water. This practice is for preventing pressure dropping off while testing. 4. Line up cement unit and rig team shut rams and valves as per each rig specific testing sequence 5. Pressure test must be low and high, respectively, and the pressure should be stabilized with minimum bleed off at least 5 minutes. Ensure that pressure recording on a chart is recorded correctly. 6. Ensure that any equipment does not pass a pressure test requirement must be reported to supervisors. 7. Continue pressure testing until all equipment is tested as per each rig specific. 8. Rig down testing assembly. 9. All tests and drills to be recorded in the drilling log. High Test Low Test Test Duration Wellhead test 5000 psi 250 psi 10 min BOP rams 5000 psi 250 psi 10 min Annular 3500 psi 250 psi 10 min HCR 5000 psi 250 psi 10 min Manifold 5000 psi 250 psi 10 min Upper/Lower Kelly Valve 5000 psi 250 psi 10 min TIW safety valves/dart 5000 psi 250 psi 10 min Standpipe/mudlines 5000 psi 250 psi 10 min Orbit valve/rotating head 300 psi 10 min Surface casing 1500 psi 10 min**Choke Diagram Attachment:**

Choke_Diagram_final_20201210084512.pdf

API_16C_Hose_Cert_20211011083838.jpg

Choke_Hose_SN_60197_API_16C_20211011083846.pdf

BOP Diagram Attachment:

BOP_Modified_13_10M_20210916083320.pdf

Section 3 - Casing

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-------|--------|------------|-------------|----------|---------------|----------|--------------|---------|
| 1 | SURFACE | 17.5 | 13.375 | NEW | API | N | 0 | 1150 | 0 | 1150 | 3116 | 1966 | 1150 | J-55 | 54.5 | ST&C | 2.1 | 7.1 | DRY | 13.6 | DRY | 14.5 |
| 2 | INTERMEDIATE | 12.25 | 9.625 | NEW | API | N | 0 | 5400 | 0 | 5400 | 3130 | -2284 | 5400 | N-80 | 43.5 | BUTT | 1.5 | 3.5 | DRY | 4.2 | DRY | 4.3 |
| 3 | PRODUCTION | 8.75 | 5.5 | NEW | API | N | 0 | 16756 | 0 | 11145 | 3130 | -8029 | 16756 | P-110 | 23 | BUTT | 12.7 | 6.2 | DRY | 2.1 | DRY | 2.1 |

Operator Name: FLAT CREEK RESOURCES LLC**Well Name:** PHANTOM BANK 31 FED COM**Well Number:** 709H**Casing Attachments**

Casing ID: 1 **String Type:** SURFACE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**709H_Casing_design_20201228104015.xlsx

Casing ID: 2 **String Type:** INTERMEDIATE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**709H_Casing_design_20201228104029.xlsx

Casing ID: 3 **String Type:** PRODUCTION**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**709H_Casing_design_20201228104043.xlsx

Section 4 - Cement

Operator Name: FLAT CREEK RESOURCES LLC**Well Name:** PHANTOM BANK 31 FED COM**Well Number:** 709H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|---|
| SURFACE | Lead | | 0 | 1150 | 585 | 1.89 | 12.9 | 197 | 125 | Extended | Kol-Seal (LCM), Poly-E-Flake (LCM) |
| SURFACE | Tail | | 0 | 1150 | 490 | 1.33 | 14.8 | 47 | 125 | C | Kol-Seal (LCM), Poly-E-Flake (LCM) |
| INTERMEDIATE | Lead | | 0 | 5400 | 1345 | 1.75 | 13.5 | 419 | 100 | Extended | Kol-Seal (LCM), Poly-E-Flake (LCM), HR-800 (Retarder) |
| INTERMEDIATE | Tail | | 0 | 5400 | 565 | 1.35 | 14.8 | 135 | 100 | C | Kol-Seal (LCM), poly-E-Flake (LCM), HR-800 (Retarder) |
| PRODUCTION | Lead | | 0 | 1675 6 | 830 | 2.13 | 11.8 | 314 | 35 | NeoCem | Kol-Seal (LCM), Poly-E-Flake (LCM), WellLife 1094 (Polymer fiber) |
| PRODUCTION | Tail | | 0 | 1675 6 | 1365 | 1.44 | 13.2 | 1966 | 35 | NeoCem | WellLife 1094 (Polymer fiber) |

Section 5 - Circulating Medium

Mud System Type: Closed**Will an air or gas system be Used?** NO**Description of the equipment for the circulating system in accordance with Onshore Order #2:****Diagram of the equipment for the circulating system in accordance with Onshore Order #2:****Describe what will be on location to control well or mitigate other conditions:** 10k BOPE, with pipe rams, blind rams, variable pipe rams, and 5k annular**Describe the mud monitoring system utilized:** Pason PVT

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|----------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 0 | 1150 | SPUD MUD | 9 | 9.4 | 67.3 | | 9 | | 500 | | |
| 1150 | 5400 | SALT SATURATED | 9.8 | 10 | 74.8 | | 9 | | 180000 | | |

Operator Name: FLAT CREEK RESOURCES LLC**Well Name:** PHANTOM BANK 31 FED COM**Well Number:** 709H

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 5400 | 1675 6 | OIL-BASED MUD | 9 | 10.5 | 67.3 | | | | 300000 | 10 | |

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Gamma Ray Log, Resistivity Log

List of open and cased hole logs run in the well:

GAMMA RAY LOG,DIRECTIONAL SURVEY,MEASUREMENT WHILE DRILLING,MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 6161

Anticipated Surface Pressure: 3694

Anticipated Bottom Hole Temperature(F): 196

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

H2S_Plan_20201210124626.docx

H2S_pad_layout_20201210124615.docx

Phantom_1mi_2mi_H2S_Buffers_20201210124606.pdf

Operator Name: FLAT CREEK RESOURCES LLC

Well Name: PHANTOM BANK 31 FED COM

Well Number: 709H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

PRE_STAKE_DETAIL_20201210130526.pdf

709H_TOPS_20201228104416.pdf

MIN_CURV_709H_20201228104432.pdf

Other proposed operations facets description:

Wellhead equipment

Other proposed operations facets attachment:

Cactus_Wellhead_Equipment_20201210125113.pdf

Other Variance attachment:



FLAT CREEK
RESOURCES

Well: Phantom Bank 31 Fed Com No. 709H
Site: Phantom Bank 31 Fed Com
Project: Eddy County, New Mexico NAD27 NM
Design: rev0

SECTION DETAILS

| Sec | MD | Inc | Azi | TVD | +N/-S | +E/-W | Dleg | Vsect | Annotation |
|-----|----------|-------|---------|----------|---------|----------|-------|---------|----------------------------------|
| 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | KOP Begin 2°/100' build |
| 2 | 4200.00 | 0.00 | 0.00 | 4200.00 | 0.00 | 0.00 | 0.00 | 0.00 | Begin 5.00° tangent |
| 3 | 4450.00 | 5.00 | 135.000 | 4449.68 | -7.71 | 7.71 | 2.00 | -7.67 | Begin 2°/100' build/turn |
| 4 | 5075.00 | 5.00 | 135.000 | 5072.30 | -46.23 | 46.23 | 0.00 | -45.98 | Begin 5.13° tangent |
| 5 | 5266.51 | 5.13 | 179.458 | 5263.13 | -60.70 | 52.21 | 2.00 | -51.89 | Begin 2°/100' build/turn |
| 6 | 7255.16 | 5.13 | 179.458 | 7243.82 | -238.52 | 53.89 | 0.00 | -52.64 | Begin 11°/100' build |
| 7 | 7511.68 | 0.00 | 0.00 | 7500.00 | -250.00 | 54.00 | 2.00 | -52.69 | Begin 5°/100' turn |
| 8 | 10692.84 | 0.00 | 0.00 | 10681.16 | -250.00 | 54.00 | 0.00 | -52.69 | Begin 90.62° lateral |
| 9 | 11516.66 | 90.62 | 259.000 | 11202.00 | -350.46 | -462.83 | 11.00 | 464.66 | LTP 16686.99 MD 11145.78 TVD |
| 10 | 11730.29 | 90.62 | 269.682 | 11199.68 | -371.50 | -675.10 | 5.00 | 677.04 | PBHL/TD 16756.99 MD 11145.02 TVD |
| 11 | 16686.99 | 90.62 | 269.682 | 11145.78 | -399.00 | -5631.43 | 0.00 | 5633.44 | |
| 12 | 16756.99 | 90.62 | 269.682 | 11145.02 | -399.39 | -5701.43 | 0.00 | 5703.44 | |

DESIGN TARGET DETAILS

| Name | TVD | +N/-S | +E/-W | Northing | Easting |
|--|---------|----------|----------------------|------------|------------|
| Phantom 709 FTP 330 FSL 100 FEL 11202.00 | -372.00 | -498.42 | -357.17 N, -500.74 E | 364467.000 | 662613.000 |
| - plan misses target center by 15.02ft at 11555.16ft MD (11201.58 TVD, -357.17 N, -500.74 E) | | | | | |
| Phantom 709 LTP 330 FSL 100 FWL 11145.78 | -399.00 | -5631.43 | -5701.43 | 364440.000 | 657480.000 |
| - plan hits target center | | | | | |
| Phantom 709 PBHL 330 FSL 30 FWL 11145.00 | -399.00 | -5701.43 | -5701.43 | 364440.000 | 657410.000 |
| - plan misses target center by 0.39ft at 16756.99ft MD (11145.02 TVD, -399.39 N, -5701.43 E) | | | | | |

Geodetic System: US State Plane 1927 (Exact solution)

Datum: NAD 1927 (NADCON CONUS)

Ellipsoid: Clarke 1866

Zone: New Mexico East 3001

System Datum: Mean Sea Level

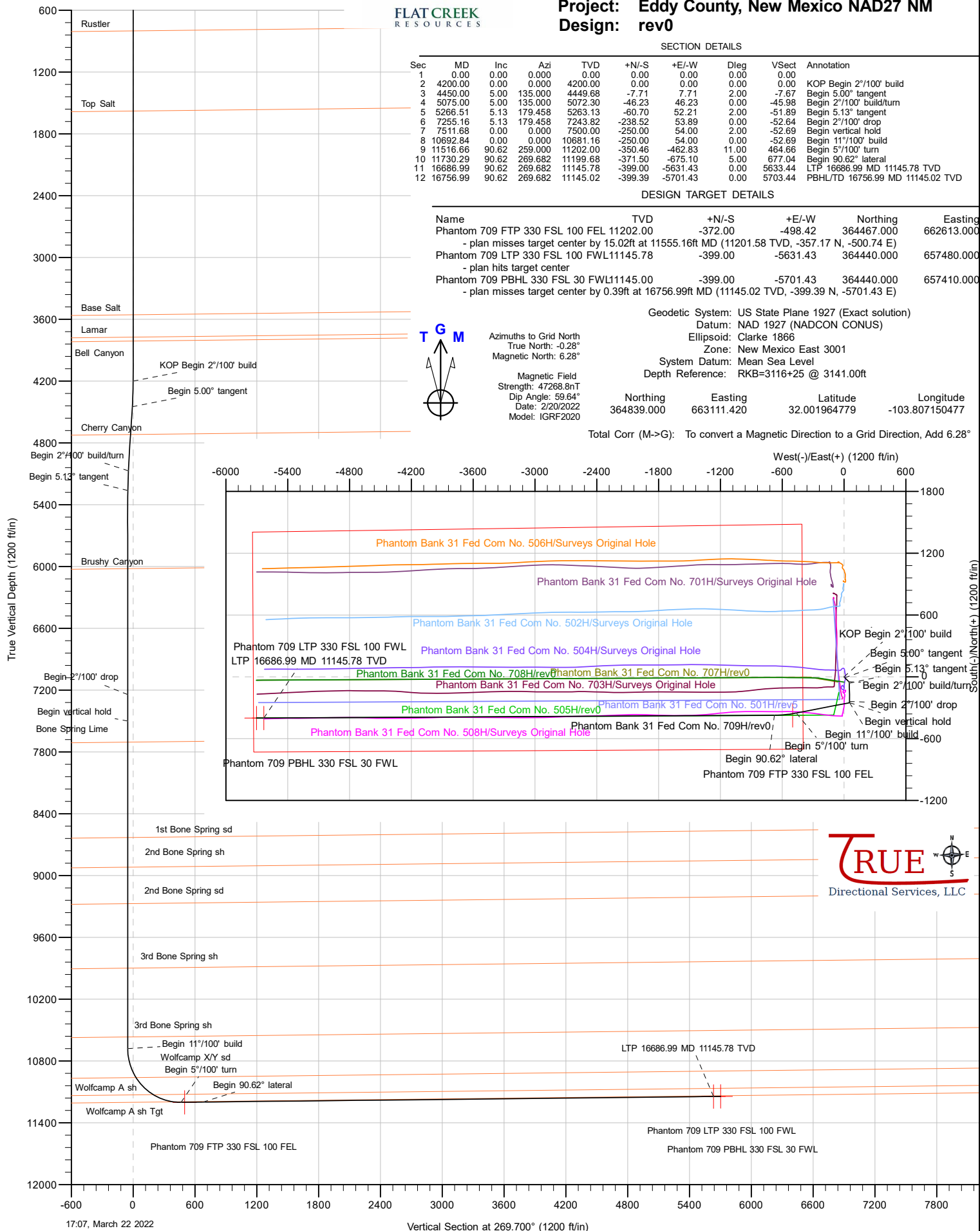
Depth Reference: RKB=3116+25 @ 3141.00ft



Azimuths to Grid North
True North: -0.28°
Magnetic North: 6.28°

Magnetic Field
Strength: 47268.8nT
Dip Angle: 59.64°
Date: 2/20/2022
Model: IGRF2020

Total Corr (M->G): To convert a Magnetic Direction to a Grid Direction, Add 6.28°



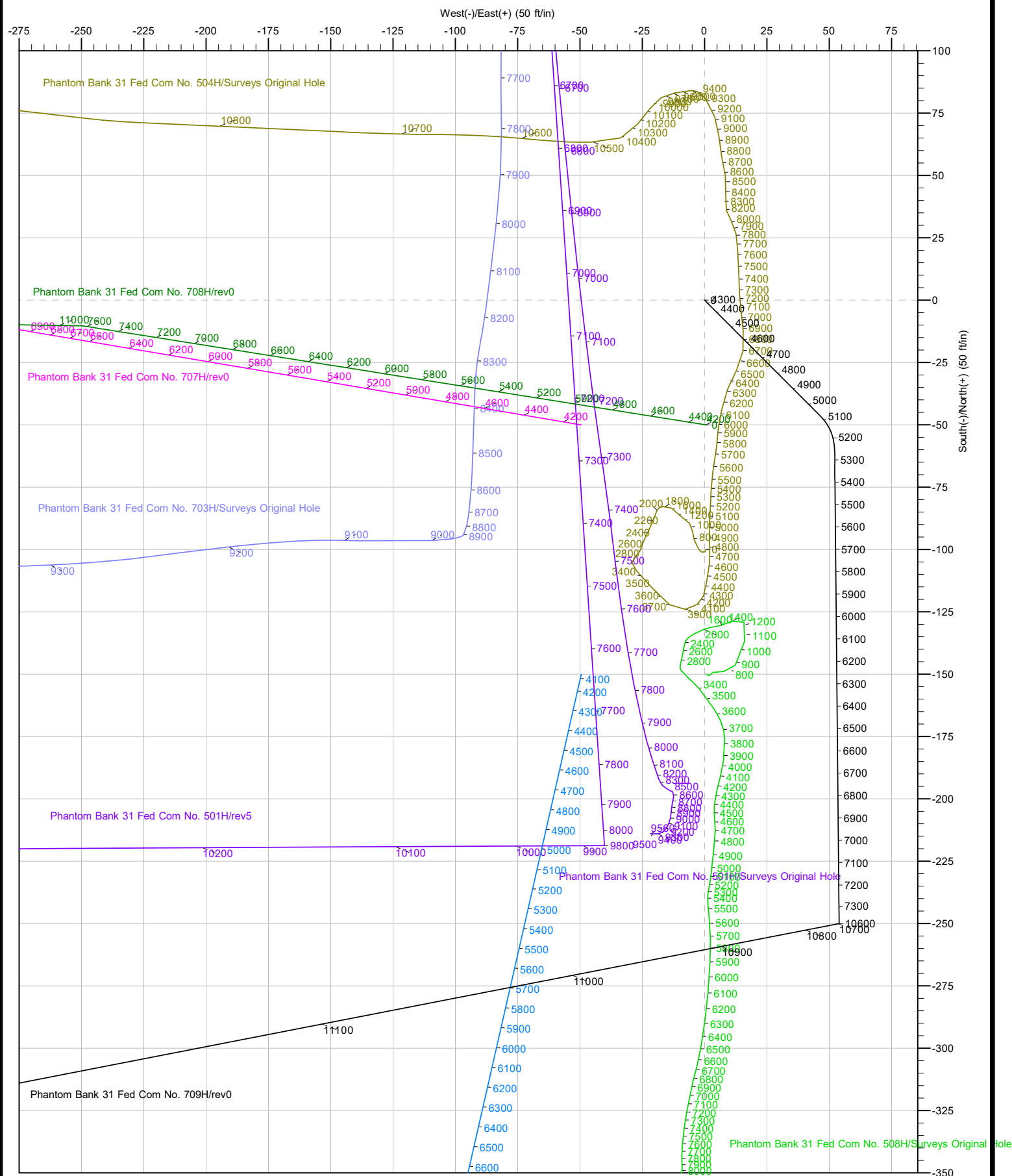
TRUE
Directional Services, LLC

17:07, March 22 2022

Vertical Section at 269.700° (1200 ft/in)



Well: Phantom Bank 31 Fed Com No. 709H
 Site: Phantom Bank 31 Fed Com
 Project: Eddy County, New Mexico NAD27 NM
 Design: rev0



FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| | | | |
|--------------------|--------------------------------------|----------------------|----------------|
| Project | Eddy County, New Mexico NAD27 NM | | |
| Map System: | US State Plane 1927 (Exact solution) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 (NADCON CONUS) | | |
| Map Zone: | New Mexico East 3001 | | |

| | | | | | |
|-----------------------|-------------------------|--------------|------------------|------------|----------------|
| Site | Phantom Bank 31 Fed Com | | | | |
| Site Position: | | Northing: | 365,652.329 usft | Latitude: | 32.004202000 |
| From: | Lat/Long | Easting: | 663,006.861 usft | Longitude: | -103.807475000 |
| Position Uncertainty: | 0.00 ft | Slot Radius: | 13-3/16 " | | |

| Well | Phantom Bank 31 Fed Com No. 709H, Surf loc: 700 FSL 400 FWL Section 32-T26S-R31E | | | | | |
|----------------------|--|---------|---------------------|------------------|---------------|----------------|
| Well Position | +N/-S | 0.00 ft | Northing: | 364,839.000 usft | Latitude: | 32.001964779 |
| | +E/-W | 0.00 ft | Easting: | 663,111.420 usft | Longitude: | -103.807150477 |
| Position Uncertainty | | 0.00 ft | Wellhead Elevation: | ft | Ground Level: | 3,116.00 ft |
| Grid Convergence: | | 0.28 ° | | | | |

| | | | | | |
|------------------|-------------------|--------------------|----------------------------|--------------------------|--------------------------------|
| Wellbore | Original Hole | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2020 | 2/20/2022 | 6.56 | 59.64 | 47,268.84186779 |

| | | | | | |
|--------------------------|----------------------------------|-----------------------|-----------------------|--------------------------|------|
| Design | rev0 | | | | |
| Audit Notes: | | | | | |
| Version: | | Phase: | PLAN | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) | |
| | 0.00 | 0.00 | 0.00 | 269.700 | |

| | | | | | |
|---------------------------------|--------------------------|--------------------------------|---------------------|----------------|--|
| Plan Survey Tool Program | Date | 3/22/2022 | | | |
| Depth From (ft) | Depth To (ft) | Survey (Wellbore) | Tool Name | Remarks | |
| 1 | 0.00 | 16,756.83 rev0 (Original Hole) | MWD | | |
| | | | OWSG MWD - Standard | | |

FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Plan Sections | | | | | | | | | | |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|----------------------|---------------------|---------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 4,200.00 | 0.00 | 0.000 | 4,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 4,450.00 | 5.00 | 135.000 | 4,449.68 | -7.71 | 7.71 | 2.00 | 2.00 | 0.00 | 135.00 | |
| 5,075.00 | 5.00 | 135.000 | 5,072.30 | -46.23 | 46.23 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 5,266.51 | 5.13 | 179.458 | 5,263.13 | -60.70 | 52.21 | 2.00 | 0.07 | 23.21 | 110.34 | |
| 7,255.16 | 5.13 | 179.458 | 7,243.82 | -238.52 | 53.89 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7,511.68 | 0.00 | 0.000 | 7,500.00 | -250.00 | 54.00 | 2.00 | -2.00 | 0.00 | 180.00 | |
| 10,692.84 | 0.00 | 0.000 | 10,681.16 | -250.00 | 54.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 11,516.66 | 90.62 | 259.000 | 11,202.00 | -350.46 | -462.83 | 11.00 | 11.00 | 0.00 | 259.00 | |
| 11,730.29 | 90.62 | 269.682 | 11,199.68 | -371.50 | -675.10 | 5.00 | 0.00 | 5.00 | 89.93 | |
| 16,686.99 | 90.62 | 269.682 | 11,145.78 | -399.00 | -5,631.43 | 0.00 | 0.00 | 0.00 | 0.00 | Phantom 709 LTP 330 |
| 16,756.99 | 90.62 | 269.682 | 11,145.02 | -399.39 | -5,701.43 | 0.00 | 0.00 | 0.00 | 0.00 | Phantom 709 PBHL 3 |

FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 0.00 | 0.00 | 0.000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 25.00 | 0.00 | 0.000 | 25.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Alluvium | | | | | | | | | |
| 100.00 | 0.00 | 0.000 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.000 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.00 | 0.00 | 0.000 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 0.00 | 0.000 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500.00 | 0.00 | 0.000 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 600.00 | 0.00 | 0.000 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 700.00 | 0.00 | 0.000 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 800.00 | 0.00 | 0.000 | 800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 802.00 | 0.00 | 0.000 | 802.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rustler | | | | | | | | | |
| 900.00 | 0.00 | 0.000 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 0.00 | 0.000 | 1,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 0.00 | 0.000 | 1,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 0.00 | 0.000 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 0.00 | 0.000 | 1,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 0.00 | 0.000 | 1,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 0.00 | 0.000 | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,579.00 | 0.00 | 0.000 | 1,579.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Top Salt | | | | | | | | | |
| 1,600.00 | 0.00 | 0.000 | 1,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 0.00 | 0.000 | 1,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 0.00 | 0.000 | 1,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 0.00 | 0.000 | 1,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 0.00 | 0.000 | 2,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 0.00 | 0.000 | 2,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 0.00 | 0.000 | 2,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 0.00 | 0.000 | 2,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 0.00 | 0.000 | 2,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 0.00 | 0.000 | 2,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 0.00 | 0.000 | 2,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 0.00 | 0.000 | 2,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 0.00 | 0.000 | 2,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 0.00 | 0.000 | 2,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 0.00 | 0.000 | 3,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 0.00 | 0.000 | 3,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 0.00 | 0.000 | 3,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 0.00 | 0.000 | 3,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 0.00 | 0.000 | 3,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 0.00 | 0.000 | 3,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,557.00 | 0.00 | 0.000 | 3,557.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Base Salt | | | | | | | | | |
| 3,600.00 | 0.00 | 0.000 | 3,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 0.00 | 0.000 | 3,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,774.00 | 0.00 | 0.000 | 3,774.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Lamar | | | | | | | | | |
| 3,800.00 | 0.00 | 0.000 | 3,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,812.00 | 0.00 | 0.000 | 3,812.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Bell Canyon | | | | | | | | | |
| 3,900.00 | 0.00 | 0.000 | 3,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 0.00 | 0.000 | 4,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|----------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 4,100.00 | 0.00 | 0.000 | 4,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 0.00 | 0.000 | 4,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Start Build 2.00 | | | | | | | | | |
| 4,300.00 | 2.00 | 135.000 | 4,299.98 | -1.23 | 1.23 | -1.23 | 2.00 | 2.00 | 0.00 |
| 4,400.00 | 4.00 | 135.000 | 4,399.84 | -4.93 | 4.93 | -4.91 | 2.00 | 2.00 | 0.00 |
| 4,450.00 | 5.00 | 135.000 | 4,449.68 | -7.71 | 7.71 | -7.67 | 2.00 | 2.00 | 0.00 |
| Start 625.00 hold at 4450.00 MD | | | | | | | | | |
| 4,500.00 | 5.00 | 135.000 | 4,499.49 | -10.79 | 10.79 | -10.73 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 5.00 | 135.000 | 4,599.11 | -16.95 | 16.95 | -16.86 | 0.00 | 0.00 | 0.00 |
| 4,700.00 | 5.00 | 135.000 | 4,698.73 | -23.12 | 23.12 | -22.99 | 0.00 | 0.00 | 0.00 |
| 4,721.62 | 5.00 | 135.000 | 4,720.27 | -24.45 | 24.45 | -24.32 | 0.00 | 0.00 | 0.00 |
| Cherry Canyon | | | | | | | | | |
| 4,800.00 | 5.00 | 135.000 | 4,798.35 | -29.28 | 29.28 | -29.12 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 5.00 | 135.000 | 4,897.97 | -35.44 | 35.44 | -35.26 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 5.00 | 135.000 | 4,997.59 | -41.60 | 41.60 | -41.39 | 0.00 | 0.00 | 0.00 |
| 5,075.00 | 5.00 | 135.000 | 5,072.30 | -46.23 | 46.23 | -45.98 | 0.00 | 0.00 | 0.00 |
| Start DLS 2.00 TFO 110.34 | | | | | | | | | |
| 5,100.00 | 4.85 | 140.555 | 5,097.21 | -47.81 | 47.67 | -47.42 | 2.00 | -0.60 | 22.22 |
| 5,200.00 | 4.75 | 164.610 | 5,196.87 | -55.07 | 51.45 | -51.16 | 2.00 | -0.10 | 24.05 |
| 5,266.51 | 5.13 | 179.458 | 5,263.13 | -60.70 | 52.21 | -51.89 | 2.00 | 0.57 | 22.33 |
| Start 1988.65 hold at 5266.51 MD | | | | | | | | | |
| 5,300.00 | 5.13 | 179.458 | 5,296.49 | -63.69 | 52.24 | -51.90 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 5.13 | 179.458 | 5,396.09 | -72.63 | 52.32 | -51.94 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 5.13 | 179.458 | 5,495.69 | -81.57 | 52.41 | -51.98 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 5.13 | 179.458 | 5,595.29 | -90.52 | 52.49 | -52.02 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 5.13 | 179.458 | 5,694.89 | -99.46 | 52.58 | -52.06 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 5.13 | 179.458 | 5,794.49 | -108.40 | 52.66 | -52.09 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 5.13 | 179.458 | 5,894.09 | -117.34 | 52.75 | -52.13 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 5.13 | 179.458 | 5,993.69 | -126.29 | 52.83 | -52.17 | 0.00 | 0.00 | 0.00 |
| 6,028.01 | 5.13 | 179.458 | 6,021.58 | -128.79 | 52.85 | -52.18 | 0.00 | 0.00 | 0.00 |
| Brushy Canyon | | | | | | | | | |
| 6,100.00 | 5.13 | 179.458 | 6,093.29 | -135.23 | 52.92 | -52.21 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 5.13 | 179.458 | 6,192.89 | -144.17 | 53.00 | -52.24 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 5.13 | 179.458 | 6,292.49 | -153.11 | 53.08 | -52.28 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 5.13 | 179.458 | 6,392.09 | -162.05 | 53.17 | -52.32 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 5.13 | 179.458 | 6,491.69 | -171.00 | 53.25 | -52.36 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 5.13 | 179.458 | 6,591.29 | -179.94 | 53.34 | -52.39 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 5.13 | 179.458 | 6,690.88 | -188.88 | 53.42 | -52.43 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 5.13 | 179.458 | 6,790.48 | -197.82 | 53.51 | -52.47 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 5.13 | 179.458 | 6,890.08 | -206.76 | 53.59 | -52.51 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 5.13 | 179.458 | 6,989.68 | -215.71 | 53.68 | -52.55 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 5.13 | 179.458 | 7,089.28 | -224.65 | 53.76 | -52.58 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 5.13 | 179.458 | 7,188.88 | -233.59 | 53.84 | -52.62 | 0.00 | 0.00 | 0.00 |
| 7,255.16 | 5.13 | 179.458 | 7,243.82 | -238.52 | 53.89 | -52.64 | 0.00 | 0.00 | 0.00 |
| Start Drop -2.00 | | | | | | | | | |
| 7,300.00 | 4.23 | 179.458 | 7,288.51 | -242.18 | 53.93 | -52.66 | 2.00 | -2.00 | 0.00 |
| 7,400.00 | 2.23 | 179.458 | 7,388.35 | -247.82 | 53.98 | -52.68 | 2.00 | -2.00 | 0.00 |
| 7,500.00 | 0.23 | 179.458 | 7,488.32 | -249.98 | 54.00 | -52.69 | 2.00 | -2.00 | 0.00 |
| 7,511.68 | 0.00 | 0.000 | 7,500.00 | -250.00 | 54.00 | -52.69 | 2.00 | -2.00 | 0.00 |
| Start 3181.16 hold at 7511.68 MD | | | | | | | | | |
| 7,600.00 | 0.00 | 0.000 | 7,588.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 0.00 | 0.000 | 7,688.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 7,717.27 | 0.00 | 0.000 | 7,705.59 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |

FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|---------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| Bone Spring Lime | | | | | | | | | |
| 7,800.00 | 0.00 | 0.000 | 7,788.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 0.00 | 0.000 | 7,888.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 0.00 | 0.000 | 7,988.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 0.00 | 0.000 | 8,088.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 0.00 | 0.000 | 8,188.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 0.00 | 0.000 | 8,288.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 0.00 | 0.000 | 8,388.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 0.00 | 0.000 | 8,488.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,600.00 | 0.00 | 0.000 | 8,588.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,643.27 | 0.00 | 0.000 | 8,631.59 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 1st Bone Spring sd | | | | | | | | | |
| 8,700.00 | 0.00 | 0.000 | 8,688.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,800.00 | 0.00 | 0.000 | 8,788.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,900.00 | 0.00 | 0.000 | 8,888.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 8,932.27 | 0.00 | 0.000 | 8,920.59 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 2nd Bone Spring sh | | | | | | | | | |
| 9,000.00 | 0.00 | 0.000 | 8,988.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,100.00 | 0.00 | 0.000 | 9,088.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,200.00 | 0.00 | 0.000 | 9,188.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,285.27 | 0.00 | 0.000 | 9,273.59 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 2nd Bone Spring sd | | | | | | | | | |
| 9,300.00 | 0.00 | 0.000 | 9,288.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,400.00 | 0.00 | 0.000 | 9,388.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,500.00 | 0.00 | 0.000 | 9,488.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,600.00 | 0.00 | 0.000 | 9,588.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,700.00 | 0.00 | 0.000 | 9,688.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,800.00 | 0.00 | 0.000 | 9,788.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,900.00 | 0.00 | 0.000 | 9,888.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 9,911.27 | 0.00 | 0.000 | 9,899.59 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 3rd Bone Spring sh | | | | | | | | | |
| 10,000.00 | 0.00 | 0.000 | 9,988.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,100.00 | 0.00 | 0.000 | 10,088.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,200.00 | 0.00 | 0.000 | 10,188.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,300.00 | 0.00 | 0.000 | 10,288.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,400.00 | 0.00 | 0.000 | 10,388.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 0.00 | 0.000 | 10,488.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,579.27 | 0.00 | 0.000 | 10,567.59 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 3rd Bone Spring sh | | | | | | | | | |
| 10,600.00 | 0.00 | 0.000 | 10,588.32 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| 10,692.84 | 0.00 | 0.000 | 10,681.16 | -250.00 | 54.00 | -52.69 | 0.00 | 0.00 | 0.00 |
| Start Build 11.00 | | | | | | | | | |
| 10,700.00 | 0.79 | 259.000 | 10,688.32 | -250.01 | 53.95 | -52.64 | 11.00 | 11.00 | 0.00 |
| 10,750.00 | 6.29 | 259.000 | 10,738.20 | -250.60 | 50.92 | -49.61 | 11.00 | 11.00 | 0.00 |
| 10,800.00 | 11.79 | 259.000 | 10,787.56 | -252.10 | 43.22 | -41.90 | 11.00 | 11.00 | 0.00 |
| 10,850.00 | 17.29 | 259.000 | 10,835.94 | -254.49 | 30.90 | -29.57 | 11.00 | 11.00 | 0.00 |
| 10,900.00 | 22.79 | 259.000 | 10,882.90 | -257.76 | 14.09 | -12.74 | 11.00 | 11.00 | 0.00 |
| 10,950.00 | 28.29 | 259.000 | 10,928.00 | -261.87 | -7.06 | 8.43 | 11.00 | 11.00 | 0.00 |
| 10,989.09 | 32.59 | 259.000 | 10,961.69 | -265.65 | -26.49 | 27.88 | 11.00 | 11.00 | 0.00 |
| Wolfcamp X/Y sd | | | | | | | | | |
| 11,000.00 | 33.79 | 259.000 | 10,970.82 | -266.79 | -32.35 | 33.75 | 11.00 | 11.00 | 0.00 |
| 11,050.00 | 39.29 | 259.000 | 11,010.98 | -272.46 | -61.56 | 62.99 | 11.00 | 11.00 | 0.00 |
| 11,100.00 | 44.79 | 259.000 | 11,048.10 | -278.85 | -94.42 | 95.88 | 11.00 | 11.00 | 0.00 |

FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|--|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 11,150.00 | 50.29 | 259.000 | 11,081.84 | -285.88 | -130.61 | 132.11 | 11.00 | 11.00 | 0.00 |
| 11,200.00 | 55.79 | 259.000 | 11,111.90 | -293.50 | -169.81 | 171.35 | 11.00 | 11.00 | 0.00 |
| 11,229.55 | 59.04 | 259.000 | 11,127.81 | -298.26 | -194.25 | 195.81 | 11.00 | 11.00 | 0.00 |
| Wolfcamp A sh | | | | | | | | | |
| 11,250.00 | 61.29 | 259.000 | 11,137.98 | -301.64 | -211.66 | 213.24 | 11.00 | 11.00 | 0.00 |
| 11,300.00 | 66.79 | 259.000 | 11,159.87 | -310.21 | -255.77 | 257.39 | 11.00 | 11.00 | 0.00 |
| 11,350.00 | 72.29 | 259.000 | 11,177.34 | -319.15 | -301.74 | 303.41 | 11.00 | 11.00 | 0.00 |
| 11,400.00 | 77.79 | 259.000 | 11,190.24 | -328.36 | -349.14 | 350.85 | 11.00 | 11.00 | 0.00 |
| 11,443.15 | 82.53 | 259.000 | 11,197.61 | -336.47 | -390.86 | 392.62 | 11.00 | 11.00 | 0.00 |
| Wolfcamp A sh Tgt | | | | | | | | | |
| 11,450.00 | 83.29 | 259.000 | 11,198.46 | -337.77 | -397.53 | 399.30 | 11.00 | 11.00 | 0.00 |
| 11,500.00 | 88.79 | 259.000 | 11,201.91 | -347.28 | -446.48 | 448.29 | 11.00 | 11.00 | 0.00 |
| 11,516.66 | 90.62 | 259.000 | 11,202.00 | -350.46 | -462.83 | 464.66 | 11.00 | 11.00 | 0.00 |
| Start DLS 5.00 TFO 89.93 | | | | | | | | | |
| 11,600.00 | 90.62 | 263.167 | 11,201.10 | -363.38 | -545.14 | 547.04 | 5.00 | 0.00 | 5.00 |
| 11,700.00 | 90.62 | 268.167 | 11,200.01 | -370.93 | -644.82 | 646.75 | 5.00 | 0.00 | 5.00 |
| 11,730.29 | 90.62 | 269.682 | 11,199.68 | -371.50 | -675.10 | 677.04 | 5.00 | 0.00 | 5.00 |
| Start 4956.70 hold at 11730.29 MD | | | | | | | | | |
| 11,800.00 | 90.62 | 269.682 | 11,198.92 | -371.88 | -744.81 | 746.74 | 0.00 | 0.00 | 0.00 |
| 11,900.00 | 90.62 | 269.682 | 11,197.83 | -372.44 | -844.80 | 846.74 | 0.00 | 0.00 | 0.00 |
| 12,000.00 | 90.62 | 269.682 | 11,196.74 | -372.99 | -944.79 | 946.73 | 0.00 | 0.00 | 0.00 |
| 12,100.00 | 90.62 | 269.682 | 11,195.66 | -373.55 | -1,044.78 | 1,046.73 | 0.00 | 0.00 | 0.00 |
| 12,200.00 | 90.62 | 269.682 | 11,194.57 | -374.10 | -1,144.78 | 1,146.72 | 0.00 | 0.00 | 0.00 |
| 12,300.00 | 90.62 | 269.682 | 11,193.48 | -374.66 | -1,244.77 | 1,246.71 | 0.00 | 0.00 | 0.00 |
| 12,400.00 | 90.62 | 269.682 | 11,192.39 | -375.21 | -1,344.76 | 1,346.71 | 0.00 | 0.00 | 0.00 |
| 12,500.00 | 90.62 | 269.682 | 11,191.31 | -375.77 | -1,444.75 | 1,446.70 | 0.00 | 0.00 | 0.00 |
| 12,600.00 | 90.62 | 269.682 | 11,190.22 | -376.32 | -1,544.75 | 1,546.70 | 0.00 | 0.00 | 0.00 |
| 12,700.00 | 90.62 | 269.682 | 11,189.13 | -376.88 | -1,644.74 | 1,646.69 | 0.00 | 0.00 | 0.00 |
| 12,800.00 | 90.62 | 269.682 | 11,188.05 | -377.43 | -1,744.73 | 1,746.68 | 0.00 | 0.00 | 0.00 |
| 12,900.00 | 90.62 | 269.682 | 11,186.96 | -377.99 | -1,844.72 | 1,846.68 | 0.00 | 0.00 | 0.00 |
| 13,000.00 | 90.62 | 269.682 | 11,185.87 | -378.54 | -1,944.72 | 1,946.67 | 0.00 | 0.00 | 0.00 |
| 13,100.00 | 90.62 | 269.682 | 11,184.78 | -379.10 | -2,044.71 | 2,046.67 | 0.00 | 0.00 | 0.00 |
| 13,200.00 | 90.62 | 269.682 | 11,183.70 | -379.65 | -2,144.70 | 2,146.66 | 0.00 | 0.00 | 0.00 |
| 13,300.00 | 90.62 | 269.682 | 11,182.61 | -380.21 | -2,244.69 | 2,246.65 | 0.00 | 0.00 | 0.00 |
| 13,400.00 | 90.62 | 269.682 | 11,181.52 | -380.76 | -2,344.69 | 2,346.65 | 0.00 | 0.00 | 0.00 |
| 13,500.00 | 90.62 | 269.682 | 11,180.43 | -381.32 | -2,444.68 | 2,446.64 | 0.00 | 0.00 | 0.00 |
| 13,600.00 | 90.62 | 269.682 | 11,179.35 | -381.87 | -2,544.67 | 2,546.64 | 0.00 | 0.00 | 0.00 |
| 13,700.00 | 90.62 | 269.682 | 11,178.26 | -382.43 | -2,644.66 | 2,646.63 | 0.00 | 0.00 | 0.00 |
| 13,800.00 | 90.62 | 269.682 | 11,177.17 | -382.98 | -2,744.66 | 2,746.62 | 0.00 | 0.00 | 0.00 |
| 13,900.00 | 90.62 | 269.682 | 11,176.08 | -383.54 | -2,844.65 | 2,846.62 | 0.00 | 0.00 | 0.00 |
| 14,000.00 | 90.62 | 269.682 | 11,175.00 | -384.09 | -2,944.64 | 2,946.61 | 0.00 | 0.00 | 0.00 |
| 14,100.00 | 90.62 | 269.682 | 11,173.91 | -384.65 | -3,044.63 | 3,046.61 | 0.00 | 0.00 | 0.00 |
| 14,200.00 | 90.62 | 269.682 | 11,172.82 | -385.20 | -3,144.63 | 3,146.60 | 0.00 | 0.00 | 0.00 |
| 14,300.00 | 90.62 | 269.682 | 11,171.73 | -385.76 | -3,244.62 | 3,246.60 | 0.00 | 0.00 | 0.00 |
| 14,400.00 | 90.62 | 269.682 | 11,170.65 | -386.31 | -3,344.61 | 3,346.59 | 0.00 | 0.00 | 0.00 |
| 14,500.00 | 90.62 | 269.682 | 11,169.56 | -386.87 | -3,444.61 | 3,446.58 | 0.00 | 0.00 | 0.00 |
| 14,600.00 | 90.62 | 269.682 | 11,168.47 | -387.42 | -3,544.60 | 3,546.58 | 0.00 | 0.00 | 0.00 |
| 14,700.00 | 90.62 | 269.682 | 11,167.39 | -387.97 | -3,644.59 | 3,646.57 | 0.00 | 0.00 | 0.00 |
| 14,800.00 | 90.62 | 269.682 | 11,166.30 | -388.53 | -3,744.58 | 3,746.57 | 0.00 | 0.00 | 0.00 |
| 14,900.00 | 90.62 | 269.682 | 11,165.21 | -389.08 | -3,844.58 | 3,846.56 | 0.00 | 0.00 | 0.00 |
| 15,000.00 | 90.62 | 269.682 | 11,164.12 | -389.64 | -3,944.57 | 3,946.55 | 0.00 | 0.00 | 0.00 |
| 15,100.00 | 90.62 | 269.682 | 11,163.04 | -390.19 | -4,044.56 | 4,046.55 | 0.00 | 0.00 | 0.00 |
| 15,200.00 | 90.62 | 269.682 | 11,161.95 | -390.75 | -4,144.55 | 4,146.54 | 0.00 | 0.00 | 0.00 |

FLAT CREEK
RESOURCES

Planning Report

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|------------------|----------------------------------|-------------------------------------|---------------------------------------|
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| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|---------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 15,300.00 | 90.62 | 269.682 | 11,160.86 | -391.30 | -4,244.55 | 4,246.54 | 0.00 | 0.00 | 0.00 |
| 15,400.00 | 90.62 | 269.682 | 11,159.77 | -391.86 | -4,344.54 | 4,346.53 | 0.00 | 0.00 | 0.00 |
| 15,500.00 | 90.62 | 269.682 | 11,158.69 | -392.41 | -4,444.53 | 4,446.52 | 0.00 | 0.00 | 0.00 |
| 15,600.00 | 90.62 | 269.682 | 11,157.60 | -392.97 | -4,544.52 | 4,546.52 | 0.00 | 0.00 | 0.00 |
| 15,700.00 | 90.62 | 269.682 | 11,156.51 | -393.52 | -4,644.52 | 4,646.51 | 0.00 | 0.00 | 0.00 |
| 15,800.00 | 90.62 | 269.682 | 11,155.42 | -394.08 | -4,744.51 | 4,746.51 | 0.00 | 0.00 | 0.00 |
| 15,900.00 | 90.62 | 269.682 | 11,154.34 | -394.63 | -4,844.50 | 4,846.50 | 0.00 | 0.00 | 0.00 |
| 16,000.00 | 90.62 | 269.682 | 11,153.25 | -395.19 | -4,944.49 | 4,946.49 | 0.00 | 0.00 | 0.00 |
| 16,100.00 | 90.62 | 269.682 | 11,152.16 | -395.74 | -5,044.49 | 5,046.49 | 0.00 | 0.00 | 0.00 |
| 16,200.00 | 90.62 | 269.682 | 11,151.08 | -396.30 | -5,144.48 | 5,146.48 | 0.00 | 0.00 | 0.00 |
| 16,300.00 | 90.62 | 269.682 | 11,149.99 | -396.85 | -5,244.47 | 5,246.48 | 0.00 | 0.00 | 0.00 |
| 16,400.00 | 90.62 | 269.682 | 11,148.90 | -397.41 | -5,344.46 | 5,346.47 | 0.00 | 0.00 | 0.00 |
| 16,500.00 | 90.62 | 269.682 | 11,147.81 | -397.96 | -5,444.46 | 5,446.47 | 0.00 | 0.00 | 0.00 |
| 16,600.00 | 90.62 | 269.682 | 11,146.73 | -398.52 | -5,544.45 | 5,546.46 | 0.00 | 0.00 | 0.00 |
| 16,686.99 | 90.62 | 269.682 | 11,145.78 | -399.00 | -5,631.43 | 5,633.44 | 0.00 | 0.00 | 0.00 |
| Start 70.00 hold at 16686.99 MD | | | | | | | | | |
| 16,700.00 | 90.62 | 269.682 | 11,145.64 | -399.07 | -5,644.44 | 5,646.45 | 0.00 | 0.00 | 0.00 |
| 16,756.99 | 90.62 | 269.682 | 11,145.02 | -399.39 | -5,701.43 | 5,703.44 | 0.00 | 0.00 | 0.00 |
| TD at 16756.99 | | | | | | | | | |

| Design Targets | | | | | | | | | |
|--|---------------|--------------|-----------|------------|------------|-----------------|----------------|--------------|----------------|
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| Phantom 709 PBHL 330 - plan misses target center by 0.39ft at 16756.99ft MD (11145.02 TVD, -399.39 N, -5701.43 E) - Point | 0.00 | 0.000 | 11,145.00 | -399.00 | -5,701.43 | 364,440.000 | 657,410.000 | 32.000942882 | -103.825548164 |
| Phantom 709 LTP 330 F - plan hits target center - Point | 0.00 | 0.000 | 11,145.78 | -399.00 | -5,631.43 | 364,440.000 | 657,480.000 | 32.000941978 | -103.825322360 |
| Phantom 709 FTP 330 F - plan misses target center by 15.02ft at 11555.16ft MD (11201.58 TVD, -357.17 N, -500.74 E) - Point | 0.00 | 0.000 | 11,202.00 | -372.00 | -498.42 | 364,467.000 | 662,613.000 | 32.000948818 | -103.808764100 |

FLAT CREEK
RESOURCES

Planning Report

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Formations | | | | | | |
|---------------------|---------------------|--------------------|-----------|---------|-------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Name | Lithology | Dip (°) | Dip Direction (°) | |
| 25.00 | 25.00 | Alluvium | | -0.64 | 269.699 | |
| 802.00 | 802.00 | Rustler | | -0.64 | 269.699 | |
| 1,579.00 | 1,579.00 | Top Salt | | -0.64 | 269.699 | |
| 3,557.00 | 3,557.00 | Base Salt | | -0.64 | 269.699 | |
| 3,774.00 | 3,774.00 | Lamar | | -0.64 | 269.699 | |
| 3,812.00 | 3,812.00 | Bell Canyon | | -0.64 | 269.699 | |
| 4,721.62 | 4,720.27 | Cherry Canyon | | -0.64 | 269.699 | |
| 6,028.01 | 6,021.58 | Brushy Canyon | | -0.64 | 269.699 | |
| 7,717.27 | 7,705.59 | Bone Spring Lime | | -0.64 | 269.699 | |
| 8,643.27 | 8,631.59 | 1st Bone Spring sd | | -0.64 | 269.699 | |
| 8,932.27 | 8,920.59 | 2nd Bone Spring sh | | -0.64 | 269.699 | |
| 9,285.27 | 9,273.59 | 2nd Bone Spring sd | | -0.64 | 269.699 | |
| 9,911.27 | 9,899.59 | 3rd Bone Spring sh | | -0.64 | 269.699 | |
| 10,579.27 | 10,567.59 | 3rd Bone Spring sh | | -0.64 | 269.699 | |
| 10,989.09 | 10,961.69 | Wolfcamp X/Y sd | | -0.64 | 269.699 | |
| 11,229.55 | 11,127.81 | Wolfcamp A sh | | -0.64 | 269.699 | |
| 11,443.15 | 11,197.61 | Wolfcamp A sh Tgt | | -0.64 | 269.699 | |

| Plan Annotations | | | | | |
|---------------------|---------------------|-------------------|------------|-----------------------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Local Coordinates | | Comment | |
| | | +N/-S (ft) | +E/-W (ft) | | |
| 4,200.00 | 4,200.00 | 0.00 | 0.00 | Start Build 2.00 | |
| 4,450.00 | 4,449.68 | -7.71 | 7.71 | Start 625.00 hold at 4450.00 MD | |
| 5,075.00 | 5,072.30 | -46.23 | 46.23 | Start DLS 2.00 TFO 110.34 | |
| 5,266.51 | 5,263.13 | -60.70 | 52.21 | Start 1988.65 hold at 5266.51 MD | |
| 7,255.16 | 7,243.82 | -238.52 | 53.89 | Start Drop -2.00 | |
| 7,511.68 | 7,500.00 | -250.00 | 54.00 | Start 3181.16 hold at 7511.68 MD | |
| 10,692.84 | 10,681.16 | -250.00 | 54.00 | Start Build 11.00 | |
| 11,516.66 | 11,202.00 | -350.46 | -462.83 | Start DLS 5.00 TFO 89.93 | |
| 11,730.29 | 11,199.68 | -371.50 | -675.10 | Start 4956.70 hold at 11730.29 MD | |
| 16,686.99 | 11,145.78 | -399.00 | -5,631.43 | Start 70.00 hold at 16686.99 MD | |
| 16,756.99 | 11,145.02 | -399.39 | -5,701.43 | TD at 16756.99 | |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| | | | |
|--------------------|--------------------------------------|----------------------|----------------|
| Project | Eddy County, New Mexico NAD27 NM | | |
| Map System: | US State Plane 1927 (Exact solution) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 (NADCON CONUS) | | |
| Map Zone: | New Mexico East 3001 | | |

| Site | | Phantom Bank 31 Fed Com | | | |
|-----------------------|----------|-------------------------|------------------|------------|----------------|
| Site Position: | | Northing: | 365,652.329 usft | Latitude: | 32.004202000 |
| From: | Lat/Long | Easting: | 663,006.861 usft | Longitude: | -103.807475000 |
| Position Uncertainty: | 0.00 ft | Slot Radius: | 13-3/16 " | | |

| Well | Phantom Bank 31 Fed Com No. 709H, Surf loc: 700 FSL 400 FWL Section 32-T26S-R31E | | | | | |
|----------------------|--|---------|---------------------|------------------|---------------|----------------|
| Well Position | +N/-S | 0.00 ft | Northing: | 364,839.000 usft | Latitude: | 32.001964779 |
| | +E/-W | 0.00 ft | Easting: | 663,111.420 usft | Longitude: | -103.807150477 |
| Position Uncertainty | | 0.00 ft | Wellhead Elevation: | ft | Ground Level: | 3,116.00 ft |
| Grid Convergence: | | 0.28 ° | | | | |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | Original Hole | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2020 | 2/20/2022 | 6.56 | 59.64 | 47,268.84186779 |

| | | | | |
|--------------------------|------------------------------|-------------------|----------------------|----------------------|
| Design | rev0 | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PLAN | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) |
| | 0.00 | 0.00 | 0.00 | 269.700 |

| | | | | |
|---------------------------------|----------------------|--------------------------------|---------------------|----------------|
| Plan Survey Tool Program | Date | 3/22/2022 | | |
| Depth From (ft) | Depth To (ft) | Survey (Wellbore) | Tool Name | Remarks |
| 1 | 0.00 | 16,756.83 rev0 (Original Hole) | MWD | |
| | | | OWSG MWD - Standard | |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Plan Sections | | | | | | | | | | |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|----------------------|---------------------|---------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 4,200.00 | 0.00 | 0.000 | 4,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 4,450.00 | 5.00 | 135.000 | 4,449.68 | -7.71 | 7.71 | 2.00 | 2.00 | 0.00 | 135.00 | |
| 5,075.00 | 5.00 | 135.000 | 5,072.30 | -46.23 | 46.23 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 5,266.51 | 5.13 | 179.458 | 5,263.13 | -60.70 | 52.21 | 2.00 | 0.07 | 23.21 | 110.34 | |
| 7,255.16 | 5.13 | 179.458 | 7,243.82 | -238.52 | 53.89 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7,511.68 | 0.00 | 0.000 | 7,500.00 | -250.00 | 54.00 | 2.00 | -2.00 | 0.00 | 180.00 | |
| 10,692.84 | 0.00 | 0.000 | 10,681.16 | -250.00 | 54.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 11,516.66 | 90.62 | 259.000 | 11,202.00 | -350.46 | -462.83 | 11.00 | 11.00 | 0.00 | 259.00 | |
| 11,730.29 | 90.62 | 269.682 | 11,199.68 | -371.50 | -675.10 | 5.00 | 0.00 | 5.00 | 89.93 | |
| 16,686.99 | 90.62 | 269.682 | 11,145.78 | -399.00 | -5,631.43 | 0.00 | 0.00 | 0.00 | 0.00 | Phantom 709 LTP 330 |
| 16,756.99 | 90.62 | 269.682 | 11,145.02 | -399.39 | -5,701.43 | 0.00 | 0.00 | 0.00 | 0.00 | Phantom 709 PBHL 3 |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|---------------------------|--------------------|----------------|---------------------------|---------------|---------------|---------------------------|--------------------------|--------------|----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (usft) | Map Easting (usft) | Latitude | Longitude |
| 0.00 | 0.00 | 0.000 | 0.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 25.00 | 0.00 | 0.000 | 25.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Alluvium | | | | | | | | | |
| 100.00 | 0.00 | 0.000 | 100.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 200.00 | 0.00 | 0.000 | 200.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 300.00 | 0.00 | 0.000 | 300.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 400.00 | 0.00 | 0.000 | 400.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 500.00 | 0.00 | 0.000 | 500.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 600.00 | 0.00 | 0.000 | 600.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 700.00 | 0.00 | 0.000 | 700.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 800.00 | 0.00 | 0.000 | 800.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 802.00 | 0.00 | 0.000 | 802.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Rustler | | | | | | | | | |
| 900.00 | 0.00 | 0.000 | 900.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,000.00 | 0.00 | 0.000 | 1,000.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,100.00 | 0.00 | 0.000 | 1,100.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,200.00 | 0.00 | 0.000 | 1,200.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,300.00 | 0.00 | 0.000 | 1,300.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,400.00 | 0.00 | 0.000 | 1,400.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,500.00 | 0.00 | 0.000 | 1,500.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,579.00 | 0.00 | 0.000 | 1,579.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Top Salt | | | | | | | | | |
| 1,600.00 | 0.00 | 0.000 | 1,600.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,700.00 | 0.00 | 0.000 | 1,700.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,800.00 | 0.00 | 0.000 | 1,800.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 1,900.00 | 0.00 | 0.000 | 1,900.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,000.00 | 0.00 | 0.000 | 2,000.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,100.00 | 0.00 | 0.000 | 2,100.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,200.00 | 0.00 | 0.000 | 2,200.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,300.00 | 0.00 | 0.000 | 2,300.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,400.00 | 0.00 | 0.000 | 2,400.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,500.00 | 0.00 | 0.000 | 2,500.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,600.00 | 0.00 | 0.000 | 2,600.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,700.00 | 0.00 | 0.000 | 2,700.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,800.00 | 0.00 | 0.000 | 2,800.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 2,900.00 | 0.00 | 0.000 | 2,900.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,000.00 | 0.00 | 0.000 | 3,000.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,100.00 | 0.00 | 0.000 | 3,100.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,200.00 | 0.00 | 0.000 | 3,200.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,300.00 | 0.00 | 0.000 | 3,300.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,400.00 | 0.00 | 0.000 | 3,400.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,500.00 | 0.00 | 0.000 | 3,500.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,557.00 | 0.00 | 0.000 | 3,557.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Base Salt | | | | | | | | | |
| 3,600.00 | 0.00 | 0.000 | 3,600.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,700.00 | 0.00 | 0.000 | 3,700.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,774.00 | 0.00 | 0.000 | 3,774.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Lamar | | | | | | | | | |
| 3,800.00 | 0.00 | 0.000 | 3,800.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 3,812.00 | 0.00 | 0.000 | 3,812.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Bell Canyon | | | | | | | | | |
| 3,900.00 | 0.00 | 0.000 | 3,900.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 4,000.00 | 0.00 | 0.000 | 4,000.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| 4,100.00 | 0.00 | 0.000 | 4,100.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|---|-----------------|-------------|---------------------|------------|------------|---------------------|--------------------|--------------|----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (usft) | Map Easting (usft) | Latitude | Longitude |
| 4,200.00 | 0.00 | 0.000 | 4,200.00 | 0.00 | 0.00 | 364,839.000 | 663,111.420 | 32.001964779 | -103.807150477 |
| Start Build 2.00 | | | | | | | | | |
| 4,300.00 | 2.00 | 135.000 | 4,299.98 | -1.23 | 1.23 | 364,837.766 | 663,112.654 | 32.001961370 | -103.807146516 |
| 4,400.00 | 4.00 | 135.000 | 4,399.84 | -4.93 | 4.93 | 364,834.065 | 663,116.354 | 32.001951148 | -103.807134637 |
| 4,450.00 | 5.00 | 135.000 | 4,449.68 | -7.71 | 7.71 | 364,831.291 | 663,119.128 | 32.001943486 | -103.807125732 |
| Start 625.00 hold at 4450.00 MD | | | | | | | | | |
| 4,500.00 | 5.00 | 135.000 | 4,499.49 | -10.79 | 10.79 | 364,828.210 | 663,122.209 | 32.001934974 | -103.807115840 |
| 4,600.00 | 5.00 | 135.000 | 4,599.11 | -16.95 | 16.95 | 364,822.047 | 663,128.372 | 32.001917950 | -103.807096057 |
| 4,700.00 | 5.00 | 135.000 | 4,698.73 | -23.12 | 23.12 | 364,815.884 | 663,134.535 | 32.001900926 | -103.807076274 |
| 4,721.62 | 5.00 | 135.000 | 4,720.27 | -24.45 | 24.45 | 364,814.552 | 663,135.868 | 32.001897245 | -103.807071996 |
| Cherry Canyon | | | | | | | | | |
| 4,800.00 | 5.00 | 135.000 | 4,798.35 | -29.28 | 29.28 | 364,809.721 | 663,140.698 | 32.001883902 | -103.807056491 |
| 4,900.00 | 5.00 | 135.000 | 4,897.97 | -35.44 | 35.44 | 364,803.559 | 663,146.861 | 32.001866878 | -103.807036707 |
| 5,000.00 | 5.00 | 135.000 | 4,997.59 | -41.60 | 41.60 | 364,797.396 | 663,153.023 | 32.001849854 | -103.807016924 |
| 5,075.00 | 5.00 | 135.000 | 5,072.30 | -46.23 | 46.23 | 364,792.774 | 663,157.646 | 32.001837086 | -103.807002087 |
| Start DLS 2.00 TFO 110.34 | | | | | | | | | |
| 5,100.00 | 4.85 | 140.555 | 5,097.21 | -47.81 | 47.67 | 364,791.187 | 663,159.087 | 32.001832706 | -103.806997461 |
| 5,200.00 | 4.75 | 164.610 | 5,196.87 | -55.07 | 51.45 | 364,783.932 | 663,162.871 | 32.001812712 | -103.806985369 |
| 5,266.51 | 5.13 | 179.458 | 5,263.13 | -60.70 | 52.21 | 364,778.305 | 663,163.630 | 32.001797231 | -103.806983010 |
| Start 1988.65 hold at 5266.51 MD | | | | | | | | | |
| 5,300.00 | 5.13 | 179.458 | 5,296.49 | -63.69 | 52.24 | 364,775.310 | 663,163.658 | 32.001788998 | -103.806982966 |
| 5,400.00 | 5.13 | 179.458 | 5,396.09 | -72.63 | 52.32 | 364,766.368 | 663,163.743 | 32.001764415 | -103.806982833 |
| 5,500.00 | 5.13 | 179.458 | 5,495.69 | -81.57 | 52.41 | 364,757.425 | 663,163.827 | 32.001739832 | -103.806982701 |
| 5,600.00 | 5.13 | 179.458 | 5,595.29 | -90.52 | 52.49 | 364,748.483 | 663,163.912 | 32.001715249 | -103.806982569 |
| 5,700.00 | 5.13 | 179.458 | 5,694.89 | -99.46 | 52.58 | 364,739.541 | 663,163.996 | 32.001690666 | -103.806982437 |
| 5,800.00 | 5.13 | 179.458 | 5,794.49 | -108.40 | 52.66 | 364,730.599 | 663,164.081 | 32.001666084 | -103.806982305 |
| 5,900.00 | 5.13 | 179.458 | 5,894.09 | -117.34 | 52.75 | 364,721.657 | 663,164.165 | 32.001641501 | -103.806982172 |
| 6,000.00 | 5.13 | 179.458 | 5,993.69 | -126.29 | 52.83 | 364,712.715 | 663,164.250 | 32.001616918 | -103.806982040 |
| 6,028.01 | 5.13 | 179.458 | 6,021.58 | -128.79 | 52.85 | 364,710.210 | 663,164.274 | 32.001610033 | -103.806982003 |
| Brushy Canyon | | | | | | | | | |
| 6,100.00 | 5.13 | 179.458 | 6,093.29 | -135.23 | 52.92 | 364,703.773 | 663,164.334 | 32.001592335 | -103.806981908 |
| 6,200.00 | 5.13 | 179.458 | 6,192.89 | -144.17 | 53.00 | 364,694.831 | 663,164.419 | 32.001567752 | -103.806981776 |
| 6,300.00 | 5.13 | 179.458 | 6,292.49 | -153.11 | 53.08 | 364,685.888 | 663,164.504 | 32.001543170 | -103.806981643 |
| 6,400.00 | 5.13 | 179.458 | 6,392.09 | -162.05 | 53.17 | 364,676.946 | 663,164.588 | 32.001518587 | -103.806981511 |
| 6,500.00 | 5.13 | 179.458 | 6,491.69 | -171.00 | 53.25 | 364,668.004 | 663,164.673 | 32.001494004 | -103.806981379 |
| 6,600.00 | 5.13 | 179.458 | 6,591.29 | -179.94 | 53.34 | 364,659.062 | 663,164.757 | 32.001469421 | -103.806981247 |
| 6,700.00 | 5.13 | 179.458 | 6,690.88 | -188.88 | 53.42 | 364,650.120 | 663,164.842 | 32.001444838 | -103.806981114 |
| 6,800.00 | 5.13 | 179.458 | 6,790.48 | -197.82 | 53.51 | 364,641.178 | 663,164.926 | 32.001420255 | -103.806980982 |
| 6,900.00 | 5.13 | 179.458 | 6,890.08 | -206.76 | 53.59 | 364,632.236 | 663,165.011 | 32.001395673 | -103.806980850 |
| 7,000.00 | 5.13 | 179.458 | 6,989.68 | -215.71 | 53.68 | 364,623.294 | 663,165.095 | 32.001371090 | -103.806980718 |
| 7,100.00 | 5.13 | 179.458 | 7,089.28 | -224.65 | 53.76 | 364,614.352 | 663,165.180 | 32.001346507 | -103.806980585 |
| 7,200.00 | 5.13 | 179.458 | 7,188.88 | -233.59 | 53.84 | 364,605.409 | 663,165.264 | 32.001321924 | -103.806980453 |
| 7,255.16 | 5.13 | 179.458 | 7,243.82 | -238.52 | 53.89 | 364,600.477 | 663,165.311 | 32.001308366 | -103.806980380 |
| Start Drop -2.00 | | | | | | | | | |
| 7,300.00 | 4.23 | 179.458 | 7,288.51 | -242.18 | 53.93 | 364,596.817 | 663,165.346 | 32.001298303 | -103.806980326 |
| 7,400.00 | 2.23 | 179.458 | 7,388.35 | -247.82 | 53.98 | 364,591.177 | 663,165.399 | 32.001282797 | -103.806980243 |
| 7,500.00 | 0.23 | 179.458 | 7,488.32 | -249.98 | 54.00 | 364,589.024 | 663,165.419 | 32.001276879 | -103.806980211 |
| 7,511.68 | 0.00 | 0.000 | 7,500.00 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| Start 3181.16 hold at 7511.68 MD | | | | | | | | | |
| 7,600.00 | 0.00 | 0.000 | 7,588.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 7,700.00 | 0.00 | 0.000 | 7,688.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 7,717.27 | 0.00 | 0.000 | 7,705.59 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| Bone Spring Lime | | | | | | | | | |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|---------------------------|-----------------|-------------|---------------------|------------|------------|---------------------|--------------------|--------------|----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (usft) | Map Easting (usft) | Latitude | Longitude |
| 7,800.00 | 0.00 | 0.000 | 7,788.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 7,900.00 | 0.00 | 0.000 | 7,888.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,000.00 | 0.00 | 0.000 | 7,988.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,100.00 | 0.00 | 0.000 | 8,088.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,200.00 | 0.00 | 0.000 | 8,188.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,300.00 | 0.00 | 0.000 | 8,288.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,400.00 | 0.00 | 0.000 | 8,388.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,500.00 | 0.00 | 0.000 | 8,488.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,600.00 | 0.00 | 0.000 | 8,588.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,643.27 | 0.00 | 0.000 | 8,631.59 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 1st Bone Spring sd | | | | | | | | | |
| 8,700.00 | 0.00 | 0.000 | 8,688.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,800.00 | 0.00 | 0.000 | 8,788.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,900.00 | 0.00 | 0.000 | 8,888.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 8,932.27 | 0.00 | 0.000 | 8,920.59 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 2nd Bone Spring sh | | | | | | | | | |
| 9,000.00 | 0.00 | 0.000 | 8,988.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,100.00 | 0.00 | 0.000 | 9,088.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,200.00 | 0.00 | 0.000 | 9,188.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,285.27 | 0.00 | 0.000 | 9,273.59 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 2nd Bone Spring sd | | | | | | | | | |
| 9,300.00 | 0.00 | 0.000 | 9,288.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,400.00 | 0.00 | 0.000 | 9,388.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,500.00 | 0.00 | 0.000 | 9,488.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,600.00 | 0.00 | 0.000 | 9,588.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,700.00 | 0.00 | 0.000 | 9,688.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,800.00 | 0.00 | 0.000 | 9,788.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,900.00 | 0.00 | 0.000 | 9,888.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 9,911.27 | 0.00 | 0.000 | 9,899.59 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 3rd Bone Spring sh | | | | | | | | | |
| 10,000.00 | 0.00 | 0.000 | 9,988.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,100.00 | 0.00 | 0.000 | 10,088.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,200.00 | 0.00 | 0.000 | 10,188.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,300.00 | 0.00 | 0.000 | 10,288.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,400.00 | 0.00 | 0.000 | 10,388.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,500.00 | 0.00 | 0.000 | 10,488.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,579.27 | 0.00 | 0.000 | 10,567.59 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 3rd Bone Spring sh | | | | | | | | | |
| 10,600.00 | 0.00 | 0.000 | 10,588.32 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| 10,692.84 | 0.00 | 0.000 | 10,681.16 | -250.00 | 54.00 | 364,589.000 | 663,165.419 | 32.001276814 | -103.806980210 |
| Start Build 11.00 | | | | | | | | | |
| 10,700.00 | 0.79 | 259.000 | 10,688.32 | -250.01 | 53.95 | 364,588.991 | 663,165.371 | 32.001276788 | -103.806980366 |
| 10,750.00 | 6.29 | 259.000 | 10,738.20 | -250.60 | 50.92 | 364,588.402 | 663,162.344 | 32.001275211 | -103.806990140 |
| 10,800.00 | 11.79 | 259.000 | 10,787.56 | -252.10 | 43.22 | 364,586.904 | 663,154.637 | 32.001271197 | -103.807015024 |
| 10,850.00 | 17.29 | 259.000 | 10,835.94 | -254.49 | 30.90 | 364,584.511 | 663,142.322 | 32.001264781 | -103.807054787 |
| 10,900.00 | 22.79 | 259.000 | 10,882.90 | -257.76 | 14.09 | 364,581.243 | 663,125.512 | 32.001256023 | -103.807109065 |
| 10,950.00 | 28.29 | 259.000 | 10,928.00 | -261.87 | -7.06 | 364,577.132 | 663,104.361 | 32.001245004 | -103.807177357 |
| 10,989.09 | 32.59 | 259.000 | 10,961.69 | -265.65 | -26.49 | 364,573.354 | 663,084.929 | 32.001234881 | -103.807240100 |
| Wolfcamp X/Y sd | | | | | | | | | |
| 11,000.00 | 33.79 | 259.000 | 10,970.82 | -266.79 | -32.35 | 364,572.215 | 663,079.065 | 32.001231826 | -103.807259034 |
| 11,050.00 | 39.29 | 259.000 | 11,010.98 | -272.46 | -61.56 | 364,566.537 | 663,049.856 | 32.001216609 | -103.807353345 |
| 11,100.00 | 44.79 | 259.000 | 11,048.10 | -278.85 | -94.42 | 364,560.151 | 663,017.003 | 32.001199493 | -103.807459421 |
| 11,150.00 | 50.29 | 259.000 | 11,081.84 | -285.88 | -130.61 | 364,553.115 | 662,980.809 | 32.001180637 | -103.807576286 |
| 11,200.00 | 55.79 | 259.000 | 11,111.90 | -293.50 | -169.81 | 364,545.495 | 662,941.606 | 32.001160213 | -103.807702862 |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | |
|--|-----------------|-------------|---------------------|------------|------------|---------------------|--------------------|--------------|----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (usft) | Map Easting (usft) | Latitude | Longitude |
| 11,229.55 | 59.04 | 259.000 | 11,127.81 | -298.26 | -194.25 | 364,540.744 | 662,917.165 | 32.001147480 | -103.807781778 |
| Wolfcamp A sh | | | | | | | | | |
| 11,250.00 | 61.29 | 259.000 | 11,137.98 | -301.64 | -211.66 | 364,537.361 | 662,899.757 | 32.001138410 | -103.807837986 |
| 11,300.00 | 66.79 | 259.000 | 11,159.87 | -310.21 | -255.77 | 364,528.786 | 662,855.646 | 32.001115429 | -103.807980412 |
| 11,350.00 | 72.29 | 259.000 | 11,177.34 | -319.15 | -301.74 | 364,519.851 | 662,809.679 | 32.001091481 | -103.808128829 |
| 11,400.00 | 77.79 | 259.000 | 11,190.24 | -328.36 | -349.14 | 364,510.638 | 662,762.281 | 32.001066786 | -103.808281871 |
| 11,443.15 | 82.53 | 259.000 | 11,197.61 | -336.47 | -390.86 | 364,502.529 | 662,720.562 | 32.001045051 | -103.808416574 |
| Wolfcamp A sh Tgt | | | | | | | | | |
| 11,450.00 | 83.29 | 259.000 | 11,198.46 | -337.77 | -397.53 | 364,501.231 | 662,713.886 | 32.001041573 | -103.808438129 |
| 11,500.00 | 88.79 | 259.000 | 11,201.91 | -347.28 | -446.48 | 364,491.717 | 662,664.941 | 32.001016072 | -103.808596163 |
| 11,516.66 | 90.62 | 259.000 | 11,202.00 | -350.46 | -462.83 | 364,488.538 | 662,648.587 | 32.001007552 | -103.808648966 |
| Start DLS 5.00 TFO 89.93 | | | | | | | | | |
| 11,600.00 | 90.62 | 263.167 | 11,201.10 | -363.38 | -545.14 | 364,475.625 | 662,566.278 | 32.000973151 | -103.808914677 |
| 11,700.00 | 90.62 | 268.167 | 11,200.01 | -370.93 | -644.82 | 364,468.073 | 662,466.602 | 32.000953720 | -103.809236328 |
| 11,730.29 | 90.62 | 269.682 | 11,199.68 | -371.50 | -675.10 | 364,467.505 | 662,436.321 | 32.000952561 | -103.809334016 |
| Start 4956.70 hold at 11730.29 MD | | | | | | | | | |
| 11,800.00 | 90.62 | 269.682 | 11,198.92 | -371.88 | -744.81 | 364,467.118 | 662,366.615 | 32.000952426 | -103.809558876 |
| 11,900.00 | 90.62 | 269.682 | 11,197.83 | -372.44 | -844.80 | 364,466.563 | 662,266.623 | 32.000952232 | -103.809881436 |
| 12,000.00 | 90.62 | 269.682 | 11,196.74 | -372.99 | -944.79 | 364,466.008 | 662,166.630 | 32.000952037 | -103.810203996 |
| 12,100.00 | 90.62 | 269.682 | 11,195.66 | -373.55 | -1,044.78 | 364,465.453 | 662,066.638 | 32.000951841 | -103.810526556 |
| 12,200.00 | 90.62 | 269.682 | 11,194.57 | -374.10 | -1,144.78 | 364,464.898 | 661,966.646 | 32.000951644 | -103.810849116 |
| 12,300.00 | 90.62 | 269.682 | 11,193.48 | -374.66 | -1,244.77 | 364,464.343 | 661,866.653 | 32.000951447 | -103.811171676 |
| 12,400.00 | 90.62 | 269.682 | 11,192.39 | -375.21 | -1,344.76 | 364,463.788 | 661,766.661 | 32.000951249 | -103.811494236 |
| 12,500.00 | 90.62 | 269.682 | 11,191.31 | -375.77 | -1,444.75 | 364,463.233 | 661,666.669 | 32.000951050 | -103.811816796 |
| 12,600.00 | 90.62 | 269.682 | 11,190.22 | -376.32 | -1,544.75 | 364,462.679 | 661,566.676 | 32.000950850 | -103.812139356 |
| 12,700.00 | 90.62 | 269.682 | 11,189.13 | -376.88 | -1,644.74 | 364,462.124 | 661,466.684 | 32.000950649 | -103.812461916 |
| 12,800.00 | 90.62 | 269.682 | 11,188.05 | -377.43 | -1,744.73 | 364,461.569 | 661,366.691 | 32.000950447 | -103.812784476 |
| 12,900.00 | 90.62 | 269.682 | 11,186.96 | -377.99 | -1,844.72 | 364,461.014 | 661,266.699 | 32.000950245 | -103.813107036 |
| 13,000.00 | 90.62 | 269.682 | 11,185.87 | -378.54 | -1,944.72 | 364,460.459 | 661,166.707 | 32.000950042 | -103.813429596 |
| 13,100.00 | 90.62 | 269.682 | 11,184.78 | -379.10 | -2,044.71 | 364,459.904 | 661,066.714 | 32.000949838 | -103.813752156 |
| 13,200.00 | 90.62 | 269.682 | 11,183.70 | -379.65 | -2,144.70 | 364,459.349 | 660,966.722 | 32.000949633 | -103.814074716 |
| 13,300.00 | 90.62 | 269.682 | 11,182.61 | -380.21 | -2,244.69 | 364,458.794 | 660,866.730 | 32.000949427 | -103.814397277 |
| 13,400.00 | 90.62 | 269.682 | 11,181.52 | -380.76 | -2,344.69 | 364,458.239 | 660,766.737 | 32.000949221 | -103.814719837 |
| 13,500.00 | 90.62 | 269.682 | 11,180.43 | -381.32 | -2,444.68 | 364,457.684 | 660,666.745 | 32.000949014 | -103.815042397 |
| 13,600.00 | 90.62 | 269.682 | 11,179.35 | -381.87 | -2,544.67 | 364,457.130 | 660,566.753 | 32.000948805 | -103.815364957 |
| 13,700.00 | 90.62 | 269.682 | 11,178.26 | -382.43 | -2,644.66 | 364,456.575 | 660,466.760 | 32.000948597 | -103.815687517 |
| 13,800.00 | 90.62 | 269.682 | 11,177.17 | -382.98 | -2,744.66 | 364,456.020 | 660,366.768 | 32.000948387 | -103.816010078 |
| 13,900.00 | 90.62 | 269.682 | 11,176.08 | -383.54 | -2,844.65 | 364,455.465 | 660,266.776 | 32.000948176 | -103.816332638 |
| 14,000.00 | 90.62 | 269.682 | 11,175.00 | -384.09 | -2,944.64 | 364,454.910 | 660,166.783 | 32.000947965 | -103.816655198 |
| 14,100.00 | 90.62 | 269.682 | 11,173.91 | -384.65 | -3,044.63 | 364,454.355 | 660,066.791 | 32.000947753 | -103.816977758 |
| 14,200.00 | 90.62 | 269.682 | 11,172.82 | -385.20 | -3,144.63 | 364,453.800 | 659,966.799 | 32.000947540 | -103.817300318 |
| 14,300.00 | 90.62 | 269.682 | 11,171.73 | -385.76 | -3,244.62 | 364,453.245 | 659,866.806 | 32.000947326 | -103.817622879 |
| 14,400.00 | 90.62 | 269.682 | 11,170.65 | -386.31 | -3,344.61 | 364,452.690 | 659,766.814 | 32.000947111 | -103.817945439 |
| 14,500.00 | 90.62 | 269.682 | 11,169.56 | -386.87 | -3,444.61 | 364,452.135 | 659,666.822 | 32.000946896 | -103.818267999 |
| 14,600.00 | 90.62 | 269.682 | 11,168.47 | -387.42 | -3,544.60 | 364,451.580 | 659,566.829 | 32.000946679 | -103.818590559 |
| 14,700.00 | 90.62 | 269.682 | 11,167.39 | -387.97 | -3,644.59 | 364,451.026 | 659,466.837 | 32.000946462 | -103.818913120 |
| 14,800.00 | 90.62 | 269.682 | 11,166.30 | -388.53 | -3,744.58 | 364,450.471 | 659,366.845 | 32.000946244 | -103.819235680 |
| 14,900.00 | 90.62 | 269.682 | 11,165.21 | -389.08 | -3,844.58 | 364,449.916 | 659,266.852 | 32.000946025 | -103.819558240 |
| 15,000.00 | 90.62 | 269.682 | 11,164.12 | -389.64 | -3,944.57 | 364,449.361 | 659,166.860 | 32.000945806 | -103.819880801 |
| 15,100.00 | 90.62 | 269.682 | 11,163.04 | -390.19 | -4,044.56 | 364,448.806 | 659,066.868 | 32.000945585 | -103.820203361 |
| 15,200.00 | 90.62 | 269.682 | 11,161.95 | -390.75 | -4,144.55 | 364,448.251 | 658,966.875 | 32.000945364 | -103.820525921 |
| 15,300.00 | 90.62 | 269.682 | 11,160.86 | -391.30 | -4,244.55 | 364,447.696 | 658,866.883 | 32.000945142 | -103.820848482 |
| 15,400.00 | 90.62 | 269.682 | 11,159.77 | -391.86 | -4,344.54 | 364,447.141 | 658,766.891 | 32.000944919 | -103.821171042 |
| 15,500.00 | 90.62 | 269.682 | 11,158.69 | -392.41 | -4,444.53 | 364,446.586 | 658,666.898 | 32.000944696 | -103.821493602 |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Planned Survey | | | | | | | | | | |
|---------------------------------|--------------------|----------------|---------------------------|---------------|---------------|---------------------------|--------------------------|--------------|----------------|--|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (usft) | Map Easting (usft) | Latitude | Longitude | |
| 15,600.00 | 90.62 | 269.682 | 11,157.60 | -392.97 | -4,544.52 | 364,446.031 | 658,566.906 | 32.000944471 | -103.821816163 | |
| 15,700.00 | 90.62 | 269.682 | 11,156.51 | -393.52 | -4,644.52 | 364,445.477 | 658,466.913 | 32.000944246 | -103.822138723 | |
| 15,800.00 | 90.62 | 269.682 | 11,155.42 | -394.08 | -4,744.51 | 364,444.922 | 658,366.921 | 32.000944020 | -103.822461284 | |
| 15,900.00 | 90.62 | 269.682 | 11,154.34 | -394.63 | -4,844.50 | 364,444.367 | 658,266.929 | 32.000943793 | -103.822783844 | |
| 16,000.00 | 90.62 | 269.682 | 11,153.25 | -395.19 | -4,944.49 | 364,443.812 | 658,166.936 | 32.000943565 | -103.823106404 | |
| 16,100.00 | 90.62 | 269.682 | 11,152.16 | -395.74 | -5,044.49 | 364,443.257 | 658,066.944 | 32.000943336 | -103.823428965 | |
| 16,200.00 | 90.62 | 269.682 | 11,151.08 | -396.30 | -5,144.48 | 364,442.702 | 657,966.952 | 32.000943107 | -103.823751525 | |
| 16,300.00 | 90.62 | 269.682 | 11,149.99 | -396.85 | -5,244.47 | 364,442.147 | 657,866.959 | 32.000942876 | -103.824074086 | |
| 16,400.00 | 90.62 | 269.682 | 11,148.90 | -397.41 | -5,344.46 | 364,441.592 | 657,766.967 | 32.000942645 | -103.824396646 | |
| 16,500.00 | 90.62 | 269.682 | 11,147.81 | -397.96 | -5,444.46 | 364,441.037 | 657,666.975 | 32.000942414 | -103.824719207 | |
| 16,600.00 | 90.62 | 269.682 | 11,146.73 | -398.52 | -5,544.45 | 364,440.482 | 657,566.982 | 32.000942181 | -103.825041767 | |
| 16,686.99 | 90.62 | 269.682 | 11,145.78 | -399.00 | -5,631.43 | 364,440.000 | 657,480.000 | 32.000941978 | -103.825322360 | |
| Start 70.00 hold at 16686.99 MD | | | | | | | | | | |
| 16,700.00 | 90.62 | 269.682 | 11,145.64 | -399.07 | -5,644.44 | 364,439.927 | 657,466.990 | 32.000941947 | -103.825364328 | |
| 16,756.99 | 90.62 | 269.682 | 11,145.02 | -399.39 | -5,701.43 | 364,439.611 | 657,410.002 | 32.000941814 | -103.825548163 | |
| TD at 16756.99 | | | | | | | | | | |

| Design Targets | | | | | | | | | | |
|--|---------------|--------------|-----------|------------|------------|-----------------|----------------|--------------|----------------|--|
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude | Longitude | |
| Phantom 709 PBHL 330 - plan misses target center by 0.39ft at 16756.99ft MD (11145.02 TVD, -399.39 N, -5701.43 E) - Point | 0.00 | 0.000 | 11,145.00 | -399.00 | -5,701.43 | 364,440.000 | 657,410.000 | 32.000942882 | -103.825548164 | |
| Phantom 709 LTP 330 F - plan hits target center - Point | 0.00 | 0.000 | 11,145.78 | -399.00 | -5,631.43 | 364,440.000 | 657,480.000 | 32.000941978 | -103.825322360 | |
| Phantom 709 FTP 330 F - plan misses target center by 15.02ft at 11555.16ft MD (11201.58 TVD, -357.17 N, -500.74 E) - Point | 0.00 | 0.000 | 11,202.00 | -372.00 | -498.42 | 364,467.000 | 662,613.000 | 32.000948818 | -103.808764100 | |

FLAT CREEK
RESOURCES

Planning Report - Geographic

| | | | |
|------------------|----------------------------------|-------------------------------------|---------------------------------------|
| Database: | DB_Feb2822 | Local Co-ordinate Reference: | Well Phantom Bank 31 Fed Com No. 709H |
| Company: | Flat Creek Resources, LLC | TVD Reference: | RKB=3116+25 @ 3141.00ft |
| Project: | Eddy County, New Mexico NAD27 NM | MD Reference: | RKB=3116+25 @ 3141.00ft |
| Site: | Phantom Bank 31 Fed Com | North Reference: | Grid |
| Well: | Phantom Bank 31 Fed Com No. 709H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Hole | | |
| Design: | rev0 | | |

| Formations | | | | | | |
|---------------------|---------------------|--------------------|-----------|---------|-------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Name | Lithology | Dip (°) | Dip Direction (°) | |
| 25.00 | 25.00 | Alluvium | | -0.64 | 269.699 | |
| 802.00 | 802.00 | Rustler | | -0.64 | 269.699 | |
| 1,579.00 | 1,579.00 | Top Salt | | -0.64 | 269.699 | |
| 3,557.00 | 3,557.00 | Base Salt | | -0.64 | 269.699 | |
| 3,774.00 | 3,774.00 | Lamar | | -0.64 | 269.699 | |
| 3,812.00 | 3,812.00 | Bell Canyon | | -0.64 | 269.699 | |
| 4,721.62 | 4,720.27 | Cherry Canyon | | -0.64 | 269.699 | |
| 6,028.01 | 6,021.58 | Brushy Canyon | | -0.64 | 269.699 | |
| 7,717.27 | 7,705.59 | Bone Spring Lime | | -0.64 | 269.699 | |
| 8,643.27 | 8,631.59 | 1st Bone Spring sd | | -0.64 | 269.699 | |
| 8,932.27 | 8,920.59 | 2nd Bone Spring sh | | -0.64 | 269.699 | |
| 9,285.27 | 9,273.59 | 2nd Bone Spring sd | | -0.64 | 269.699 | |
| 9,911.27 | 9,899.59 | 3rd Bone Spring sh | | -0.64 | 269.699 | |
| 10,579.27 | 10,567.59 | 3rd Bone Spring sh | | -0.64 | 269.699 | |
| 10,989.09 | 10,961.69 | Wolfcamp X/Y sd | | -0.64 | 269.699 | |
| 11,229.55 | 11,127.81 | Wolfcamp A sh | | -0.64 | 269.699 | |
| 11,443.15 | 11,197.61 | Wolfcamp A sh Tgt | | -0.64 | 269.699 | |

| Plan Annotations | | | | | |
|---------------------|---------------------|-------------------|------------|-----------------------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Local Coordinates | | | |
| | | +N/-S (ft) | +E/-W (ft) | Comment | |
| 4,200.00 | 4,200.00 | 0.00 | 0.00 | Start Build 2.00 | |
| 4,450.00 | 4,449.68 | -7.71 | 7.71 | Start 625.00 hold at 4450.00 MD | |
| 5,075.00 | 5,072.30 | -46.23 | 46.23 | Start DLS 2.00 TFO 110.34 | |
| 5,266.51 | 5,263.13 | -60.70 | 52.21 | Start 1988.65 hold at 5266.51 MD | |
| 7,255.16 | 7,243.82 | -238.52 | 53.89 | Start Drop -2.00 | |
| 7,511.68 | 7,500.00 | -250.00 | 54.00 | Start 3181.16 hold at 7511.68 MD | |
| 10,692.84 | 10,681.16 | -250.00 | 54.00 | Start Build 11.00 | |
| 11,516.66 | 11,202.00 | -350.46 | -462.83 | Start DLS 5.00 TFO 89.93 | |
| 11,730.29 | 11,199.68 | -371.50 | -675.10 | Start 4956.70 hold at 11730.29 MD | |
| 16,686.99 | 11,145.78 | -399.00 | -5,631.43 | Start 70.00 hold at 16686.99 MD | |
| 16,756.99 | 11,145.02 | -399.39 | -5,701.43 | TD at 16756.99 | |

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| | |
|-------------------------|------------------------------------|
| OPERATOR'S NAME: | Flat Creek Resources LLC |
| LEASE NO.: | NMNM138868 |
| LOCATION: | Section 32, T.26 S., R.31 E., NMPM |
| COUNTY: | Eddy County, New Mexico |

| | |
|------------------------------|------------------------------|
| WELL NAME & NO.: | Phantom Bank 31 Fed Com 707H |
| SURFACE HOLE FOOTAGE: | 650'/S & 350'/W |
| BOTTOM HOLE FOOTAGE: | 698'/S & 30'/W |

| | |
|------------------------------|------------------------------|
| WELL NAME & NO.: | Phantom Bank 31 Fed Com 708H |
| SURFACE HOLE FOOTAGE: | 650'/S & 400'/W |
| BOTTOM HOLE FOOTAGE: | 698'/S & 30'/W |

| | |
|------------------------------|------------------------------|
| WELL NAME & NO.: | Phantom Bank 31 Fed Com 709H |
| SURFACE HOLE FOOTAGE: | 600'/S & 400'/W |
| BOTTOM HOLE FOOTAGE: | 330'/S & 30'/W |

COA

| | | | |
|----------------------|--|---|---|
| H2S | <input checked="" type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| Potash | <input checked="" type="checkbox"/> None | <input checked="" type="checkbox"/> Secretary | <input checked="" type="checkbox"/> R-111-P |
| Cave/Karst Potential | <input checked="" type="checkbox"/> Low | <input checked="" type="checkbox"/> Medium | <input checked="" type="checkbox"/> High |
| Cave/Karst Potential | <input checked="" type="checkbox"/> Critical | | |
| Variance | <input checked="" type="checkbox"/> None | <input checked="" type="checkbox"/> Flex Hose | <input checked="" type="checkbox"/> Other |
| Wellhead | <input checked="" type="checkbox"/> Conventional | <input checked="" type="checkbox"/> Multibowl | <input checked="" type="checkbox"/> Both |
| Other | <input type="checkbox"/> 4 String Area | <input type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP |
| Other | <input type="checkbox"/> Fluid Filled | <input type="checkbox"/> Cement Squeeze | <input type="checkbox"/> Pilot Hole |
| Special Requirements | <input type="checkbox"/> Water Disposal | <input checked="" type="checkbox"/> COM | <input type="checkbox"/> Unit |

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **711 feet** (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing shall be set at approximately **3800 feet** is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
 - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
Cement excess is less than 25%, more cement might be required.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout

preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

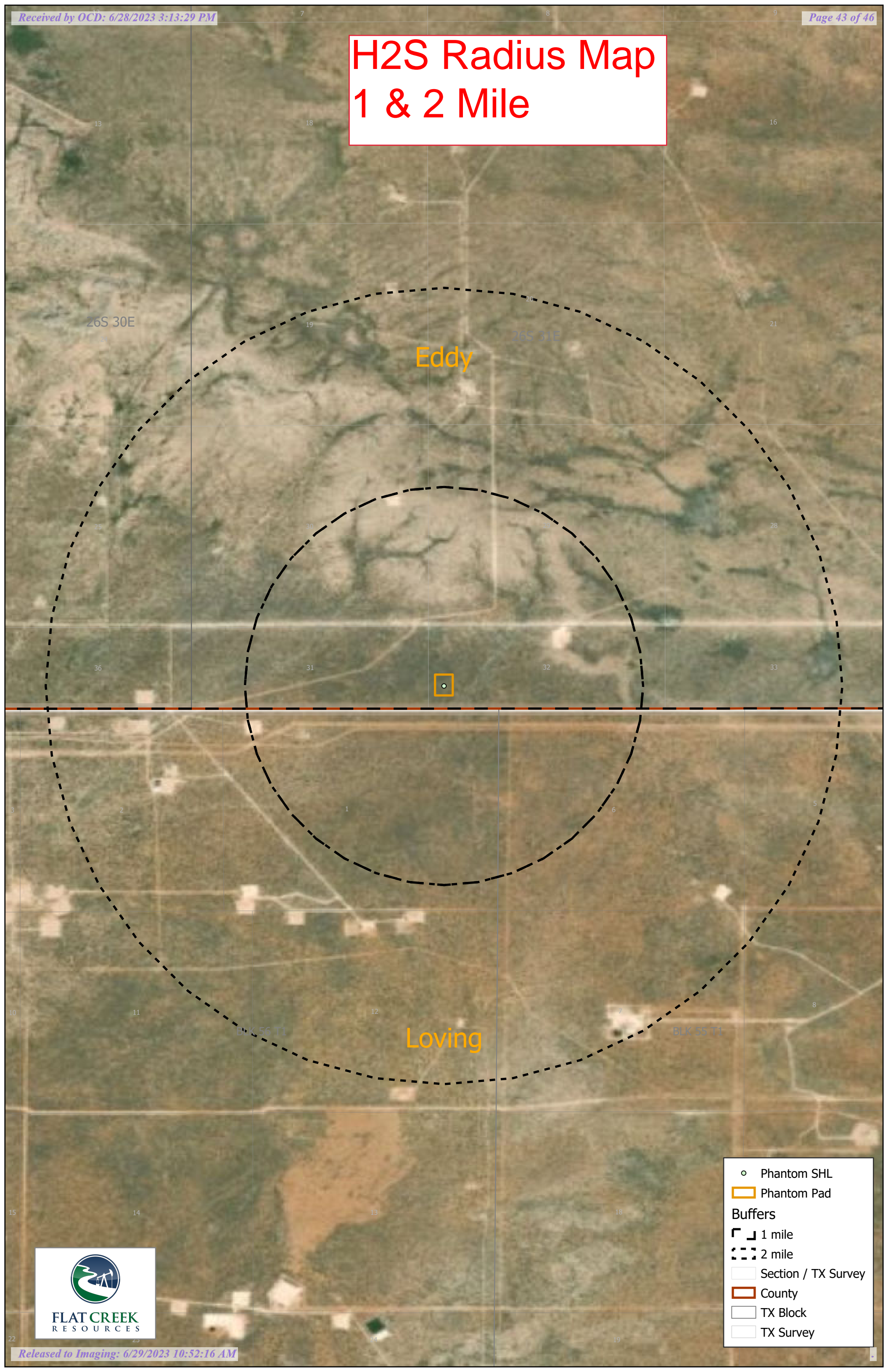
Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

H2S Radius Map 1 & 2 Mile



Phantom SHL

Phantom Pad

Buffers

1 mile

2 mile

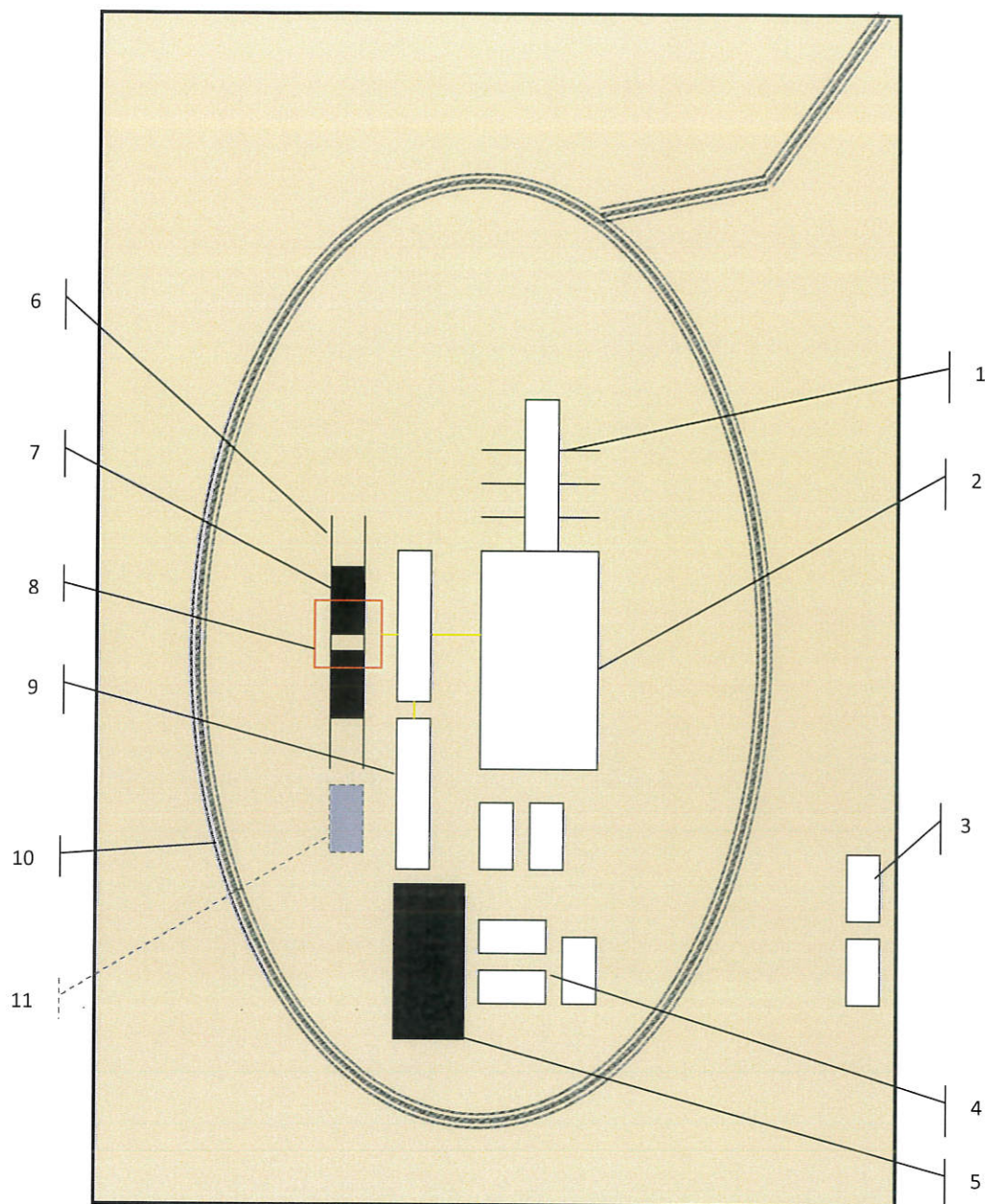
Section / TX Survey

County

TX Block

TX Survey





Schematic Closed Loop Drilling Rig*

1. Pipe Rack
2. Drill Rig
3. House Trailers/ Offices
4. Generator/Fuel/Storage
5. Overflow-Frac Tank
6. Skids
7. Roll Offs
8. Hopper or Centrifuge
9. Mud Tanks
10. Loop Drive
11. Generator (only for use with centrifuge)

*Not drawn to scale: Closed loop system requires at least 30 feet beyond mud tanks. Ideally 60 feet would be available

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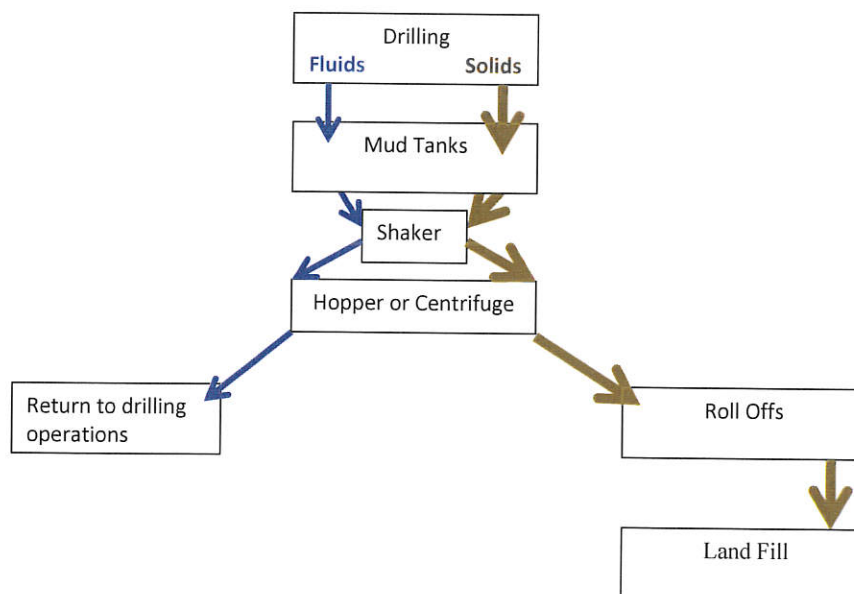


Above: Centrifugal Closed Loop System



Closed Loop Drilling System: Mud tanks to right (1)
 Hopper in air to settle out solids (2)
 Water return pipe (3)
 Shaker between hopper and mud tanks (4)
 Roll offs on skids (5)

Flow Chart for Drilling Fluids and Solids



Photos Courtesy of Gandy Corporation Oil
 Field Service

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 PROVIDING PERMITS for LAND USERS
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1625 N. French Dr., Hobbs, NM 88240
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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 234033

CONDITIONS

| | |
|--|---|
| Operator: Flat Creek Resources, LLC 777 Main St. Fort Worth, TX 76102 | OGRID: 374034 |
| | Action Number: 234033 |
| | Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3) |

CONDITIONS

| Created By | Condition | Condition Date |
|-------------|--|----------------|
| ward.rikala | Notify OCD 24 hours prior to casing & cement | 6/29/2023 |
| ward.rikala | Will require a File As Drilled C-102 and a Directional Survey with the C-104 | 6/29/2023 |
| ward.rikala | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string | 6/29/2023 |
| ward.rikala | Cement is required to circulate on both surface and intermediate1 strings of casing | 6/29/2023 |
| ward.rikala | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system | 6/29/2023 |