

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

Form C-101
August 1, 2011

Permit 388523

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|--|--|-------------------------------|
| 1. Operator Name and Address Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024 | | 2. OGRID Number 328947 |
| 4. Property Code 337337 | | 3. API Number 30-015-56801 |
| 5. Property Name PEAKY 8 9 STATE COM | | 6. Well No. 021H |

7. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| C | 8 | 17S | 29E | C | 1015 | N | 1980 | W | Eddy |

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| H | 9 | 17S | 29E | H | 2205 | N | 50 | E | Eddy |

9. Pool Information

| | |
|-----------------------------|-------|
| EMPIRE; GLORIETA-YESO, EAST | 96610 |
|-----------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3626 |
| 16. Multiple N | 17. Proposed Depth 12564 | 18. Formation Paddock | 19. Contractor | 20. Spud Date 12/3/2026 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 54.5 | 350 | 218 | 0 |
| Int1 | 12.25 | 9.625 | 36 | 1525 | 395 | 0 |
| Prod | 8.75 | 7 | 32 | 4600 | 2281 | 0 |
| Prod | 8.75 | 5.5 | 20 | 12564 | 2281 | 0 |

Casing/Cement Program: Additional Comments

| |
|-------------------------------------|
| This is on a 480-acre spacing unit. |
|-------------------------------------|

22. Proposed Blowout Prevention Program

| | | | |
|------------|------------------|---------------|--------------|
| Type | Working Pressure | Test Pressure | Manufacturer |
| Double Ram | 5 | 5000 | SHAFFER |

| | |
|---|---|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: Printed Name: Electronically filed by Sarah Chapman Title: Regulatory Director Email Address: schapman@spurenergy.com Date: 5/1/2025 | <p style="text-align: center;">OIL CONSERVATION DIVISION</p> Approved By: Jeffrey Harrison Title: Petroleum Specialist III Approved Date: 6/17/2025 Expiration Date: 6/17/2027 Conditions of Approval Attached |
| Phone: 832-930-8613 | |

| | | | | |
|--|---|-------------------------------------|----------------------|---|
| C-102 Submit Electronically Via OCD Permitting | State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION | | Revised July 9, 2024 | |
| | | | Submittal Type: | <input checked="" type="checkbox"/> Initial Submittal |
| | | | | <input type="checkbox"/> Amended Report |
| | | <input type="checkbox"/> As Drilled | | |

WELL LOCATION INFORMATION

| | | |
|--|---|---|
| API Number 30-015-56801 | Pool Code 96610 | Pool Name EMPIRE; GLORIETA-YESO, EAST |
| Property Code 337337 | Property Name PEAKY 8-9 STATE COM | Well Number 21H |
| OGRID No. 328947 | Operator Name SPUR ENERGY PARTNERS LLC. | Ground Level Elevation 3626' |
| Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal | | Mineral Owner: <input checked="" type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal |

Surface Location

| | | | | | | | | | |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|
| UL C | Section 8 | Township 17S | Range 29E | Lot | Ft. from N/S 1015 FNL | Ft. from E/W 1980 FWL | Latitude 32.8535521°N | Longitude 104.0991692°W | County EDDY |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|

Bottom Hole Location

| | | | | | | | | | |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|-------------------------------|---------------------------------|-----------------------------------|-----------------------|
| UL H | Section 9 | Township 17S | Range 29E | Lot | Ft. from N/S 2205 FNL | Ft. from E/W 50 FEL | Latitude 32.8503236°N | Longitude 104.0714550°W | County EDDY |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|-------------------------------|---------------------------------|-----------------------------------|-----------------------|

| | | | | |
|-------------------------------|--|-------------------------------------|---|--|
| Dedicated Acres 480 | Infill or Defining Well INFILL | Defining Well API PENDING | Overlapping Spacing Unit (Y/N) Y | Consolidation Code F & C |
| Order Numbers. PENDING | | | Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

Kick Off Point (KOP)

| | | | | | | | | | |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|
| UL F | Section 8 | Township 17S | Range 29E | Lot | Ft. from N/S 2037 FNL | Ft. from E/W 1916 FWL | Latitude 32.8507440°N | Longitude 104.0993725°W | County EDDY |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|

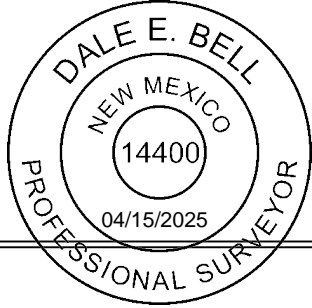
First Take Point (FTP)

| | | | | | | | | | |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|
| UL G | Section 8 | Township 17S | Range 29E | Lot | Ft. from N/S 2205 FNL | Ft. from E/W 2544 FEL | Latitude 32.8502800°N | Longitude 104.0966755°W | County EDDY |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|

Last Take Point (LTP)

| | | | | | | | | | |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|--------------------------------|---------------------------------|-----------------------------------|-----------------------|
| UL H | Section 9 | Township 17S | Range 29E | Lot | Ft. from N/S 2205 FNL | Ft. from E/W 100 FEL | Latitude 32.8503230°N | Longitude 104.0716177°W | County EDDY |
|----------------|---------------------|------------------------|---------------------|-----|---------------------------------|--------------------------------|---------------------------------|-----------------------------------|-----------------------|

| | | |
|---|--|--|
| Unitized Area or Area of Uniform Interest Y | Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical | Ground Floor Elevation: 3626' GL |
|---|--|--|

| | | | |
|--|--|--|-------------------------------------|
| OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i> Sarah Chapman 04/30/2025 | | SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i>  | |
| Signature SARAH CHAPMAN | | Signature and Seal of Professional Surveyor | |
| Printed Name SCHAPMAN@SPURENERGY.COM | | Certificate Number 14400 | Date of Survey 02/21/2025 |
| Email Address | | | |

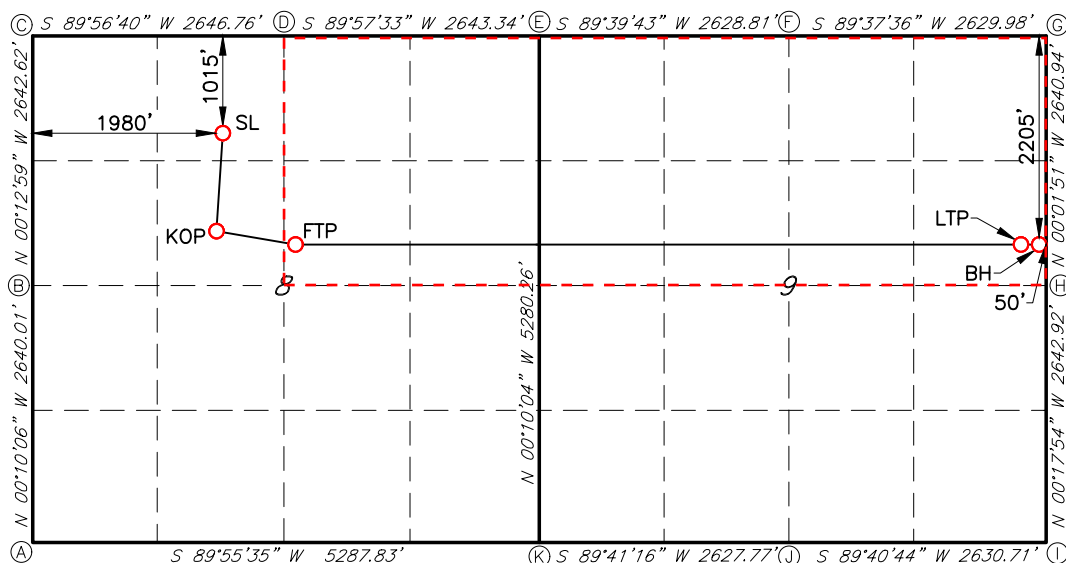
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

PEAKY 8-9 STATE COM #21H



GEODETIC DATA
NAD 83 GRID — NM EAST

SURFACE LOCATION (SL)
N: 674335.3 — E: 613245.2

LAT: 32.8535521° N
LONG: 104.0991692° W

KICK OFF POINT (KOP)
N: 673313.5 — E: 613185.0

LAT: 32.8507440° N
LONG: 104.0993725° W

FIRST TAKE POINT (FTP)
N: 673146.5 — E: 614013.6

LAT: 32.8502800° N
LONG: 104.0966755° W

LAST TAKE POINT (LTP)
N: 673180.3 — E: 621708.7

LAT: 32.8503230° N
LONG: 104.0716177° W

BOTTOM HOLE (BH)
N: 673180.6 — E: 621758.7

LAT: 32.8503236° N
LONG: 104.0714550° W

CORNER DATA
NAD 83 GRID — NM EAST

A: FOUND BRASS CAP "1914"
N: 670067.1 — E: 611279.1

B: FOUND BRASS CAP "1914"
N: 672706.4 — E: 611271.3

C: FOUND BRASS CAP "1914"
N: 675348.3 — E: 611261.3

D: FOUND BRASS CAP "1914"
N: 675350.9 — E: 613907.4

E: FOUND 1/2" REBAR W/
RED PLASTIC CAP "HOWETT 19680"
N: 675352.8 — E: 616550.1

F: FOUND BRASS CAP "1914"
N: 675368.3 — E: 619178.2

G: FOUND BRASS CAP "1914"
N: 675385.4 — E: 621807.5

H: FOUND BRASS CAP "1914"
N: 672745.1 — E: 621808.9

I: FOUND 1/2" REBAR
N: 670102.9 — E: 621822.7

J: FOUND BRASS CAP "1914"
N: 670088.2 — E: 619192.6

K: FOUND BRASS CAP "1914"
N: 670073.9 — E: 616565.6



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

Form APD Conditions

Permit 388523

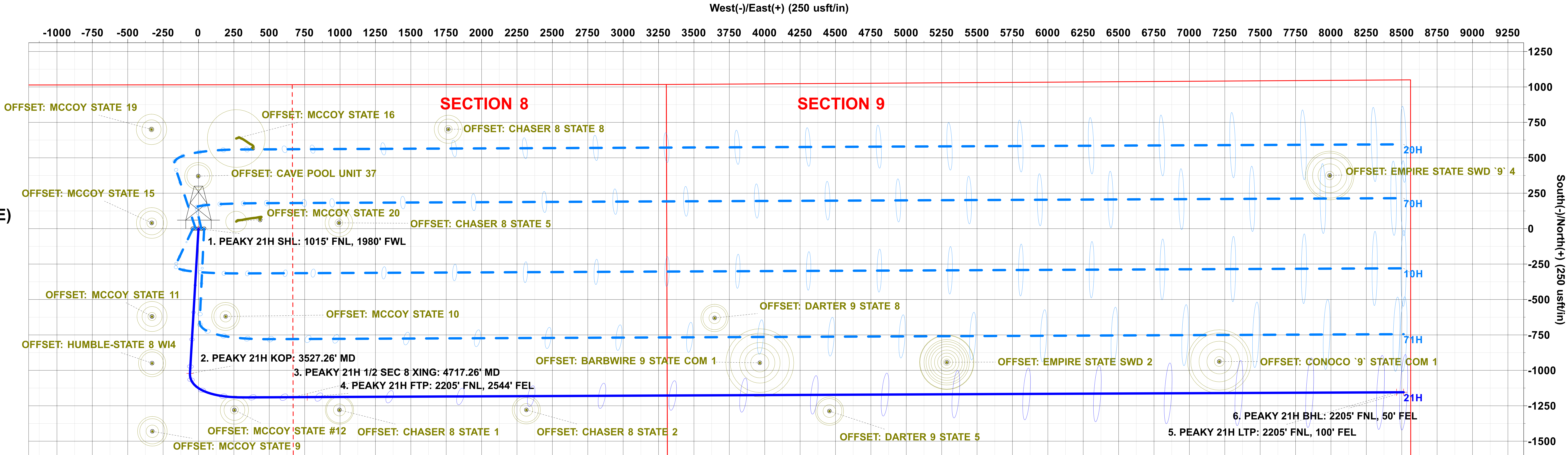
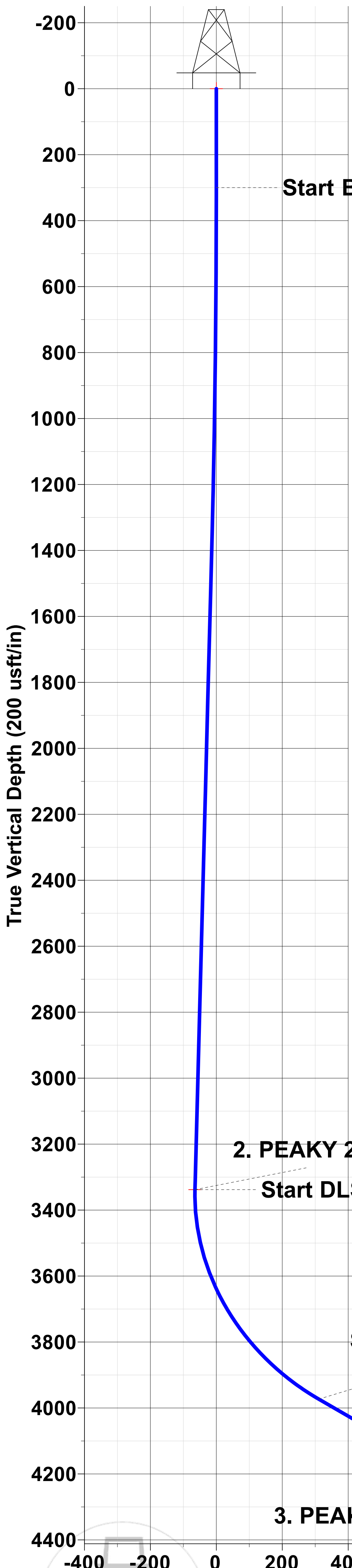
PERMIT CONDITIONS OF APPROVAL

| | |
|---|------------------------------------|
| Operator Name and Address: Spur Energy Partners LLC [328947] 9655 Katy Freeway Houston, TX 77024 | API Number: 30-015-56801 |
| | Well: PEAKY 8 9 STATE COM #021H |

| OCD Reviewer | Condition |
|------------------|---|
| jeffrey.harrison | Notify the OCD 24 hours prior to casing & cement. |
| jeffrey.harrison | A [C-103] Sub. Drilling (C-103N) is required within (10) days of spud. |
| jeffrey.harrison | File As Drilled C-102 and a directional Survey with C-104 completion packet. |
| jeffrey.harrison | 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. |
| jeffrey.harrison | If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing. |
| jeffrey.harrison | 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. |
| jeffrey.harrison | If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing. |
| jeffrey.harrison | Surface casing shall be set a minimum of 25' into the Rustler Anhydrite, above the salt, and below usable fresh water and cemented to the surface. If salt is encountered set casing at least 25 ft. above the salt. |



Project: EDDY COUNTY, NM (NAD 83 - NME)
Site: PEAKY 8-9 STATE COM
Well: 21H
Wellbore: OH
Design: PERMIT

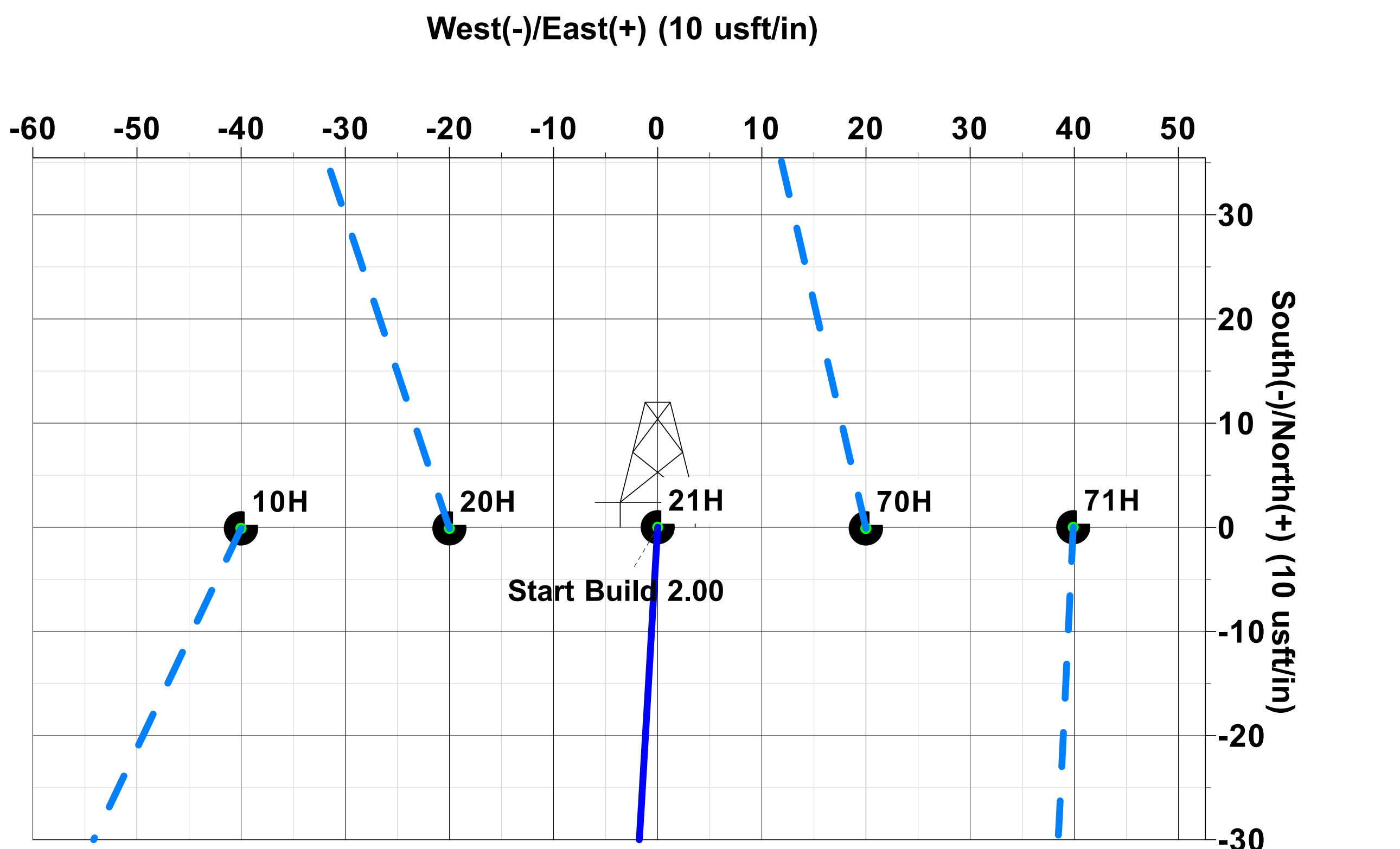
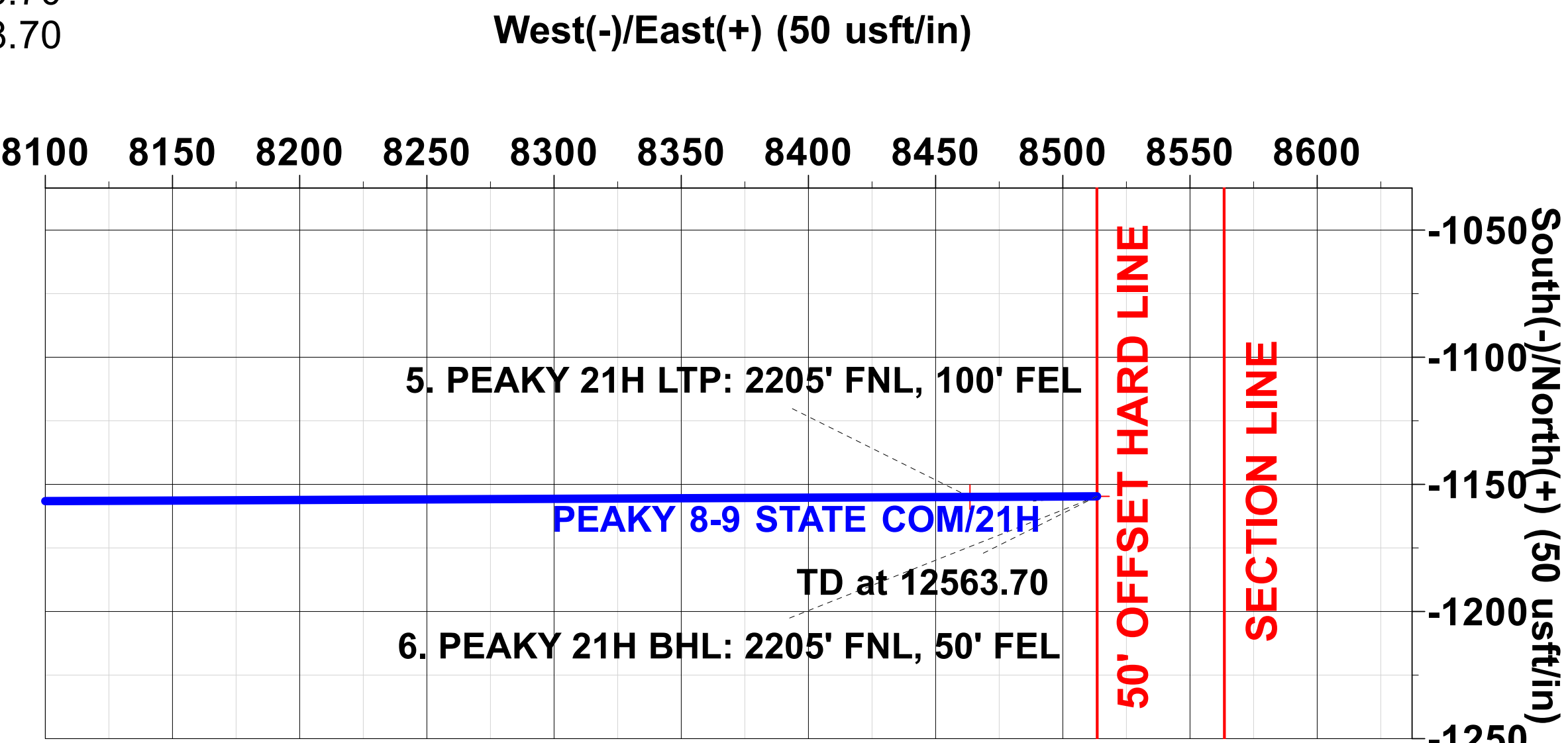
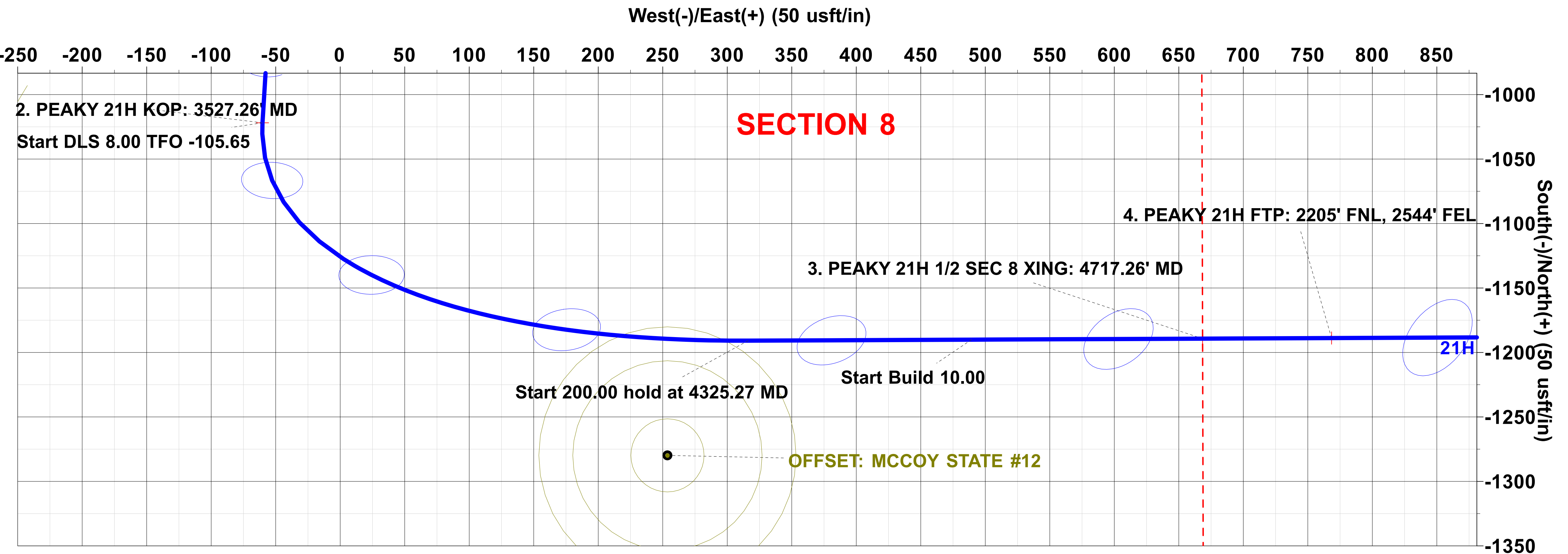


| WELL DETAILS: 21H | | | | | | | | |
|-------------------|----------|-------|------------------------------------|-----------|----------|----------|-------|------------|
| Rig Name: | | | AKITA 57 | | | | | |
| | | | RKB = 20' @ 3646.00usft (AKITA 57) | | | | | |
| | | | GL: 3626.00 | | | | | |
| +N/-S | +E/-W | | Northing | Easting | | Latitude | | Longitude |
| 0.00 | 0.00 | | 674335.30 | 613245.20 | | 32.85355 | | -104.09917 |
| SECTION DETAILS | | | | | | | | |
| Sec | MD | Inc | Azi | TVD | +N/-S | +E/-W | Dleg | VSect |
| 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | 1426.53 | 22.53 | 183.37 | 1397.72 | -218.28 | -12.86 | 2.00 | -13.81 |
| 4 | 3527.26 | 22.53 | 183.37 | 3338.11 | -1021.83 | -60.20 | 0.00 | -64.66 |
| 5 | 4325.27 | 60.00 | 89.75 | 3973.29 | -1190.79 | 316.12 | 8.00 | 310.92 |
| 6 | 4525.27 | 60.00 | 89.75 | 4073.29 | -1190.03 | 489.32 | 0.00 | 484.12 |
| 7 | 4817.88 | 89.26 | 89.75 | 4150.00 | -1188.80 | 768.40 | 10.00 | 763.21 |
| 8 | 12513.69 | 89.26 | 89.75 | 4249.35 | -1154.92 | 8463.50 | 0.00 | 8458.38 |
| 9 | 12563.70 | 89.26 | 89.75 | 4250.00 | -1154.70 | 8513.50 | 0.00 | 8508.38 |

| DESIGN TARGET DETAILS | | | | | |
|--|---------|----------|---------|-----------|-----------|
| Name | TVD | +N/-S | +E/-W | Northing | Easting |
| 1. PEAKY 21H SHL: 1015' FNL, 1980' FWL | 0.00 | 0.00 | 0.00 | 674335.30 | 613245.20 |
| 2. PEAKY 21H KOP: 3527.26' MD | 3338.11 | -1021.83 | -60.20 | 673313.47 | 613185.00 |
| 3. PEAKY 21H 1/2 SEC 8 XING: 4717.26' MD | 4139.90 | -1189.24 | 668.42 | 673146.06 | 613913.62 |
| 4. PEAKY 21H FTP: 2205' FNL, 2544' FEL | 4150.00 | -1188.80 | 768.40 | 673146.50 | 614013.60 |
| 5. PEAKY 21H LTP: 2205' FNL, 100' FEL | 4249.35 | -1155.00 | 8463.50 | 673180.30 | 621708.70 |
| 6. PEAKY 21H BHL: 2205' FNL, 50' FEL | 4250.00 | -1154.70 | 8513.50 | 673180.60 | 621758.70 |

PROJECT DETAILS: EDDY COUNTY, NM (NAD 83 - NME)

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



5. PEAKY 21H LTP: 2205' FNL, 100' FEL
6. PEAKY 21H BHL: 2205' FNL, 50' FEL
TD at 12563.70

Vertical Section at 89.75° (200 usft/in)

Plan: PERMIT (21H/OH)

Created By: PROTOTYPE WELL PLANNING / Date: 13:50, April 14 2025

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SPUR ENERGY PARTNERS, LLC

EDDY COUNTY, NM (NAD 83 - NME)

PEAKY 8-9 STATE COM

21H

OH

Plan: PERMIT

Standard Planning Report

14 April, 2025

Planning Report

| | | | |
|-----------|--------------------------------|------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 21H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Site: | PEAKY 8-9 STATE COM | North Reference: | Grid |
| Well: | 21H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PERMIT | | |

| | | | |
|-------------|--------------------------------|---------------|----------------|
| Project | EDDY COUNTY, NM (NAD 83 - NME) | | |
| Map System: | US State Plane 1983 | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | New Mexico Eastern Zone | | |

| | | | | |
|----------------------|-------|-----------|---------------------|-----------------|
| Well | 21H | | | |
| Well Position | +N/-S | 0.00 usft | Northing: | 674,335.30 usft |
| | +E/-W | 0.00 usft | Easting: | 613,245.20 usft |
| Position Uncertainty | | 0.00 usft | Wellhead Elevation: | usft |
| Grid Convergence: | | 0.13 ° | Ground Level: | 3,626.00 usft |

| | | | | |
|-------------------|----------------------------|-----------------|-----------------|------------------|
| Design | PERMIT | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PLAN | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft) | Direction (°) |
| | 0.00 | 0.00 | 0.00 | 89.75 |

| | | | | |
|--------------------------|--------------------|-----------------------|-----------------------|---------|
| Plan Survey Tool Program | Date 4/7/2025 | | | |
| Depth From (usft) | Depth To (usft) | Survey (Wellbore) | Tool Name | Remarks |
| 1 | 0.00 | 12,563.70 PERMIT (OH) | MWD+IGRF | |
| | | | OWSG MWD + IGRF or WI | |

| | | | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|------------------------------|-----------------------------|------------|------------------|
| Plan Sections | | | | | | | | | | |
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,426.53 | 22.53 | 183.37 | 1,397.72 | -218.28 | -12.86 | 2.00 | 2.00 | 0.00 | 183.37 | |
| 3,527.26 | 22.53 | 183.37 | 3,338.11 | -1,021.83 | -60.20 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 4,325.27 | 60.00 | 89.75 | 3,973.29 | -1,190.79 | 316.12 | 8.00 | 4.70 | -11.73 | -105.65 | |
| 4,525.27 | 60.00 | 89.75 | 4,073.29 | -1,190.03 | 489.32 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 4,817.88 | 89.26 | 89.75 | 4,150.00 | -1,188.80 | 768.40 | 10.00 | 10.00 | 0.00 | 0.00 | 4. PEAKY 21H FTP |
| 12,513.69 | 89.26 | 89.75 | 4,249.35 | -1,154.92 | 8,463.50 | 0.00 | 0.00 | 0.00 | 0.00 | 5. PEAKY 21H LTP |
| 12,563.70 | 89.26 | 89.75 | 4,250.00 | -1,154.70 | 8,513.50 | 0.00 | 0.00 | 0.00 | 0.00 | 6. PEAKY 21H BHL |

Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 21H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Site: | PEAKY 8-9 STATE COM | North Reference: | Grid |
| Well: | 21H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PERMIT | | |

| Planned Survey | | | | | | | | | |
|---|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1. PEAKY 21H SHL: 1015' FNL, 1980' FWL | | | | | | | | | |
| 100.00 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 2.00 | 183.37 | 399.98 | -1.74 | -0.10 | -0.11 | 2.00 | 2.00 | 0.00 |
| 500.00 | 4.00 | 183.37 | 499.84 | -6.97 | -0.41 | -0.44 | 2.00 | 2.00 | 0.00 |
| 600.00 | 6.00 | 183.37 | 599.45 | -15.67 | -0.92 | -0.99 | 2.00 | 2.00 | 0.00 |
| 700.00 | 8.00 | 183.37 | 698.70 | -27.83 | -1.64 | -1.76 | 2.00 | 2.00 | 0.00 |
| 800.00 | 10.00 | 183.37 | 797.47 | -43.45 | -2.56 | -2.75 | 2.00 | 2.00 | 0.00 |
| 900.00 | 12.00 | 183.37 | 895.62 | -62.49 | -3.68 | -3.95 | 2.00 | 2.00 | 0.00 |
| 1,000.00 | 14.00 | 183.37 | 993.06 | -84.95 | -5.00 | -5.38 | 2.00 | 2.00 | 0.00 |
| 1,100.00 | 16.00 | 183.37 | 1,089.64 | -110.78 | -6.53 | -7.01 | 2.00 | 2.00 | 0.00 |
| 1,200.00 | 18.00 | 183.37 | 1,185.27 | -139.97 | -8.25 | -8.86 | 2.00 | 2.00 | 0.00 |
| 1,300.00 | 20.00 | 183.37 | 1,279.82 | -172.47 | -10.16 | -10.91 | 2.00 | 2.00 | 0.00 |
| 1,400.00 | 22.00 | 183.37 | 1,373.17 | -208.24 | -12.27 | -13.18 | 2.00 | 2.00 | 0.00 |
| 1,426.53 | 22.53 | 183.37 | 1,397.72 | -218.28 | -12.86 | -13.81 | 2.00 | 2.00 | 0.00 |
| 1,500.00 | 22.53 | 183.37 | 1,465.58 | -246.38 | -14.52 | -15.59 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 22.53 | 183.37 | 1,557.95 | -284.63 | -16.77 | -18.01 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 22.53 | 183.37 | 1,650.32 | -322.88 | -19.02 | -20.43 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 22.53 | 183.37 | 1,742.69 | -361.13 | -21.28 | -22.85 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 22.53 | 183.37 | 1,835.05 | -399.39 | -23.53 | -25.27 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 22.53 | 183.37 | 1,927.42 | -437.64 | -25.78 | -27.69 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 22.53 | 183.37 | 2,019.79 | -475.89 | -28.04 | -30.11 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 22.53 | 183.37 | 2,112.16 | -514.14 | -30.29 | -32.53 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 22.53 | 183.37 | 2,204.52 | -552.39 | -32.54 | -34.95 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 22.53 | 183.37 | 2,296.89 | -590.64 | -34.80 | -37.37 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 22.53 | 183.37 | 2,389.26 | -628.89 | -37.05 | -39.80 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 22.53 | 183.37 | 2,481.63 | -667.14 | -39.30 | -42.22 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 22.53 | 183.37 | 2,573.99 | -705.40 | -41.56 | -44.64 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 22.53 | 183.37 | 2,666.36 | -743.65 | -43.81 | -47.06 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 22.53 | 183.37 | 2,758.73 | -781.90 | -46.07 | -49.48 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 22.53 | 183.37 | 2,851.10 | -820.15 | -48.32 | -51.90 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 22.53 | 183.37 | 2,943.46 | -858.40 | -50.57 | -54.32 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 22.53 | 183.37 | 3,035.83 | -896.65 | -52.83 | -56.74 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 22.53 | 183.37 | 3,128.20 | -934.90 | -55.08 | -59.16 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 22.53 | 183.37 | 3,220.57 | -973.16 | -57.33 | -61.58 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 22.53 | 183.37 | 3,312.93 | -1,011.41 | -59.59 | -64.00 | 0.00 | 0.00 | 0.00 |
| 3,527.26 | 22.53 | 183.37 | 3,338.11 | -1,021.83 | -60.20 | -64.66 | 0.00 | 0.00 | 0.00 |
| 2. PEAKY 21H KOP: 3527.26' MD | | | | | | | | | |
| 3,550.00 | 22.11 | 178.71 | 3,359.15 | -1,030.46 | -60.36 | -64.86 | 8.00 | -1.87 | -20.49 |
| 3,600.00 | 21.66 | 168.03 | 3,405.57 | -1,048.90 | -58.24 | -62.81 | 8.00 | -0.89 | -21.36 |
| 3,650.00 | 21.91 | 157.26 | 3,452.01 | -1,066.54 | -52.72 | -57.37 | 8.00 | 0.50 | -21.54 |
| 3,700.00 | 22.83 | 147.02 | 3,498.27 | -1,083.29 | -43.83 | -48.55 | 8.00 | 1.85 | -20.48 |
| 3,750.00 | 24.36 | 137.77 | 3,544.10 | -1,099.07 | -31.61 | -36.41 | 8.00 | 3.04 | -18.51 |
| 3,800.00 | 26.37 | 129.69 | 3,589.29 | -1,113.80 | -16.13 | -20.99 | 8.00 | 4.03 | -16.15 |
| 3,850.00 | 28.78 | 122.78 | 3,633.62 | -1,127.41 | 2.54 | -2.38 | 8.00 | 4.81 | -13.83 |
| 3,900.00 | 31.48 | 116.91 | 3,676.87 | -1,139.84 | 24.31 | 19.34 | 8.00 | 5.41 | -11.75 |
| 3,950.00 | 34.42 | 111.90 | 3,718.83 | -1,151.03 | 49.08 | 44.05 | 8.00 | 5.87 | -10.00 |
| 4,000.00 | 37.53 | 107.62 | 3,759.30 | -1,160.91 | 76.71 | 71.65 | 8.00 | 6.22 | -8.57 |
| 4,050.00 | 40.77 | 103.91 | 3,798.07 | -1,169.45 | 107.09 | 101.99 | 8.00 | 6.49 | -7.42 |
| 4,100.00 | 44.12 | 100.66 | 3,834.97 | -1,176.60 | 140.06 | 134.92 | 8.00 | 6.70 | -6.49 |
| 4,150.00 | 47.55 | 97.79 | 3,869.80 | -1,182.32 | 175.45 | 170.29 | 8.00 | 6.86 | -5.74 |
| 4,200.00 | 51.04 | 95.22 | 3,902.41 | -1,186.59 | 213.10 | 207.92 | 8.00 | 6.99 | -5.14 |

Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 21H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Site: | PEAKY 8-9 STATE COM | North Reference: | Grid |
| Well: | 21H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PERMIT | | |

| Planned Survey | | | | | | | | | |
|---|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 4,250.00 | 54.59 | 92.89 | 3,932.62 | -1,189.39 | 252.83 | 247.64 | 8.00 | 7.09 | -4.65 |
| 4,300.00 | 58.17 | 90.76 | 3,960.30 | -1,190.70 | 294.43 | 289.24 | 8.00 | 7.17 | -4.26 |
| 4,325.27 | 60.00 | 89.75 | 3,973.29 | -1,190.79 | 316.12 | 310.92 | 8.00 | 7.22 | -4.01 |
| 4,400.00 | 60.00 | 89.75 | 4,010.65 | -1,190.51 | 380.83 | 375.63 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 60.00 | 89.75 | 4,060.65 | -1,190.13 | 467.43 | 462.24 | 0.00 | 0.00 | 0.00 |
| 4,525.27 | 60.00 | 89.75 | 4,073.29 | -1,190.03 | 489.32 | 484.12 | 0.00 | 0.00 | 0.00 |
| 4,550.00 | 62.47 | 89.75 | 4,085.18 | -1,189.93 | 510.99 | 505.80 | 10.00 | 10.00 | 0.00 |
| 4,600.00 | 67.47 | 89.75 | 4,106.33 | -1,189.73 | 556.28 | 551.09 | 10.00 | 10.00 | 0.00 |
| 4,650.00 | 72.47 | 89.75 | 4,123.45 | -1,189.53 | 603.24 | 598.05 | 10.00 | 10.00 | 0.00 |
| 4,700.00 | 77.47 | 89.75 | 4,136.41 | -1,189.31 | 651.52 | 646.32 | 10.00 | 10.00 | 0.00 |
| 4,717.26 | 79.20 | 89.75 | 4,139.90 | -1,189.24 | 668.42 | 663.22 | 10.00 | 10.00 | 0.00 |
| 3. PEAKY 21H 1/2 SEC 8 XING: 4717.26' MD | | | | | | | | | |
| 4,750.00 | 82.47 | 89.75 | 4,145.11 | -1,189.10 | 700.74 | 695.54 | 10.00 | 10.00 | 0.00 |
| 4,800.00 | 87.47 | 89.75 | 4,149.49 | -1,188.88 | 750.53 | 745.34 | 10.00 | 10.00 | 0.00 |
| 4,817.88 | 89.26 | 89.75 | 4,150.00 | -1,188.80 | 768.40 | 763.21 | 10.00 | 10.00 | 0.00 |
| 4. PEAKY 21H FTP: 2205' FNL, 2544' FEL | | | | | | | | | |
| 4,900.00 | 89.26 | 89.75 | 4,151.06 | -1,188.44 | 850.51 | 845.32 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 89.26 | 89.75 | 4,152.35 | -1,188.00 | 950.51 | 945.31 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 89.26 | 89.75 | 4,153.64 | -1,187.56 | 1,050.50 | 1,045.30 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 89.26 | 89.75 | 4,154.93 | -1,187.12 | 1,150.49 | 1,145.30 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 89.26 | 89.75 | 4,156.22 | -1,186.68 | 1,250.48 | 1,245.29 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 89.26 | 89.75 | 4,157.52 | -1,186.24 | 1,350.47 | 1,345.28 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 89.26 | 89.75 | 4,158.81 | -1,185.80 | 1,450.46 | 1,445.27 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 89.26 | 89.75 | 4,160.10 | -1,185.36 | 1,550.45 | 1,545.26 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 89.26 | 89.75 | 4,161.39 | -1,184.92 | 1,650.44 | 1,645.25 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 89.26 | 89.75 | 4,162.68 | -1,184.48 | 1,750.43 | 1,745.25 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 89.26 | 89.75 | 4,163.97 | -1,184.04 | 1,850.42 | 1,845.24 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 89.26 | 89.75 | 4,165.26 | -1,183.60 | 1,950.41 | 1,945.23 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 89.26 | 89.75 | 4,166.55 | -1,183.16 | 2,050.40 | 2,045.22 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 89.26 | 89.75 | 4,167.84 | -1,182.72 | 2,150.39 | 2,145.21 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 89.26 | 89.75 | 4,169.13 | -1,182.28 | 2,250.38 | 2,245.20 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 89.26 | 89.75 | 4,170.43 | -1,181.83 | 2,350.38 | 2,345.20 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 89.26 | 89.75 | 4,171.72 | -1,181.39 | 2,450.37 | 2,445.19 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 89.26 | 89.75 | 4,173.01 | -1,180.95 | 2,550.36 | 2,545.18 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 89.26 | 89.75 | 4,174.30 | -1,180.51 | 2,650.35 | 2,645.17 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 89.26 | 89.75 | 4,175.59 | -1,180.07 | 2,750.34 | 2,745.16 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 89.26 | 89.75 | 4,176.88 | -1,179.63 | 2,850.33 | 2,845.15 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 89.26 | 89.75 | 4,178.17 | -1,179.19 | 2,950.32 | 2,945.15 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 89.26 | 89.75 | 4,179.46 | -1,178.75 | 3,050.31 | 3,045.14 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 89.26 | 89.75 | 4,180.75 | -1,178.31 | 3,150.30 | 3,145.13 | 0.00 | 0.00 | 0.00 |
| 7,300.00 | 89.26 | 89.75 | 4,182.04 | -1,177.87 | 3,250.29 | 3,245.12 | 0.00 | 0.00 | 0.00 |
| 7,400.00 | 89.26 | 89.75 | 4,183.34 | -1,177.43 | 3,350.28 | 3,345.11 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 89.26 | 89.75 | 4,184.63 | -1,176.99 | 3,450.27 | 3,445.10 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 89.26 | 89.75 | 4,185.92 | -1,176.55 | 3,550.26 | 3,545.10 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 89.26 | 89.75 | 4,187.21 | -1,176.11 | 3,650.25 | 3,645.09 | 0.00 | 0.00 | 0.00 |
| 7,800.00 | 89.26 | 89.75 | 4,188.50 | -1,175.67 | 3,750.25 | 3,745.08 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 89.26 | 89.75 | 4,189.79 | -1,175.23 | 3,850.24 | 3,845.07 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 89.26 | 89.75 | 4,191.08 | -1,174.79 | 3,950.23 | 3,945.06 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 89.26 | 89.75 | 4,192.37 | -1,174.35 | 4,050.22 | 4,045.05 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 89.26 | 89.75 | 4,193.66 | -1,173.91 | 4,150.21 | 4,145.05 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 89.26 | 89.75 | 4,194.95 | -1,173.47 | 4,250.20 | 4,245.04 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 89.26 | 89.75 | 4,196.25 | -1,173.03 | 4,350.19 | 4,345.03 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 89.26 | 89.75 | 4,197.54 | -1,172.59 | 4,450.18 | 4,445.02 | 0.00 | 0.00 | 0.00 |
| 8,600.00 | 89.26 | 89.75 | 4,198.83 | -1,172.15 | 4,550.17 | 4,545.01 | 0.00 | 0.00 | 0.00 |

Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 21H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Site: | PEAKY 8-9 STATE COM | North Reference: | Grid |
| Well: | 21H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PERMIT | | |

| Planned Survey | | | | | | | | | |
|--|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 8,700.00 | 89.26 | 89.75 | 4,200.12 | -1,171.71 | 4,650.16 | 4,645.00 | 0.00 | 0.00 | 0.00 |
| 8,800.00 | 89.26 | 89.75 | 4,201.41 | -1,171.27 | 4,750.15 | 4,745.00 | 0.00 | 0.00 | 0.00 |
| 8,900.00 | 89.26 | 89.75 | 4,202.70 | -1,170.83 | 4,850.14 | 4,844.99 | 0.00 | 0.00 | 0.00 |
| 9,000.00 | 89.26 | 89.75 | 4,203.99 | -1,170.39 | 4,950.13 | 4,944.98 | 0.00 | 0.00 | 0.00 |
| 9,100.00 | 89.26 | 89.75 | 4,205.28 | -1,169.95 | 5,050.12 | 5,044.97 | 0.00 | 0.00 | 0.00 |
| 9,200.00 | 89.26 | 89.75 | 4,206.57 | -1,169.51 | 5,150.12 | 5,144.96 | 0.00 | 0.00 | 0.00 |
| 9,300.00 | 89.26 | 89.75 | 4,207.87 | -1,169.07 | 5,250.11 | 5,244.95 | 0.00 | 0.00 | 0.00 |
| 9,400.00 | 89.26 | 89.75 | 4,209.16 | -1,168.63 | 5,350.10 | 5,344.95 | 0.00 | 0.00 | 0.00 |
| 9,500.00 | 89.26 | 89.75 | 4,210.45 | -1,168.19 | 5,450.09 | 5,444.94 | 0.00 | 0.00 | 0.00 |
| 9,600.00 | 89.26 | 89.75 | 4,211.74 | -1,167.75 | 5,550.08 | 5,544.93 | 0.00 | 0.00 | 0.00 |
| 9,700.00 | 89.26 | 89.75 | 4,213.03 | -1,167.31 | 5,650.07 | 5,644.92 | 0.00 | 0.00 | 0.00 |
| 9,800.00 | 89.26 | 89.75 | 4,214.32 | -1,166.87 | 5,750.06 | 5,744.91 | 0.00 | 0.00 | 0.00 |
| 9,900.00 | 89.26 | 89.75 | 4,215.61 | -1,166.43 | 5,850.05 | 5,844.90 | 0.00 | 0.00 | 0.00 |
| 10,000.00 | 89.26 | 89.75 | 4,216.90 | -1,165.99 | 5,950.04 | 5,944.90 | 0.00 | 0.00 | 0.00 |
| 10,100.00 | 89.26 | 89.75 | 4,218.19 | -1,165.55 | 6,050.03 | 6,044.89 | 0.00 | 0.00 | 0.00 |
| 10,200.00 | 89.26 | 89.75 | 4,219.48 | -1,165.11 | 6,150.02 | 6,144.88 | 0.00 | 0.00 | 0.00 |
| 10,300.00 | 89.26 | 89.75 | 4,220.78 | -1,164.67 | 6,250.01 | 6,244.87 | 0.00 | 0.00 | 0.00 |
| 10,400.00 | 89.26 | 89.75 | 4,222.07 | -1,164.23 | 6,350.00 | 6,344.86 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 89.26 | 89.75 | 4,223.36 | -1,163.79 | 6,449.99 | 6,444.85 | 0.00 | 0.00 | 0.00 |
| 10,600.00 | 89.26 | 89.75 | 4,224.65 | -1,163.34 | 6,549.98 | 6,544.85 | 0.00 | 0.00 | 0.00 |
| 10,700.00 | 89.26 | 89.75 | 4,225.94 | -1,162.90 | 6,649.98 | 6,644.84 | 0.00 | 0.00 | 0.00 |
| 10,800.00 | 89.26 | 89.75 | 4,227.23 | -1,162.46 | 6,749.97 | 6,744.83 | 0.00 | 0.00 | 0.00 |
| 10,900.00 | 89.26 | 89.75 | 4,228.52 | -1,162.02 | 6,849.96 | 6,844.82 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 89.26 | 89.75 | 4,229.81 | -1,161.58 | 6,949.95 | 6,944.81 | 0.00 | 0.00 | 0.00 |
| 11,100.00 | 89.26 | 89.75 | 4,231.10 | -1,161.14 | 7,049.94 | 7,044.80 | 0.00 | 0.00 | 0.00 |
| 11,200.00 | 89.26 | 89.75 | 4,232.39 | -1,160.70 | 7,149.93 | 7,144.80 | 0.00 | 0.00 | 0.00 |
| 11,300.00 | 89.26 | 89.75 | 4,233.69 | -1,160.26 | 7,249.92 | 7,244.79 | 0.00 | 0.00 | 0.00 |
| 11,400.00 | 89.26 | 89.75 | 4,234.98 | -1,159.82 | 7,349.91 | 7,344.78 | 0.00 | 0.00 | 0.00 |
| 11,500.00 | 89.26 | 89.75 | 4,236.27 | -1,159.38 | 7,449.90 | 7,444.77 | 0.00 | 0.00 | 0.00 |
| 11,600.00 | 89.26 | 89.75 | 4,237.56 | -1,158.94 | 7,549.89 | 7,544.76 | 0.00 | 0.00 | 0.00 |
| 11,700.00 | 89.26 | 89.75 | 4,238.85 | -1,158.50 | 7,649.88 | 7,644.75 | 0.00 | 0.00 | 0.00 |
| 11,800.00 | 89.26 | 89.75 | 4,240.14 | -1,158.06 | 7,749.87 | 7,744.75 | 0.00 | 0.00 | 0.00 |
| 11,900.00 | 89.26 | 89.75 | 4,241.43 | -1,157.62 | 7,849.86 | 7,844.74 | 0.00 | 0.00 | 0.00 |
| 12,000.00 | 89.26 | 89.75 | 4,242.72 | -1,157.18 | 7,949.85 | 7,944.73 | 0.00 | 0.00 | 0.00 |
| 12,100.00 | 89.26 | 89.75 | 4,244.01 | -1,156.74 | 8,049.85 | 8,044.72 | 0.00 | 0.00 | 0.00 |
| 12,200.00 | 89.26 | 89.75 | 4,245.30 | -1,156.30 | 8,149.84 | 8,144.71 | 0.00 | 0.00 | 0.00 |
| 12,300.00 | 89.26 | 89.75 | 4,246.60 | -1,155.86 | 8,249.83 | 8,244.70 | 0.00 | 0.00 | 0.00 |
| 12,400.00 | 89.26 | 89.75 | 4,247.89 | -1,155.42 | 8,349.82 | 8,344.70 | 0.00 | 0.00 | 0.00 |
| 12,500.00 | 89.26 | 89.75 | 4,249.18 | -1,154.98 | 8,449.81 | 8,444.69 | 0.00 | 0.00 | 0.00 |
| 12,513.69 | 89.26 | 89.75 | 4,249.35 | -1,154.92 | 8,463.50 | 8,458.38 | 0.00 | 0.00 | 0.00 |
| 5. PEAKY 21H LTP: 2205' FNL, 100' FEL | | | | | | | | | |
| 12,563.70 | 89.26 | 89.75 | 4,250.00 | -1,154.70 | 8,513.50 | 8,508.38 | 0.00 | 0.00 | 0.00 |
| 6. PEAKY 21H BHL: 2205' FNL, 50' FEL | | | | | | | | | |

Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 21H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3646.00usft (AKITA 57) |
| Site: | PEAKY 8-9 STATE COM | North Reference: | Grid |
| Well: | 21H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PERMIT | | |

| Design Targets | | | | | | | | | |
|---|-----------|----------|----------|-----------|----------|------------|------------|----------|------------|
| Target Name | | | | | | | | | |
| - hit/miss target | Dip Angle | Dip Dir. | TVD | +N/-S | +E/-W | Northing | Easting | Latitude | Longitude |
| - Shape | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (usft) | | |
| 1. PEAKY 21H SHL: 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 674,335.30 | 613,245.20 | 32.85355 | -104.09917 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| 2. PEAKY 21H KOP: 1 | 0.00 | 0.00 | 3,338.11 | -1,021.83 | -60.20 | 673,313.46 | 613,185.00 | 32.85074 | -104.09938 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| 3. PEAKY 21H 1/2 SE | 0.00 | 0.00 | 4,139.90 | -1,189.24 | 668.42 | 673,146.05 | 613,913.62 | 32.85028 | -104.09700 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| 4. PEAKY 21H FTP: 2 | 0.00 | 0.00 | 4,150.00 | -1,188.80 | 768.40 | 673,146.50 | 614,013.60 | 32.85028 | -104.09668 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| 5. PEAKY 21H LTP: 2 | 0.00 | 0.00 | 4,249.35 | -1,155.00 | 8,463.50 | 673,180.30 | 621,708.70 | 32.85032 | -104.07162 |
| - plan misses target center by 0.08usft at 12513.69usft MD (4249.35 TVD, -1154.92 N, 8463.50 E) | | | | | | | | | |
| - Point | | | | | | | | | |
| 6. PEAKY 21H BHL: 2 | 0.00 | 0.00 | 4,250.00 | -1,154.70 | 8,513.50 | 673,180.60 | 621,758.70 | 32.85032 | -104.07146 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |

Spur Energy Partners LLC – Peak 8-9 State Com 21H

1. Geologic Formations

| | |
|---------------|---------|
| TVD of Target | 4,250' |
| MD at TD | 12,564' |

| Formation | Depth | Lithology | Expected Fluids |
|--------------|-------|---------------------------------------|-----------------------|
| Quaternary | 0' | Dolomite, other: Caliche | Useable Water |
| Rustler | 225' | Dolomite, Shale, Anhydrite | Other: Brackish Water |
| Base Salt | 650' | Anhydrite | Other: Salt |
| Tansill | 725' | Sandstone, Dolomite | None |
| Yates | 845' | Dolomite, Limestone, Shale, Siltstone | None |
| Seven Rivers | 1090' | Dolomite, Limestone | None |
| Queen | 1640' | Anhydrite, Dolomite, Sandstone | None |
| Grayburg | 2055' | Anhydrite | Natural Gas, Oil |
| San Andres | 2400' | Dolomite | Natural Gas, Oil |
| Glorieta | 3810' | Dolomite, Siltstone | Natural Gas, Oil |
| Paddock | 3895' | Dolomite, Limestone | Natural Gas, Oil |
| Blinberry | 4280' | Dolomite, Limestone | Natural Gas, Oil |
| Tubb | 5185' | Dolomite, Limestone | Natural Gas, Oil |

*H₂S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

| Casing Formation Set Interval | Hole Size (in) | Casing Interval | | Csg. Size (in) | Weight (lbs) | Grade | Conn. | SF | SF Burst | Body SF | Joint SF |
|-------------------------------|----------------|-----------------|---------|----------------|--------------|-------|-------|----------|----------|---------|----------|
| | | From (ft) | To (ft) | | | | | Collapse | | Tension | Tension |
| Rustler | 17.5 | 0 | 350 | 13.375 | 54.5 | J-55 | BTC | 1.125 | 1.2 | 1.4 | 1.4 |
| Seven Rivers | 12.25 | 0 | 1525 | 9.625 | 36 | J-55 | BTC | 1.125 | 1.2 | 1.4 | 1.4 |
| N/A | 8.75 | 0 | 4600 | 7 | 32 | L-80 | GBCD | 1.125 | 1.2 | 1.4 | 1.4 |
| Yeso | 8.75 | 4600 | 12564 | 5.5 | 20 | L-80 | GBCD | 1.125 | 1.2 | 1.4 | 1.4 |
| SF Values will meet or Exceed | | | | | | | | | | | |

Spur Energy Partners LLC – Peak 8-9 State Com 21H

| | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Y |
| Does casing meet API specifications? If no, attach casing specification sheet. | Y |
| Is premium or uncommon casing planned? If yes attach casing specification sheet. | N |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? | Y |
| Is well located within Capitan Reef? | N |
| If yes, does production casing cement tie back a minimum of 50' above the Reef? | |
| Is well within the designated 4 string boundary. | |
| Is well located in SOPA but not in R-111-P? | N |
| If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing? | |
| Is well located in R-111-P and SOPA? | N |
| If yes, are the first three strings cemented to surface? | |
| Is 2 nd string set 100' to 600' below the base of salt? | |
| Is well located in high Cave/Karst? | Y |
| If yes, are there two strings cemented to surface? | Y |
| Is well located in critical Cave/Karst? | N |
| If yes, are there three strings cemented to surface? | |

3. Cementing Program

| Casing String | Top (ft) | Bottom (ft) | % Excess |
|---------------------|----------|-------------|----------|
| Surface Tail | 0 | 350 | 100% |
| Intermediate (Lead) | 0 | 350 | 50% |
| Intermediate (Tail) | 350 | 1525 | 100% |
| Production (Lead) | 0 | 3600 | 0% |
| Production (Tail) | 3600 | 12564 | 50% |

| Casing String | # Sks | Wt. (lb/gal) | Yld (ft3/sack) | H2O (gal/sk) | 500# Comp. Strength (hours) | Slurry Description |
|---------------------|-------|-----------------|-------------------|-----------------|--------------------------------------|----------------------------|
| Surface Tail | 218 | 13.2 | 2.32 | 9.92 | 6:59 | Clas C Premium Plus Cement |
| Intermediate (Lead) | 69 | 12.2 | 1.84 | 13.48 | 8:12 | Clas C Premium Plus Cement |
| Intermediate (Tail) | 326 | 13.2 | 2.32 | 9.92 | 6:59 | Clas C Premium Plus Cement |
| Production (Lead) | 484 | 11.8 | 2.54 | 15.29 | N/A | Clas C Premium Plus Cement |
| Production (Tail) | 1797 | 13.2 | 1.81 | 9.81 | N/A | Clas C Premium Plus Cement |

Spur Energy Partners LLC – Peak 8-9 State Com 21H**4. Pressure Control Equipment*****Spur Energy Partners LLC variance for flex hose***

Spur requests a variance to use a flex line from the BOP to the choke manifold. Documentation will be attached in the APD and be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no bends).

| BOP installed and tested before drilling which hole? | Size? | Min. Required WP | Type | ✓ | Tested to: |
|--|---------|------------------|------------|---|-------------------------|
| 12.25" Hole | 13-5/8" | 5M | Annular | ✓ | 70% of working pressure |
| | | 5M | Blind Ram | ✓ | 250 psi / 3000 psi |
| | | | Pipe Ram | ✓ | |
| | | | Double Ram | | |
| | | | Other* | | |
| 8.75" Hole | 13-5/8" | 5M | Annular | ✓ | 70% of working pressure |
| | | 5M | Blind Ram | ✓ | 250 psi / 3000 psi |
| | | | Pipe Ram | ✓ | |
| | | | Double Ram | | |
| | | | Other* | | |

Spur Energy Partners LLC will be utilizing a 5M BOP

| Condition | Specify what type and where? |
|-------------------------------|------------------------------|
| BH Pressure at deepest TVD | 1967 psi |
| Abnormal Temperature | No |
| BH Temperature at deepest TVD | 114°F |

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

| |
|--|
| Formation integrity test will be performed per Onshore Order #2. |
|--|

Spur Energy Partners LLC – Peak 8-9 State Com 21H

| | |
|---|--|
| | On Exploratory wells or 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i. |
| Y | Are anchors required by manufacturer? |
| | A conventional wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. See attached schematics. |

5. BOP Break Testing Request

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as follows:

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill the production section, where the surface casing point is shallower than the 3 Bone Spring or 10,000 TVD.
- When skidding to drill a production section that does not penetrate the 3rd Bone Spring or deeper.

If the kill line is broken prior to skid, four tests will be performed.

- 1) The void between the wellhead and the spool (this consists of two tests)
- 2) The spool between the kill lines and the choke manifold (this consists of two tests)

If the kill line is not broken prior to skid, two tests will be performed.

- 1) The void between the wellhead and the pipe rams

6. Mud Program

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Spur will use a closed mud system.

| Depth | | Type | Weight (ppg) | Viscosity | Water Loss |
|-----------|---------|-----------------|--------------|-----------|------------|
| From (ft) | To (ft) | | | | |
| 0 | 350 | Water-Based Mud | 8.6-8.9 | 32-36 | N/C |
| 450 | 1525 | Brine | 9.0-10.0 | 32-36 | N/C |
| 1525 | 12564 | Brine | 9.0-10.0 | 32-36 | N/C |

| | |
|---|-----------------------------|
| What will be used to monitor the loss or gain of fluid? | PVT/PASON/Visual Monitoring |
|---|-----------------------------|

Spur Energy Partners LLC – Peak 8-9 State Com 21H**7. Logging and Testing Procedures**

| Logging, Coring and Testing. | | |
|-------------------------------------|---|-----------------|
| Yes | Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. | |
| No | Logs are planned based on well control or offset log information. | |
| No | Drill stem test? If yes, explain | |
| No | Coring? If yes, explain | |
| Additional logs planned | | Interval |
| No | Resistivity | |
| No | Density | |
| No | CBL | |
| Yes | Mud log | ICP - TD |
| No | PEX | |

8. Drilling Conditions

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

| | |
|--|--------------------------------|
| Hydrogen Sulfide (H ₂ S) monitors will be installed prior to drilling out the surface shoe. If H ₂ S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM. | |
| N | H ₂ S is present |
| Y | H ₂ S Plan attached |

Total estimated cuttings volume: 1109.4 bbls.

Spur Energy Partners LLC – Peak 8-9 State Com 21H**9. Other facets of operation**

| | Yes/No |
|---|---------------|
| Will more than one drilling rig be used for drilling operations? If yes, describe. Spur Energy Partners LLC. requests the option to contract a Surface Rig to drill, set surface/intermediate casing, and cement for this well. If the timing between rigs is such that Spur Energy Partners LLC. would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig. | Yes |

Attachments

- ☒ Directional Plan
☒ H2S Contingency Plan
☒ Akita 57 Attachments
☒ BOP Schematics
☒ Transcend Spudder Rig Attachments

10. Company Personnel

| Name | Title | Office Phone | Mobile Phone |
|--------------------|----------------------------------|---------------------|---------------------|
| Christopher Hollis | Drilling Manager | 832-930-8629 | 713-380-7754 |
| Johnny Nabors | Senior Vice President Operations | 832-930-8502 | 281-904-8811 |



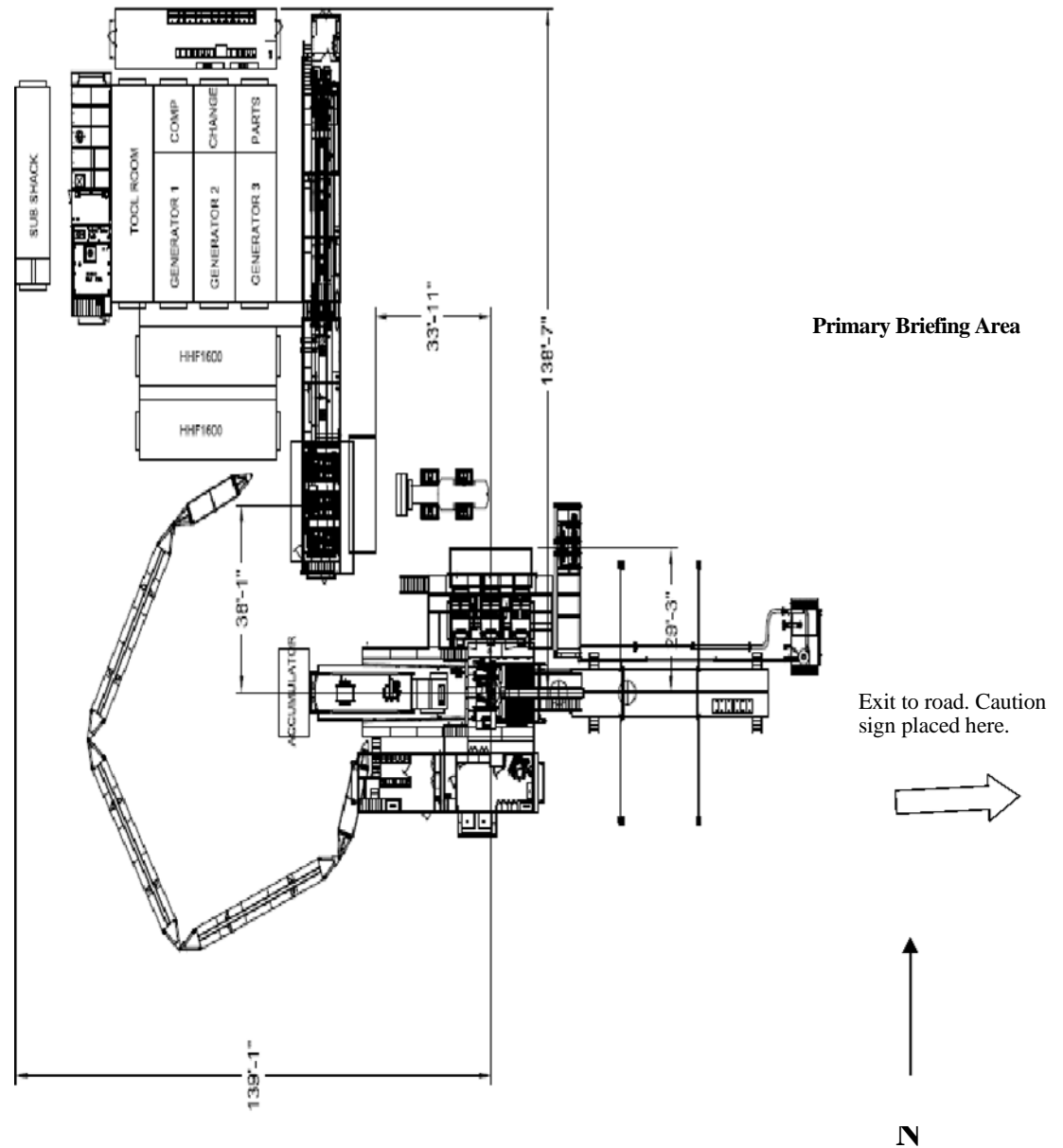
Permian Drilling Hydrogen Sulfide Drilling Operations Plan Peak 8 9 State Com Development

Open drill site. No homes or buildings are near the proposed location.

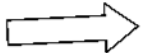
1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.

Secondary Briefing Area



Exit to road. Caution sign placed here.



N

Secondary Egress



WIND: Prevailing winds are from the Southwest



Spur Energy Partners New Mexico Operations Hydrogen Sulfide Operation Plan

A. Introduction:

The Safety of all personnel at Spur Energy Partners Facilities is of utmost importance to the company, and therefor management and employees must take responsibility for their safety and for the safety of all employees and others at a facility. If you have any concerns about the safe operations of the facility, contract personnel, or vendors, please contact the Company's Safety Contact, Superintendent, or Production Foreman immediately.

The objective of this contingency plan is to provide an organized plan of action for alerting, responding to and protecting employees, other workers and the public from H₂S exposure in the event of a release of a potentially hazardous volume of H₂S to the atmosphere. This plan should be activated immediately if any such release occurs. The Superintendent is responsible for initiating and carrying out the plan.

B. Scope:

Prevent the uncontrolled release of H₂S into the atmosphere. Provide proper procedures and equipment to alert and respond to emergencies.

Provide immediate and adequate medical attention should an injury occur.

To provide Company employees working at actual or potential Hydrogen Sulfide (H₂S) facilities with a safe procedure to comply with applicable Federal, State and Company requirements.

This document is intended to provide general policy, procedures and expectations surrounding elevated levels of H₂S. The intent is to promote sound and safe operations, while seeking effective communication surrounding operational considerations working around H₂S.

This procedure applies to all Company employees and contractors working at facilities that have the potential to release 100 ppm or higher concentrations of H₂S.

The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H₂S).

C. Hydrogen Sulfide Gas (H₂S) Characteristics:

1. H₂S is a toxic, poisonous gas that could cause death or injury. And it is also flammable.
2. H₂S is an irritant and extremely toxic gas that is several times deadlier than carbon monoxide (CO).
3. H₂S is heavier than air with a specific gravity of 1.1895 @ 600 F. so it will tend to lie in lower areas. Wind movement or air currents can readily disperse H₂S since wind currents can easily overcome the heavier weight. On calm days, with no wind, the H₂S will tend to accumulate in dangerous concentrations; however, if the H₂S is warmer than the surrounding air it may rise.
4. H₂S is colorless.
5. In small concentrations, H₂S has the characteristic odor of rotten eggs. It may be detected by smell at a concentration in air of about 2 ppm but may NOT be detected

at high concentrations. DO NOT DEPEND ON THE SENSE OF SMELL TO DETECT H₂S! H₂S will paralyze the olfactory nerve causing a loss of the sense of smell within 2 – 15 minutes of an exposure in concentrations as low as 100-150 ppm.

6. H₂S burns with a blue flame and has an auto ignition temperature of 5000 F. H₂S forms an explosive mixture in the range of 4.3% to 45% by volume with air. H₂S, when ignited, produces Sulfur Dioxide (SO₂). SO₂ is another toxic gas but less toxic than H₂S.
7. Physiological Effects
 - 1,000-2,000+ ppm: Loss of consciousness and possible death.
 - 100-1,000 ppm: Serious respiratory, central nervous, and cardiovascular system effects.
 - 150-200 ppm: Olfactory fatigue (sense of smell is significantly impaired).
 - 100 ppm: Immediately Dangerous to Life and Health (IDLH concentration).
 - 5-30 ppm: Moderate irritation of the eyes.
 - 5-10 ppm: Relatively minor metabolic changes in exercising individuals during short-term exposures.
 - Less than 5 ppm: Metabolic changes observed in exercising individuals, but not clinically significant.
 - 5 ppm: Increase in anxiety symptoms (single exposure).
 - 5 ppm: Start of the dose-response curve (short-term exposure).
 - 0.032-0.02 ppm: Olfactory threshold (begin to smell).

D. H₂S Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing work at an effected facility:

1. The hazards and characteristics of hydrogen sulfide (H₂S)
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.
5. The procedures for operating process equipment.

In addition, supervisory personnel will be trained in the following areas:

1. Corrective action and shutdown procedures when a release or leak occurs.
2. Notification process

Annual drills will be conducted to utilize the procedures and make improvements as needed. It will also serve as refresher training on the process.

Note: All H₂S safety equipment and systems will be installed, tested, and operational when operation commences.

E. Protective equipment controls:

Any facility that has the potential to emit H₂S at 100 ppm or higher will be required to install and utilize the below controls:

1. Where applicable, area air monitors will be installed and function tested and calibrated no less than monthly and set on a quarterly basis PM schedule.
2. Facility operators will use self contained breathing apparatuses (SCBA's) to perform routine operations in areas where H₂S may be present.
3. Trigger of 100 PPM or more must be communicated and work proceeding the trigger must use the buddy system.
4. Visible windsocks must be installed at key locations surrounding the facility.
5. H₂S warning signs must be placed at the entrance to the facility as well as other key locations.
6. Personal H₂S Monitor are required to be worn by all personnel on locations.
7. Stairs and ladders leading to the top of a tank or vessel containing 300 ppm or greater shall be chained or marked to restrict entry.

F. Emergency Procedures

1. Spill or Release of H₂S gas

If a spill or leak releases H₂S the following action must be initiated and completed:

- a. Internally – Employee contacts supervisor and HSE Department and performs “d” below.
- b. Externally - Someone identifies a possible H₂S emergency and reports it to Company Management, via the listed phone number on posted facility signs.
- c. The Company dispatches an employee to investigate possible H₂S emergency and will secure situation or initiate emergency call for backup.
- d. If the Radius of Exposure has been breached begin the following:
 - Establish safe command center.
 - Call for additional personnel and delegate the following:
 - i. Notifying public safety agencies (Sheriff, Fire Department, Department of Public Safety, Hwy. Department).
 - ii. Safeguarding the facility and effected area.
 - iii. Blocking roads as needed.
 - iv. Notifying/evacuating public.
 - v. Notifying regulatory agencies.
 - vi. Gathering additional information about release ie., location, flowrate, quantity, etc.
 - vii. Stopping release if safe to do so (use 2 trained persons)
 - viii. Notifying company management.
 - ix. Cleanup/repair facilities.

e. Facility Standard Operating Procedure

- Evacuate the area, travel crosswind then proceed upwind.
- Gather at muster point. Ensure Primary Muster point is upwind
- Notify managers & appropriate EMS if required.
- Safely shut down (ESD) facility if the facility hasn't already shut in.
- Pick up SCBA (should be a 30 minute - 1 hour pack, located at Muster point.)
- Use buddy system for man down scenario with rescuers assigned.
 - 1 person to mask up to operate facility controls as needed.
 - 1 person for rescue if needed.
 - 1 person for calling EMS and company management
- Investigate area and isolate release of gas if safe to do and ensure closure using 4 gas monitor.
- If venting gas can't be isolated, return to muster point, and re-evaluate path forward.
- Give detailed description where/how gas is being released.
- After isolation verify that area monitors return to 0 and are not in alarm.
- Resume normal operations, once managers agree the ROOT CAUSE has been addressed and corrected.

G. Contacting Authorities

Company personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NM Emergency Response Commission must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Spur Energy Partners response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

H. Call List

| Spur Energy Partners Emergency Contact List | | | |
|---|------------------|-----------------------------------|-------------------|
| Person | Location | Office Phone | Cell Phone |
| Drilling and Completions Department | | | |
| Drilling Manager - Chris Hollis | Houston | 832-930-8629 | 713-380-7754 |
| Completions Manager - Theresa Voss | Houston | 832-930-8614 | 832-849-8635 |
| VP of Operations - Seth Ireland | Houston | 832-930-8527 | 940-704-6375 |
| Senior VP of Operations - John Nabors | Houston | 832-930-8526 | 281-904-8811 |
| Executive VP of Operations - Todd Mucha | Houston | 832-930-8515 | 281-795-2286 |
| HES/Environmental and Regulatory Department | | | |
| EHS Manager - Braidy Moulder | Artesia | 575-616-5400 | 713-264-2517 |
| Superintendent - Jerry Mathews | Artesia | 575-616-5400 | 575-748-5234 |
| Asst. Superintendent - Kenny Kidd | Artesia | 575-616-5400 | 575-703-5851 |
| Regulatory Director - Sarah Chapman | Houston | 832-930-8613 | 281-642-5503 |
| Regulatory Agencies | | | |
| Bureau of Land Management | Carlsbad | 575-886-6544 | |
| Bureau of Land Management | Hobbs | 575-393-3612 | |
| Bureau of Land Management | Roswell | 575-622-5335 | |
| Bureau of Land Management | Santa Fe | 505-954-2000 | |
| DOT Judicial Pipelines - Incident Reporting NM Public Regulation Commission | Santa Fe | 505-827-3549 505-490-2375 | |
| EPA Hotline | Dallas | 214-665-6444 | |
| Federal OSHA, Area Office | Lubbock | 806-472-7681 | |
| National Response Center | Washington, D.C. | 800-424-8803 | |
| National Infrastructure Coordinator Center | Washington, D.C. | 202-282-2901 | |
| New Mexico Air Quality Bureau | Santa Fe | 505-827-1494 | |
| New Mexico Oil Conservation Division | Artesia | 575-748-1283 575-370-7545After | |
| New Mexico Oil Conservation Division | Hobbs | 575-393-6161 | |
| New Mexico Oil Conservation Division | Santa Fe | 505-476-3770 | |
| New Mexico OCD Environmental Bureau | Santa Fe | 505-827-7152 505-476-3470 | |
| New Mexico Environmental Department | Hobbs | 575-827-9329 | |
| NM State Emergency Response Center | Santa Fe | 505-476-9600 | |

| Medical Facilities | | |
|-----------------------------------|-----------|--------------|
| Artesia General Hospital | Artesia | 575-748-3333 |
| Covenant Medical Center | Lubbock | 806-725-1011 |
| Covenant Medical Center Lakeside | Lubbock | 806-725-6000 |
| Guadalupe County Hospital | Carlsbad | 575-887-6633 |
| Lea Regional Hospital | Hobbs | 575-492-5000 |
| Medical Center Hospital | Odessa | 432-640-4000 |
| Midland Memorial Hospital | Midland | 432-685-1111 |
| Nor-Lea General Hospital | Lovington | 575-396-6611 |
| Odessa Regional Hospital | Odessa | 432-334-8200 |
| Union County General Hospital | Clayton | 575-374-2585 |
| University Medical Center | Lubbock | 806-725-8200 |
| Law Enforcement - Sheriff | | |
| Ector County Sheriff's Department | Odessa | 432-335-3050 |
| Ector County Sheriff's Department | Artesia | 575-746-2704 |

| Ector County Sheriff's Department | Carlsbad | 575-887-7551 |
|-------------------------------------|-----------|------------------------------|
| Lea County Sherri's Department | Eunice | 575-384-2020 |
| Lea County Sherri's Department | Hobbs | 575-393-2515 |
| Lea County Sherri's Department | Lovington | 575-396-3611 |
| Lubbock County Sheriff's Department | Abernathy | 806-296-2724 |
| Midland County Sheriff's Department | Midland | 432-688-1277 |
| Union County Sheriff's Department | Clayton | 575-374-2583 |
| Law Enforcement - Police | | |
| Abernathy Police Department | Abernathy | 806-298-2545 |
| Artesia City Police | Artesia | 575-746-2704 |
| Carlsbad City Police | Carlsbad | 575-885-2111 |
| Clayton City Police | Clayton | 575-374-2504 |
| Eunice City Police | Eunice | 575-394-2112 |
| Hobbs City Police | Hobbs | 575-397-9265 575-393-2677 |
| Jal City Police | Jal | 575-395-2501 |
| Lovington City Police | Lovington | 575-396-2811 |

| | | |
|--------------------------------------|-----------------|--------------|
| Midland City Police | Midland | 432-685-7113 |
| Odessa City Police | Odessa | 432-335-3378 |
| Law Enforcement - FBI | | |
| FBI | Albuquerque | 505-224-2000 |
| FBI | Midland | 432-570-0255 |
| Law Enforcement - DPS (911) | | |
| NM State Police | Artesia | 575-746-2704 |
| NM State Police | Carlsbad | 575-885-3137 |
| NM State Police | Eunice | 575-392-5588 |
| NM State Police | Hobbs | 575-392-5588 |
| NM State Police | Clayton | 575-374-2473 |
| Firefighting and Rescue (911) | | |
| Abernathy | Abernathy | 806-298-2022 |
| Amistad/Rosebud | Amistad/Rosebud | 575-633-9113 |
| Artesia | Artesia | 575-746-5751 |
| Carlsbad | Carlsbad | 575-885-3125 |
| Clayton | Clayton | 575-374-2435 |
| Eunice | Eunice | 575-394-2111 |
| Hobbs | Hobbs | 575-397-9308 |
| Jal | Jal | 575-395-2221 |
| Lovington | Lovington | 575-396-2359 |
| Maljamar | Maljamar | 575-676-4100 |
| Midland | Midland | 432-685-7346 |
| Nara Visa | Nara Visa | 575-461-3300 |
| Odessa | Odessa | 432-335-4659 |
| Tucumcari | Tucumcari | 911 |
| West Odessa | Odessa | 432-381-3033 |

| Ambulance (911) | | |
|--------------------------------------|-----------------|--------------|
| Abernathy Ambulance | Abernathy | 806-298-2241 |
| Amistad/Rosebud | Amistad/Rosebud | 575-633-9113 |
| Artesia Ambulance | Artesia | 575-746-2701 |
| Carlsbad Ambulance | Carlsbad | 575-885-2111 |
| Clayton Ambulance | Clayton | 575-374-2501 |
| Eunice Ambulance | Eunice | 575-394-3258 |
| Hobbs Ambulance | Hobbs | 575-397-9308 |
| Jal Ambulance | Jal | 575-395-3501 |
| Lovington Ambulance | Lovington | 575-396-2811 |
| Midland Ambulance | Midland | 432-685-7499 |
| Nara Visa Ambulance | Nara Visa | 575-461-3300 |
| Odessa Ambulance | Odessa | 432-335-3378 |
| Tucumcari Ambulance | Tucumcari | 911 |
| Medical Air Ambulance Service | | |
| AEROCARE - Methodist Hospital | Lubbock | 800-627-2376 |
| Southwest MediVac | Hobbs | 800-242-6199 |
| Odessa Care Star | Odessa | 888-624-3571 |

I. List of Facilities with the potential for 500ppm or higher H₂S exposure.

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

| | |
|-----------------------------------|---|
| ALASKA 29 FEE TANK BATTERY | CHASER 8 STATE 2 TANK BATTERY |
| ARABIAN 6 FEE TANK BATTERY | CHEYENNE FEDERAL TNK BTY |
| ARCO 26 A STATE OIL BATTERY | CLYDESDALE 1 FEE #1H BAT |
| ARCO B FEDERAL COM NO. 001 | CLYDESDALE 1 FEE 6H - BATTERY |
| ARKANSAS STATE 23 TANK BATTERY | COAL TRAIN FEDERAL COM #1 |
| AVALON FEDERAL #001 | COFFIN STATE #1 |
| B&B/ROSS RANCH OIL TANK BATTERY | COLLIER 22 STATE COM #43H |
| BC FEDERAL 10 (9-13) TNK BTY | COLLIER STATE OIL BATTERY |
| BC FEDERAL 1-8 &14 TNK BTY | CONOCO 8 STATE 4 TB |
| BC FEDERAL 42 TNK BTY | CONTINENTAL A STATE TNK BTY |
| BEE FED OIL BATTERY | CONTINENTAL B YESO TANK BTY |
| BEECH 25 FEDERAL #9H BATTERY | CONTINENTAL STATE 15A TNK BTY |
| BEECH FEDERAL 1 | CRYPT 30 STATE #1H |
| BEECH FEDERAL 2 BATTERY | DAGGER DRAW FED/FOSTER FED TANK BATTERY |
| BERRY A FEDERAL #005 SWB | DARNER 9 STATE 1 TANK BATTERY |
| BERRY A FEDERAL PADD BATTERY | DARNER 9 STATE 2 |
| BIG BOY STATE TB | DARTER 9 STATE 8 TANK BATTERY |
| BLUETAIL 8 FEDERAL 2 TANK BATTERY | DARNER 9 STATE CTB |
| BONE YARD 11 FEE TANK BATTERY | DEXTER FEDERAL PAD TNK BTY |
| BOOT HILL 25 1H SWB | DODD 10A OIL BATTERY |
| BOSE IKARD 4 ST COM 18H BATTERY | DODD 10B TK BTTY |
| BRANTLEY FEDERAL #001 | DODD FED #14C TK BATT |
| BR-549 STATE BATTERY | DODD FED 11A BATTERY |
| BRADLEY 8 FEE #3H-BATTERY | DODD FED UNIT 980H BATTERY |
| BRADLEY 8 FEE BATTERY | DODD FEDERAL 14A-TB |
| BRAGG 10 FEE 1 BATTERY | DODD FEDERAL UNIT 15A BTTY |
| BRIGHAM H 2 | DODD FEDERAL UNIT NORTH BTTY |
| BRIGHAM H FED (NORTH) BATTERY | DODD FEDERAL UNIT SOUTH BTTY |
| BURCH KEELY 13C TK BTY | DOGWOOD FEDERAL TNK BTY |
| BURCH KEELY 18A TK BATT | DORAMI 33 FEDERAL COM 2H.4H.9H TANK BATTERY |
| BURCH KEELY 19A OIL BATT | EBONY STATE TB |
| BURCH KEELY 23A TK BATT | EDWARD STATE TNK BTY |
| BURCH KEELY EAST 18B TANK BAT | ELECTRA FEDERAL 33 (NORTH) BATTERY |
| BURCH KEELY SEC 13A NORTH BTTY | ELECTRA FEDERAL 5 (SWEET) TNK BTY |
| BURCH KEELY SEC 13B SOUTH BTTY | ELECTRA FEDERAL SOUR TNK BTY |
| BURCH KEELY UNIT CTB BTTY | EMPIRE SOUTH DEEP UNIT 21 |
| BURCH KEELY UNIT E BATTERY | FALABELLA 31 FEE #1H TK BATT |
| BURKETT 16 STATE | FALABELLA 31 FEE 8H TK BTY |
| CADDO FEDERAL BATTERY | FAT TIRE 12 COM FEDERAL CTB |
| CADILLAC ST 4 BATTERY | FEDERAL BA COM NO. 001 |
| CALIFORNIA 29 FEE 1 | FEDERAL BB NO. 001 |
| CARMEN 3 FEDERAL BATTERY | FLAT HEAD FED COM 6H TANK BATTERY |
| CARRINGTON 12 ST 3,4,7 BATTERY | FLAT HEAD FED COM 27H TANK BATTERY |

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

| | |
|---|-------------------------------------|
| FIR FEDERAL TNK BTY | IVAR THE BONELESS FED 11H - BATTERY |
| FIRECRACKER STATE TB | JC FEDERAL 13 TNK BTY |
| FLEMMING STATE OIL BATTERY | JC FEDERAL 2 (SOUR) TNK BTY |
| FOLK FEDERAL B TNK BTY | JC FEDERAL 27 TNK BTY |
| FOLK FEDERAL TNK BTY | JENKINS B FEDERAL TNK BTY |
| FOLK STATE TANK BATTERY | JG STATE 16 1 TANK BATTERY |
| FORAN STATE OIL BATTERY | JG STATE 16 7 TANK BATTERY |
| GC FEDERAL 11 TNK BTY | JON BOB 1 |
| GC FEDERAL 27 TNK BTY | JUNIPER STATE TNK BTY |
| GC FEDERAL TNK BTY | KIOWA OIL BATTERY |
| GILLESPIE STATE OIL BATTERY | KOOL AID STATE |
| GISSLER FEDERAL 13H TANK BATT | LAKEWOOD NORTH TANK BATTERY |
| GJ WEST COOP SOUTH TB | LAKEWOOD SOUTH TANK BATTERY |
| GJ WEST COOP UNIT 092 BTY | LARA MICHELLE STATE OIL BTTY |
| GJ WEST COOP UNIT 191 BTY | LEAKER CC STATE TB |
| GJ WEST COOP UNIT 210 BTY | LEE 3 FEE 6H - TK BATT |
| GJ WEST COOP UNIT CENTRAL | LIVE OAK TANK BATTERY |
| GJ WEST COOP UNIT N TNK BTY | MALCO 23 FEDERAL COM #13H |
| GOLD STAR TNK BTY | MAPLE STATE |
| GOODMAN 22 TANK BATTERY | MARACAS 22 STATE TANK BATTERY |
| GRAVE DIGGER FEDERAL COM TANK BATTERY | MARY FEDERAL OIL BATTERY |
| GRAVE DIGGER ST COM #3H TANK BATTERY | MAYARO 22 STATE TANK BATTERY |
| GRAVE DIGGER STATE COM #8H SWB | MC FEDERAL 14 TANK BATTERY |
| HALBERD 27 ST 3H BATTERY | MC FEDERAL 6 DEVONIAN |
| HANOVER STATE #3 (YESO) | MC FEDERAL PADDOCK TNK BTY |
| HARPER STATE TNK BTY | MC SOUTHEAST BATTERY |
| HARVARD FEDERAL TNK BTY | MC STATE OIL BATTERY |
| HATFIELD B TB | MCCOY STATE TB |
| HEARSE 36 ST COM TANK BATTERY | MCINTYRE A EAST TANK BATTERY |
| HOBGOBLIN 7 FED COM 4H TK BAT | MCINTYRE B 10 |
| HOLDER CB 11 TNK BTY | MCINTYRE B 4 |
| HOLDER CB FEDERAL 6&7 TNK BTY | MCINTYRE B TNK BTY |
| HOLIDAY | MCINTYRE DK 15 TNK BTY |
| HOUMA STATE TNK BTY | MCINTYRE DK FEDERAL 28H SWB |
| HT 18 FED 01.05.04 TANK BATTERY | MEADOWHAWK 5 FEDERAL 3 |
| HT 18 FEDERAL 8 | MELROSE FEDERAL TNK BTY |
| HUBER 10,11,12 FEDERAL OIL TANK BATTERY | MERAK 7 FEDERAL 8 TANK BATTERY |
| HUBER 3 FEDERAL OIL TANK BATTERY | MESILLA STATE 3 & 5 TNK BTY |
| HUBER 5 FEDERAL OIL TANK BATTERY | MESILLA STATE TNK BTY |
| HYDRUS 10 FED 03.07.08.11 TANK BATTERY | MESQUITE STATE TANK BATTERY |
| HYDRUS 10 FED 04.05 TANK BATTERY | MIMOSA STATE TNK BTY |
| HYDRUS 10 FED 06.09.10.12 TANK BATTERY | MIRANDA FEDERAL B TNK BTY |
| IMPERIAL STATE TNK BTY | MIRANDA FEDERAL TB |

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

| | |
|---|-------------------------------------|
| MOE FEDERAL OIL BATTERY | ROSE SOUTH TANK BATTERY |
| MOHAWK FEDERAL TNK BTY | ROSS RANCH 09.13.14 BATTERY |
| MONCRIEF 3 OIL BATTERY | SAM ADAMS 12 FED 4H UBB TK BATT |
| MOORE STATE OIL BATTERY | SANDY CROSSING 32 STATE COM 1 |
| MORRIS BOYD 26 FEE COM 1H | SCHLEY FEDERAL TNK BTY |
| MORRIS BOYD TANK BATTERY | SHAWNEE FEDERAL TNK BTY |
| MORRIS E & F TANK BATTERY | SHELBY 23 BATTERY |
| MUSKEGON SOUTH STATE OIL BATTERY | SHERMAN 4 FEE 4H BATTERY |
| NAVAHO FEDERAL TNK BTY | SHERMAN 4 FEE 6H BATTERY |
| NELSON 13.23. TNK BATT | SHORTY 2 STATE COM TANK BATTERY |
| NEWCASTLE 6 FED COM - TANK BATTERY | SINCLAIR PARKE (PADDOCK) TNK BTY |
| NIRVANA TANK BATTERY | SKELLY 605 BATTERY |
| NOOSE FED 10 TANK BATTERY | SKELLY 942 BATTERY |
| NOOSE FED 5 TANK BATTERY | SKELLY 968 BATTERY |
| OKLAHOMA 32 TANK BATTERY | SKELLY 973 BATTERY |
| OSAGE BOYD 15 FED 09.12.13.14 TANK BATTERY | SKELLY 989 BATTERY |
| OSAGE BOYD YESO TANK BATTERY | SKELLY UNIT 907 CTB BATTERY |
| PAINT 32 FEE OIL BATTERY | SKELLY UNIT 940 BATTERY |
| PAN CANADIAN A2-B3 TANK BATTERY | SOUTH BOYD FED COM OIL TANK BATTERY |
| PASSION 1 FED PDK 5H TK BATT | SOUTH EMPIRE STATE COM 1 |
| PATTON 5 FEE 2H OIL BATTERY | SPIKETAIL 5 STATE 2 TANK BATTERY |
| PATTON 5 FEE 8H OIL BATTERY | SPRUCE FEDERAL TNK BTY |
| PAWNEE STATE TNK BTY | STATE B GAS COM NO. 001 |
| PEACEMAKER 25 FEDERAL TANK BATTERY | STATE S-19 YESO (SOUR) TNK BTY |
| PERE MARQUETTE 18 FEDERAL 1 TANK BATTERY | STONEWALL 9 FEE #1H TBAT |
| PILUM 15 FEE 2H BATTERY | STONEWALL 9 FEE 8H BATTERY |
| PINTO 36 STATE COM 1H TNK BTY | SUBMARINE 10 FED COM 2H OIL BAT |
| PINTO 36 STATE COM 4H TNK BTY | TAYLOR D TANK BATTEY |
| PINTO 36 STATE TB | TENNECO STATE TNK BTY |
| POLARIS B 5-10 TANK BTTY | TEX MACK FED |
| POSEIDON 3 FEDERAL 4 TANK BATTERY | TEXACO BE TNK BTY |
| POSEIDON 3 FEDERAL 05.07.17.18 TANK BATTERY | TEXAS 32 FEE TANK BATTERY |
| PUCKETT 13 FEDERAL COM 35H | TEXMACK 36 STATE COM #1 |
| PUCKETT 13 FEDERAL TB | TH STATE #1 |
| RAGNAR FED COM 25H - BATTERY | THO STATE OIL BATTRY |
| RANDALL FED 3 BATTERY | THORNTAIL 31 FEDERAL 1 |
| RED LAKE 32 TANK BATTERY | THUNDER ROAD FEDERAL OIL BTTY |
| REDBUD FEDERAL TNK BTY | TUMAK FED 3 BAT |
| RINCON STATE TANK BATTERY | VEGA 9 FED TANK BATTERY |
| RJ UNIT NORTH TANK BATTERY | VT 36 STATE #1H |
| RJ UNIT SOUTH TANK BATTERY | W D MCINTYRE C 10 |
| RONCO FEDERAL #1 | WAUKEE 36 STATE COME CTB |
| ROSE 02.03.04.05.06 TANK BATTERY | WD MCINTYRE C 8-9 TNK BTY |

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

WD MCINTYRE E TNK BTY
WELCH A 28 10.20.50 CTB
WESTERN FEDERAL TNK BTY
WHITE OAK STATE B TB
WHITE OAK STATE TNK BTY
WHITE STAR FEDERAL TNK BTY
WICHITA STATE TNK BTY
WILLOW STATE TNK BTY
YALE B OIL BATTERY
YALE STATE TANK BTY
YUCCA STATE TNK BTY

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: SPUR ENERGY PARTNERS LLC **OGRID:** 328947 **Date:** 05 / 01 / 2025

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 |
|-------------------------|---------|-------------|---------------------|-----------------------|-----------------------|----------------------------------|
| PEAKY 8 9 STATE COM 10H | 30-015- | C-8-17S-29E | 1015' FNL 1940' FWL | 369 BBL/D | 602 MCF/D | 2216 BBL/D |
| PEAKY 8 9 STATE COM 20H | 30-015- | C-8-17S-29E | 1015' FNL 1960' FWL | 369 BBL/D | 602 MCF/D | 2216 BBL/D |
| PEAKY 8 9 STATE COM 21H | 30-015- | C-8-17S-29E | 1015' FNL 1980' FWL | 369 BBL/D | 602 MCF/D | 2216 BBL/D |
| PEAKY 8 9 STATE COM 70H | 30-015- | C-8-17S-29E | 1015' FNL 2000' FWL | 338 BBL/D | 1014 MCF/D | 2367 BBL/D |
| PEAKY 8 9 STATE COM 71H | 30-015- | C-8-17S-29E | 1015' FNL 2020' FWL | 338 BBL/D | 1014 MCF/D | 2367 BBL/D |

IV. Central Delivery Point Name: PEAKY 8 9 STATE COM TANK BATTERY [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 |
|-------------------------|---------|------------|-----------------|------------------------------|------------------------|-----------------------|
| PEAKY 8 9 STATE COM 10H | 30-015- | 10/24/2026 | 11/03/2026 | 12/22/2026 | 01/11/2027 | 01/26/2027 |
| PEAKY 8 9 STATE COM 20H | 30-015- | 11/03/2026 | 11/13/2026 | 12/22/2026 | 01/11/2027 | 01/26/2027 |
| PEAKY 8 9 STATE COM 21H | 30-015- | 11/13/2026 | 11/23/2026 | 12/22/2026 | 01/11/2027 | 01/26/2027 |
| PEAKY 8 9 STATE COM 70H | 30-015- | 11/23/2026 | 12/03/2026 | 12/22/2026 | 01/11/2027 | 01/26/2027 |
| PEAKY 8 9 STATE COM 71H | 30-015- | 12/03/2026 | 12/13/2026 | 12/22/2026 | 01/11/2027 | 01/26/2027 |

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: | <i>Sarah Chapman</i> |
| Printed Name: | SARAH CHAPMAN |
| Title: | REGULATORY DIRECTOR |
| E-mail Address: | SCHAPMAN@SPUREENERGY.COM |
| Date: | 05/01/2025 |
| Phone: | 832-930-8613 |
| OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form) | |
| Approved By: | |
| Title: | |
| Approval Date: | |
| Conditions of Approval: | |



Natural Gas Management Plan – Attachment

VI. Separation equipment will be sized by construction engineering staff based on anticipated daily production to ensure adequate capacity.

VII. Spur Energy Partners LLC (“Spur”) will take the following actions to comply with the regulations listed in 19.15.27.8:

- A. Spur will maximize the recovery of natural gas by minimizing waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. Spur will ensure that our wells will be connected to a natural gas gathering system with sufficient capacity to transport natural gas.
- B. All drilling operations will be equipped with a rig flare at least 100 feet from the nearest surface hole location. Rig flare will be utilized to combust any natural gas that is brought to surface during normal operations. In the case of emergency, flaring volumes will be reported appropriately.
- C. During completion operations any natural gas brought to surface will be flared. Immediately following completion operations, wells will flow to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. If natural gas does not meet gathering pipeline specifications, Spur will flare for 60 days or until natural gas meets the pipeline specifications. Spur will ensure flare is properly sized and is equipped with an automatic igniter or continuous pilot. Gas samples will be taken twice per week and natural gas will be routed into a gathering system as soon as the pipeline specifications are met.
- D. Natural gas will not be flared with the exception of 19.15.27.8(D)(1-4). If there is no adequate takeaway for the separator gas, wells will be shut-in until that natural gas gathering system is available with exception of emergency or malfunction situations. Volumes will be reported appropriately.
- E. Spur will comply with performance standards pursuant to 19.15.27.8(E)(1-8). All equipment will be designed and sized to handle maximum pressures to minimize waste. Storage tanks constructed after May 25, 2021 will be equipped with an automatic gauging system that reduces venting of natural gas. Flare stacks installed or replaced after May 25, 2021 will be equipped with an automatic igniter or continuous pilot. Spur will conduct AVO inspections as described in 19.15.27.8(E)(5)(a) with frequencies specified in 19.15.27.8(E)(5)(b) and (c). All emergencies or malfunctions will be resolved as quickly and safely as possible to minimize waste.
- F. The volume of natural gas that is vented or flared as the result of an emergency or malfunction during drilling and/or completion operations will be estimated and reported accordingly. The volume of natural gas that is vented, flared or beneficially used during production operations, will be measured and reported accordingly. Spur will install equipment to measure the volume of natural gas flared from existing piping or a flowline piped from equipment such as high-pressure separators, heater treaters, or VRUs associated with a well or facility associated with a well authorized by an APD after May 25, 2021 that has an average daily production of less than 60,000 cubic feet of natural gas. If metering is not practicable due to circumstances such as low flow rate or low pressure venting or flaring, Spur will estimate the volume of flared or vented natural gas. Measuring equipment will conform to industry standards and will not be equipped with a manifold



that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing equipment.

VIII. For maintenance activities involving production equipment and compression, venting be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production equipment, the associated producing wells will be shut-in to eliminate venting. For maintenance of VRUs, all natural gas normally routed to the VRU will be routed to flare.