

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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 411080

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 338982 | | 3. API Number 30-015-57953 |
| 5. Property Name MARGARET 23 FEE | | 6. Well No. 020H |

7. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|----------------|
| UL - Lot A | Section 22 | Township 18S | Range 26E | Lot Idn A | Feet From 1233 | N/S Line N | Feet From 904 | E/W Line E | County Eddy |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|----------------|

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-----------------|---------------|----------------|
| UL - Lot A | Section 23 | Township 18S | Range 26E | Lot Idn A | Feet From 1260 | N/S Line N | Feet From 50 | E/W Line E | County Eddy |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|-----------------|---------------|----------------|

9. Pool Information

| | |
|---------------------|------|
| ATOKA;GLORIETA-YESO | 3250 |
|---------------------|------|

Additional Well Information

| | | | | |
|---------------------------|----------------------------|--|---------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type Private | 15. Ground Level Elevation 3330 |
| 16. Multiple N | 17. Proposed Depth 8678 | 18. Formation Paddock | 19. Contractor | 20. Spud Date 4/6/2026 |
| 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 | 12.25 | 9.625 | 36 | 1250 | 315 | 0 |
| Prod | 8.75 | 7 | 32 | 3300 | 1430 | 0 |
| Prod | 8.75 | 5.5 | 20 | 8678 | 1430 | 0 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

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 hereby certify that no additives containing PFAS chemicals will be added to the completion or recompletion of this well. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: | OIL CONSERVATION DIVISION | |
| | Printed Name: Electronically filed by Sarah Chapman | Approved By: Jeffrey Harrison |
| | Title: Regulatory Director | Title: Petroleum Specialist III |
| | Email Address: schapman@spurenergy.com | Approved Date: 3/17/2026 Expiration Date: 3/17/2028 |
| | Date: 3/16/2026 Phone: 832-930-8613 | Conditions of Approval Attached |

| | | |
|---|--|---|
| 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 30-015-57953 | Pool Code 3250 | Pool Name ATOKA; GLORIETA-YESO |
| Property Code 338982 | Property Name MARGARET 23 FEE | Well Number 20H |
| OGRID No. 328947 | Operator Name SPUR ENERGY PARTNERS LLC. | Ground Level Elevation 3330' |
| Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal | | Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal |

Surface Location

| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude | Longitude | County |
|----------|-----------|------------|------------|-----|-----------------|----------------|---------------------|----------------------|-------------|
| A | 22 | 18S | 26E | | 1233 FNL | 904 FEL | 32.7372626°N | 104.3641357°W | EDDY |

Bottom Hole Location

| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude | Longitude | County |
|----------|-----------|------------|------------|-----|-----------------|---------------|---------------------|----------------------|-------------|
| A | 23 | 18S | 26E | | 1260 FNL | 50 FEL | 32.7371311°N | 104.3441368°W | EDDY |

| | | | | |
|-----------------------------------|--|-------------------|--|--------------------------------|
| Dedicated Acres 320 | Infill or Defining Well DEFINING | Defining Well API | Overlapping Spacing Unit (Y/N) Y | Consolidation Code F |
| Order Numbers. FP: PENDING | | | Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No NA | |

Kick Off Point (KOP)

| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude | Longitude | County |
|----------|-----------|------------|------------|-----|-----------------|----------------|---------------------|----------------------|-------------|
| A | 22 | 18S | 26E | | 1250 FNL | 817 FEL | 32.7372163°N | 104.3638520°W | EDDY |


First Take Point (FTP)

| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude | Longitude | County |
|----------|-----------|------------|------------|-----|-----------------|----------------|---------------------|----------------------|-------------|
| D | 23 | 18S | 26E | | 1260 FNL | 100 FWL | 32.7371920°N | 104.3608715°W | EDDY |

Last Take Point (LTP)

| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude | Longitude | County |
|----------|-----------|------------|------------|-----|-----------------|----------------|---------------------|----------------------|-------------|
| A | 23 | 18S | 26E | | 1260 FNL | 100 FEL | 32.7371317°N | 104.3442993°W | EDDY |

| | | |
|--|--|---|
| Unitized Area or Area of Uniform Interest Y | Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical | Ground Floor Elevation: 3330' GL |
|--|--|---|

| | |
|--|--|
| <p>OPERATOR CERTIFICATIONS</p> <p><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></p> <p><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></p> <p><i>Sarah Savino</i> 03/16/2026</p> | <p>SURVEYOR CERTIFICATIONS</p> <p><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></p> <div style="text-align: right;">  </div> |
| Signature SARAH SAVINO | Signature and Seal of Professional Surveyor <i>Dale E. Bell</i> |
| Date 03/16/2026 | Date of Survey 08/01/2025 |
| Printed Name SSAVINO@SPURENERGY.COM | Certificate Number 14400 |
| Email Address | |

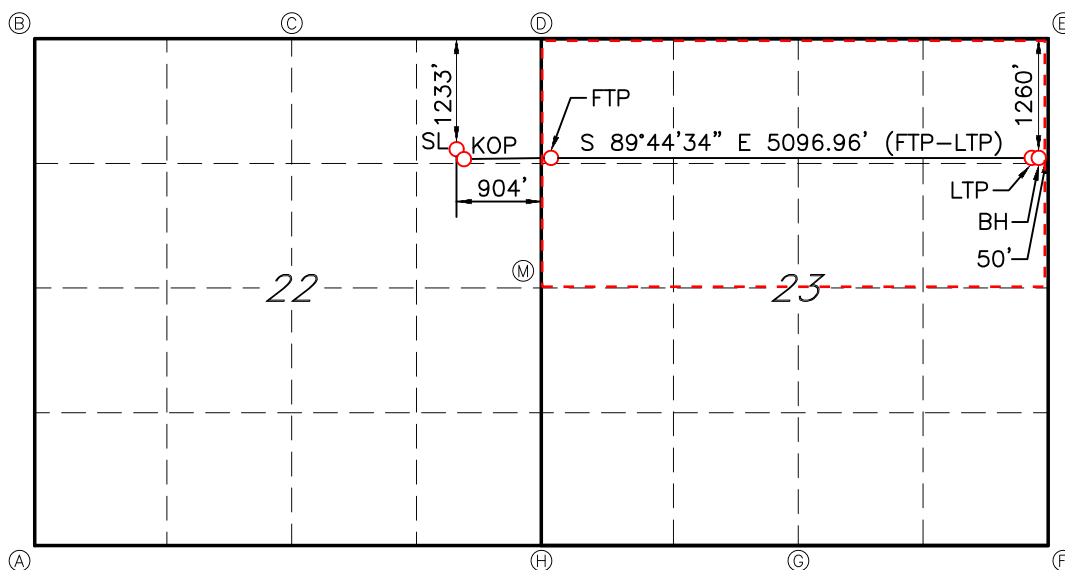
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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.

MARGARET 23 FEE #20H



GEODETTIC DATA
 NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
 1233' FNL & 904' FEL (SEC.22)
 N: 631949.2 - E: 531866.3

LAT: 32.7372626° N
 LONG: 104.3641357° W

KICK OFF POINT (KOP)
 1250' FNL & 817' FEL (SEC.22)
 N: 631932.3 - E: 531953.6

LAT: 32.7372163° N
 LONG: 104.3638520° W

FIRST TAKE POINT (FTP)
 1260' FNL & 100' FWL (SEC.23)
 N: 631923.2 - E: 532870.0

LAT: 32.7371920° N
 LONG: 104.3608715° W

LAST TAKE POINT (LTP)
 1260' FNL & 100' FEL (SEC.23)
 N: 631900.3 - E: 537965.6

LAT: 32.7371317° N
 LONG: 104.3442993° W

BOTTOM HOLE (BH)
 1260' FNL & 50' FEL (SEC.23)
 N: 631900.1 - E: 538015.6

LAT: 32.7371311° N
 LONG: 104.3441368° W

CORNER DATA
 NAD 83 GRID - NM EAST

A: FOUND NAIL
 N: 627894.1 - E: 527461.9

B: CALCULATED CORNER
 N: 633198.3 - E: 527505.3

C: FOUND RR SPIKE
 N: 633178.6 - E: 530125.4

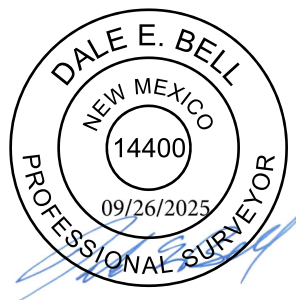
D: FOUND RR SPIKE
 N: 633183.3 - E: 532774.6

E: CALCULATED CORNER
 N: 633159.5 - E: 538079.5

F: FOUND NAIL
 N: 627861.4 - E: 538021.2

G: FOUND RR SPIKE
 N: 627869.8 - E: 535392.5

H: FOUND 5/8" REBAR
 N: 627877.8 - E: 532755.3



JOB #: LS25070616D1

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

Form APD Comments

Permit 411080

PERMIT COMMENTS

| | | |
|---|--------------------------|--------------------------------|
| Operator Name and Address: Spur Energy Partners LLC [328947] 9655 Katy Freeway Houston, TX 77024 | | API Number: 30-015-57953 |
| | | Well: MARGARET 23 FEE #020H |
| Created By | Comment | Comment Date |
| jeffrey.harrison | Defining and proxy well. | 3/17/2026 |

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

Form APD Conditions

Permit 411080

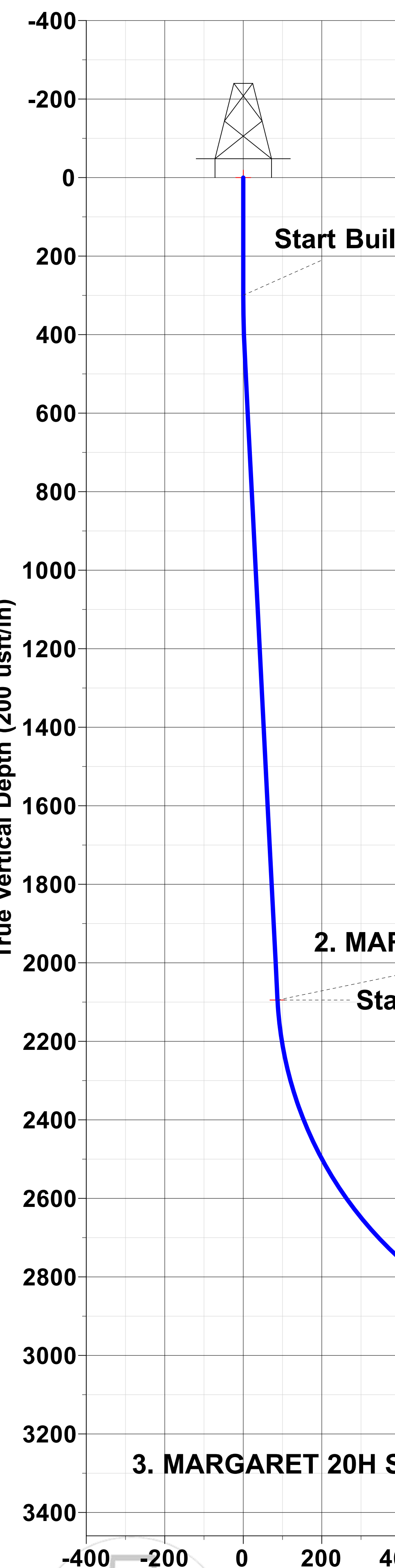
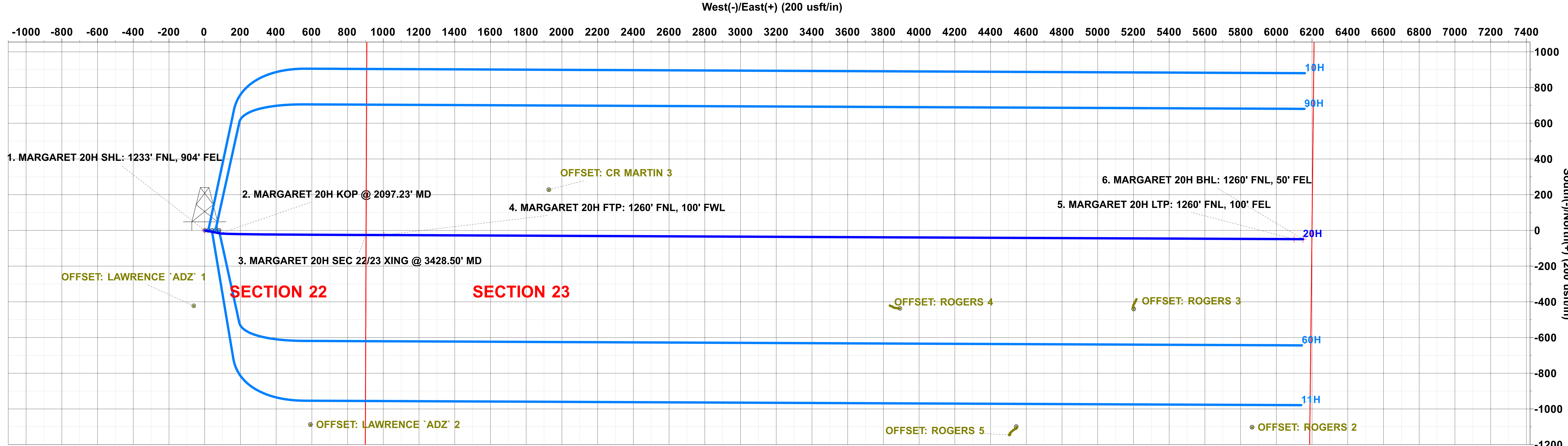
PERMIT CONDITIONS OF APPROVAL

| | |
|---|--------------------------------|
| Operator Name and Address: Spur Energy Partners LLC [328947] 9655 Katy Freeway Houston, TX 77024 | API Number: 30-015-57953 |
| | Well: MARGARET 23 FEE #020H |

| OCD Reviewer | Condition |
|------------------|---|
| jeffrey.harrison | No additives containing PFAS chemicals will be added to the drilling fluids or completion fluids used during drilling, completions, or recompletions operations. |
| jeffrey.harrison | This well is within the Roswell Artesian Basin. Operator must adhere to all 19.15.39.11 NMAC regulations. |
| jeffrey.harrison | Brine water shall not be used in the Roswell Artesian Aquifer. Only fresh water shall be utilized until the Roswell Artesian Aquifer is cased and cemented. |
| jeffrey.harrison | Cement is required to circulate on both surface and intermediate1 strings of casing. |
| jeffrey.harrison | If the method of isolation was not by circulation, a CBL must be performed; if strata isolation is not achieved, then remediation will be required before further operations. |
| jeffrey.harrison | File As Drilled C-102 and a directional Survey with C-104 completion packet. |
| 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 | 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 | 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. |



Project: EDDY COUNTY, NM (NAD 83 - NME)
 Site: MARGARET 23 FEE
 Well: 20H
 Wellbore: OH
 Design: PERMIT



WELL DETAILS: 20H

| | | |
|-------------------|----------|------------------------------------|
| Rig Name: | AKITA 57 | RKB = 20' @ 3350.00usft (AKITA 57) |
| Ground Elevation: | 3330.00 | |
| +N/-S | +E/-W | Northing |
| 0.00 | 0.00 | 631949.20 |
| | | Easting |
| | | 531866.30 |
| | | Latitude |
| | | 32.73726 |
| | | Longitude |
| | | -104.36414 |

SECTION DETAILS

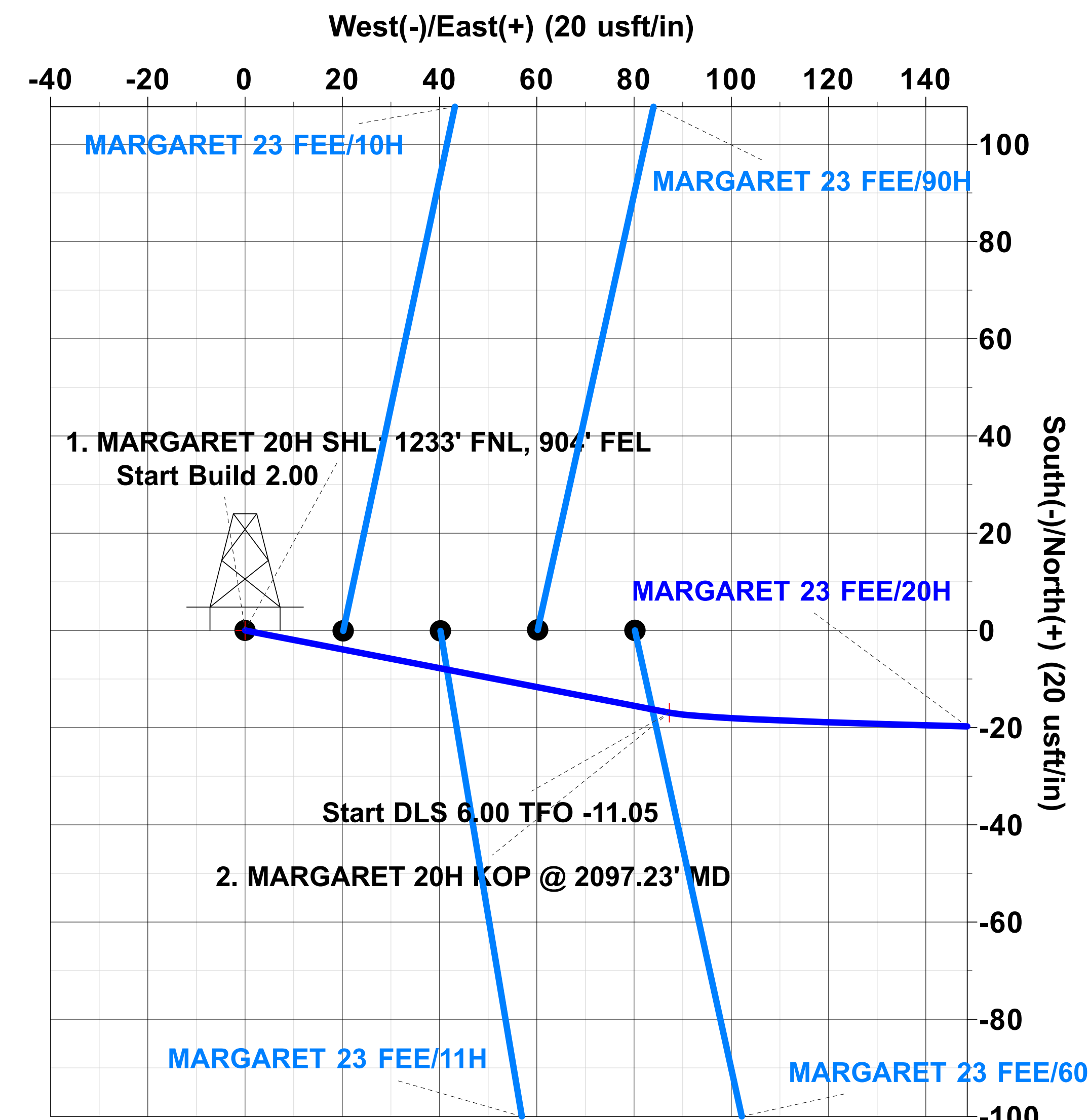
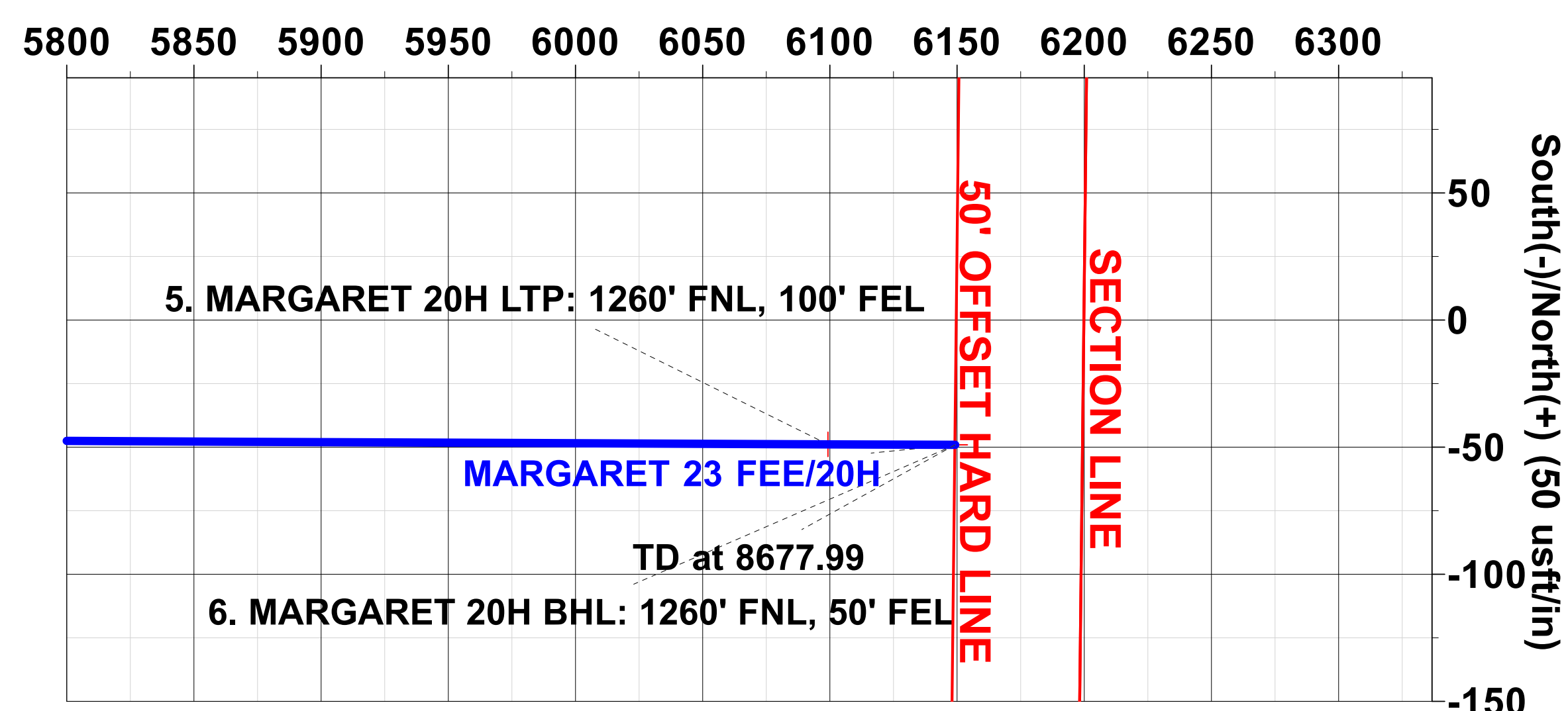
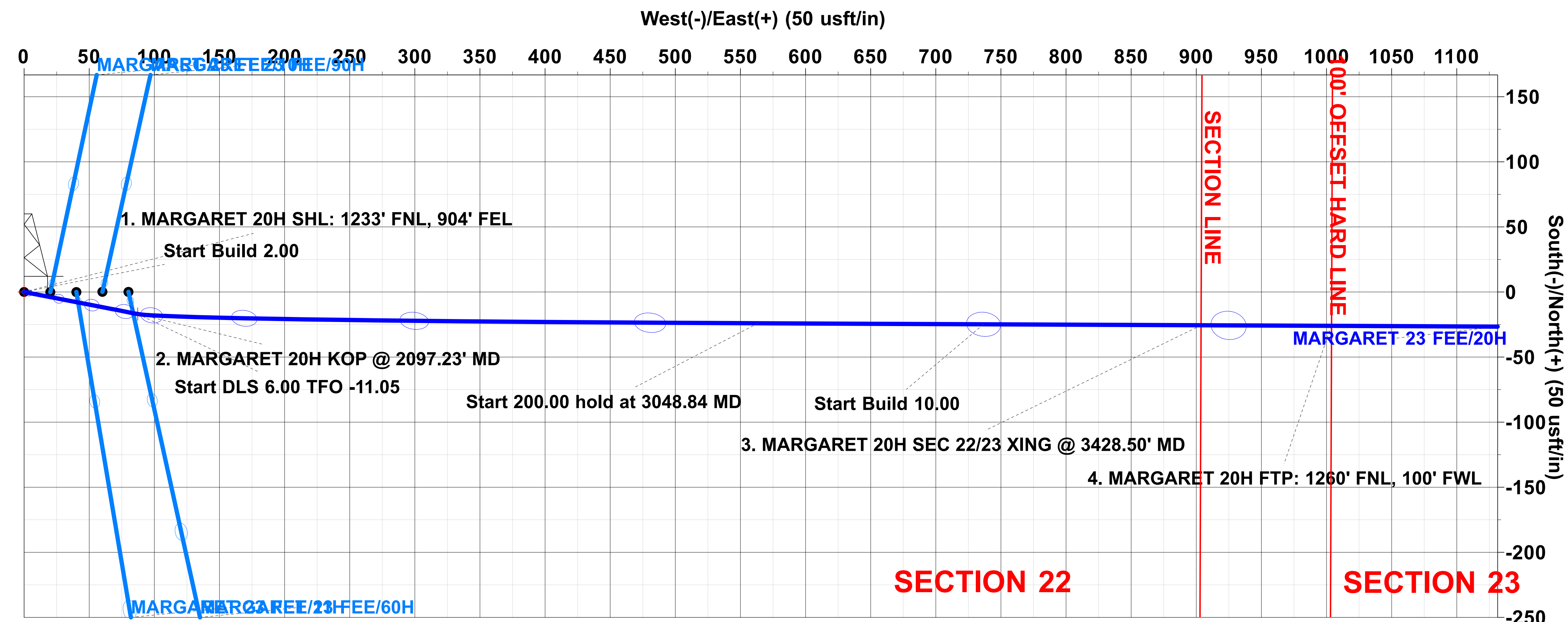
| Sec | MD | Inc | Azi | TVD | +N/-S | +E/-W | Dleg | Vsect | Target |
|-----|---------|-------|--------|---------|--------|---------|-------|---------|--|
| 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2 | 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3 | 447.84 | 2.96 | 100.96 | 447.77 | -0.73 | 3.74 | 2.00 | 3.75 | |
| 4 | 2097.23 | 2.96 | 100.96 | 2094.97 | -16.91 | 87.27 | 0.00 | 87.35 | |
| 5 | 3048.84 | 60.00 | 90.26 | 2873.57 | -24.02 | 563.50 | 6.00 | 563.60 | 4. MARGARET 20H FTP: 1260' FNL, 100' FWL |
| 6 | 3248.84 | 60.00 | 90.26 | 2973.57 | -24.80 | 736.70 | 0.00 | 736.80 | 5. MARGARET 20H LTP: 1260' FNL, 100' FEL |
| 7 | 3529.36 | 88.05 | 90.26 | 3050.00 | -26.00 | 1003.70 | 10.00 | 1003.81 | |
| 8 | 8627.96 | 88.05 | 90.26 | 3223.30 | -48.88 | 6099.30 | 0.00 | 6099.46 | |
| 9 | 8677.99 | 88.05 | 90.26 | 3225.00 | -49.10 | 6149.30 | 0.00 | 6149.46 | 6. MARGARET 20H BHL: 1260' FNL, 50' FEL |

DESIGN TARGET DETAILS

| Name | TVD | +N/-S | +E/-W | Northing | Easting | Latitude | Longitude |
|--|---------|--------|---------|-----------|-----------|----------|------------|
| 1. MARGARET 20H SHL: 1233' FNL, 904' FEL | 0.00 | 0.00 | 0.00 | 631949.20 | 531866.30 | 32.73726 | -104.36414 |
| 2. MARGARET 20H KOP @ 2097.23' MD | 2094.97 | -16.91 | 87.27 | 631932.29 | 531953.57 | 32.73722 | -104.36385 |
| 3. MARGARET 20H SEC 22/23 XING @ 3428.50' MD | 3037.74 | -25.55 | 903.72 | 631923.65 | 532770.02 | 32.73719 | -104.36120 |
| 4. MARGARET 20H FTP: 1260' FNL, 100' FWL | 3050.00 | -26.00 | 1003.70 | 631923.20 | 532870.00 | 32.73719 | -104.36087 |
| 5. MARGARET 20H LTP: 1260' FNL, 100' FEL | 3223.30 | -48.90 | 6099.30 | 631900.30 | 537965.60 | 32.73713 | -104.34430 |
| 6. MARGARET 20H BHL: 1260' FNL, 50' FEL | 3225.00 | -49.10 | 6149.30 | 631900.10 | 538015.60 | 32.73713 | -104.34414 |

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



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SPUR ENERGY PARTNERS, LLC

EDDY COUNTY, NM (NAD 83 - NME)

MARGARET 23 FEE

20H

OH

Plan: PERMIT

Standard Planning Report

18 September, 2025



**PROTOTYPE
WELL PLANNING**
WELL PLANNED. WELL EXECUTED.



PROTOTYPE
Planning Report



| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 20H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Site: | MARGARET 23 FEE | North Reference: | Grid |
| Well: | 20H | 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 | 20H | | | | | |
| Well Position | +N/-S | 0.00 usft | Northing: | 631,949.20 usft | Latitude: | 32.73726 |
| | +E/-W | 0.00 usft | Easting: | 531,866.30 usft | Longitude: | -104.36414 |
| Position Uncertainty | | 0.00 usft | Wellhead Elevation: | usft | Ground Level: | 3,330.00 usft |
| Grid Convergence: | | -0.02 ° | | | | |

| | | | | |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|
| 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 | 90.26 |

| | | | | |
|---------------------------------|------------------------|--------------------------|------------------|------------------------|
| Plan Survey Tool Program | Date | 9/17/2025 | | |
| Depth From (usft) | Depth To (usft) | Survey (Wellbore) | Tool Name | Remarks |
| 1 | 0.00 | 8,677.99 PERMIT (OH) | MWD+IFR1+MS | OWSG MWD + IFR1 + Mult |

| 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 | |
| 447.84 | 2.96 | 100.96 | 447.77 | -0.73 | 3.74 | 2.00 | 2.00 | 0.00 | 100.96 | |
| 2,097.23 | 2.96 | 100.96 | 2,094.97 | -16.91 | 87.27 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3,048.84 | 60.00 | 90.26 | 2,873.57 | -24.02 | 563.50 | 6.00 | 5.99 | -1.13 | -11.05 | |
| 3,248.84 | 60.00 | 90.26 | 2,973.57 | -24.80 | 736.70 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3,529.36 | 88.05 | 90.26 | 3,050.00 | -26.00 | 1,003.70 | 10.00 | 10.00 | 0.00 | 0.00 | 4. MARGARET 20H |
| 8,627.96 | 88.05 | 90.26 | 3,223.30 | -48.88 | 6,099.30 | 0.00 | 0.00 | 0.00 | 0.00 | 5. MARGARET 20H |
| 8,677.99 | 88.05 | 90.26 | 3,225.00 | -49.10 | 6,149.30 | 0.00 | 0.00 | 0.00 | 0.00 | 6. MARGARET 20H |



PROTOTYPE
Planning Report



| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 20H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Site: | MARGARET 23 FEE | North Reference: | Grid |
| Well: | 20H | 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. MARGARET 20H SHL: 1233' FNL, 904' FEL | | | | | | | | | |
| 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 | 100.96 | 399.98 | -0.33 | 1.71 | 1.71 | 2.00 | 2.00 | 0.00 |
| 447.84 | 2.96 | 100.96 | 447.77 | -0.73 | 3.74 | 3.75 | 2.00 | 2.00 | 0.00 |
| 500.00 | 2.96 | 100.96 | 499.86 | -1.24 | 6.39 | 6.39 | 0.00 | 0.00 | 0.00 |
| 600.00 | 2.96 | 100.96 | 599.73 | -2.22 | 11.45 | 11.46 | 0.00 | 0.00 | 0.00 |
| 700.00 | 2.96 | 100.96 | 699.60 | -3.20 | 16.51 | 16.53 | 0.00 | 0.00 | 0.00 |
| 800.00 | 2.96 | 100.96 | 799.47 | -4.18 | 21.58 | 21.60 | 0.00 | 0.00 | 0.00 |
| 900.00 | 2.96 | 100.96 | 899.33 | -5.16 | 26.64 | 26.66 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 2.96 | 100.96 | 999.20 | -6.14 | 31.71 | 31.73 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 2.96 | 100.96 | 1,099.07 | -7.12 | 36.77 | 36.80 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 2.96 | 100.96 | 1,198.93 | -8.10 | 41.83 | 41.87 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 2.96 | 100.96 | 1,298.80 | -9.09 | 46.90 | 46.94 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 2.96 | 100.96 | 1,398.67 | -10.07 | 51.96 | 52.01 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 2.96 | 100.96 | 1,498.53 | -11.05 | 57.03 | 57.07 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 2.96 | 100.96 | 1,598.40 | -12.03 | 62.09 | 62.14 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 2.96 | 100.96 | 1,698.27 | -13.01 | 67.15 | 67.21 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 2.96 | 100.96 | 1,798.13 | -13.99 | 72.22 | 72.28 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 2.96 | 100.96 | 1,898.00 | -14.97 | 77.28 | 77.35 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 2.96 | 100.96 | 1,997.87 | -15.95 | 82.35 | 82.42 | 0.00 | 0.00 | 0.00 |
| 2,097.23 | 2.96 | 100.96 | 2,094.97 | -16.91 | 87.27 | 87.35 | 0.00 | 0.00 | 0.00 |
| 2. MARGARET 20H KOP @ 2097.23' MD | | | | | | | | | |
| 2,100.00 | 3.12 | 100.38 | 2,097.73 | -16.93 | 87.41 | 87.49 | 6.00 | 5.89 | -21.13 |
| 2,150.00 | 6.09 | 95.24 | 2,147.57 | -17.42 | 91.40 | 91.47 | 6.00 | 5.95 | -10.27 |
| 2,200.00 | 9.09 | 93.47 | 2,197.12 | -17.90 | 97.98 | 98.06 | 6.00 | 5.98 | -3.54 |
| 2,250.00 | 12.08 | 92.58 | 2,246.27 | -18.38 | 107.15 | 107.23 | 6.00 | 5.99 | -1.79 |
| 2,300.00 | 15.08 | 92.03 | 2,294.86 | -18.84 | 118.88 | 118.96 | 6.00 | 5.99 | -1.09 |
| 2,350.00 | 18.08 | 91.67 | 2,342.78 | -19.30 | 133.14 | 133.22 | 6.00 | 6.00 | -0.73 |
| 2,400.00 | 21.08 | 91.40 | 2,389.89 | -19.75 | 149.88 | 149.97 | 6.00 | 6.00 | -0.53 |
| 2,450.00 | 24.07 | 91.20 | 2,436.05 | -20.18 | 169.07 | 169.16 | 6.00 | 6.00 | -0.40 |
| 2,500.00 | 27.07 | 91.04 | 2,481.15 | -20.60 | 190.64 | 190.74 | 6.00 | 6.00 | -0.32 |
| 2,550.00 | 30.07 | 90.91 | 2,525.05 | -21.00 | 214.55 | 214.65 | 6.00 | 6.00 | -0.26 |
| 2,600.00 | 33.07 | 90.80 | 2,567.65 | -21.39 | 240.73 | 240.82 | 6.00 | 6.00 | -0.22 |
| 2,650.00 | 36.07 | 90.71 | 2,608.81 | -21.77 | 269.09 | 269.19 | 6.00 | 6.00 | -0.18 |
| 2,700.00 | 39.07 | 90.63 | 2,648.44 | -22.12 | 299.57 | 299.67 | 6.00 | 6.00 | -0.16 |
| 2,750.00 | 42.07 | 90.56 | 2,686.41 | -22.46 | 332.09 | 332.19 | 6.00 | 6.00 | -0.14 |
| 2,800.00 | 45.07 | 90.50 | 2,722.63 | -22.77 | 366.55 | 366.64 | 6.00 | 6.00 | -0.12 |
| 2,850.00 | 48.07 | 90.44 | 2,757.00 | -23.07 | 402.85 | 402.95 | 6.00 | 6.00 | -0.11 |
| 2,900.00 | 51.07 | 90.39 | 2,789.43 | -23.34 | 440.91 | 441.01 | 6.00 | 6.00 | -0.10 |
| 2,950.00 | 54.07 | 90.34 | 2,819.81 | -23.59 | 480.61 | 480.71 | 6.00 | 6.00 | -0.09 |
| 3,000.00 | 57.07 | 90.30 | 2,848.08 | -23.82 | 521.84 | 521.94 | 6.00 | 6.00 | -0.09 |
| 3,048.84 | 60.00 | 90.26 | 2,873.57 | -24.02 | 563.50 | 563.60 | 6.00 | 6.00 | -0.08 |
| 3,100.00 | 60.00 | 90.26 | 2,899.15 | -24.22 | 607.80 | 607.90 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 60.00 | 90.26 | 2,949.15 | -24.61 | 694.40 | 694.51 | 0.00 | 0.00 | 0.00 |
| 3,248.84 | 60.00 | 90.26 | 2,973.57 | -24.80 | 736.70 | 736.80 | 0.00 | 0.00 | 0.00 |
| 3,250.00 | 60.12 | 90.26 | 2,974.15 | -24.81 | 737.70 | 737.81 | 10.00 | 10.00 | 0.00 |
| 3,300.00 | 65.12 | 90.26 | 2,997.14 | -25.01 | 782.09 | 782.19 | 10.00 | 10.00 | 0.00 |
| 3,350.00 | 70.12 | 90.26 | 3,016.17 | -25.21 | 828.30 | 828.41 | 10.00 | 10.00 | 0.00 |
| 3,400.00 | 75.12 | 90.26 | 3,031.11 | -25.43 | 876.00 | 876.11 | 10.00 | 10.00 | 0.00 |
| 3,428.50 | 77.97 | 90.26 | 3,037.74 | -25.55 | 903.72 | 903.83 | 10.00 | 10.00 | 0.00 |



PROTOTYPE
Planning Report



| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 20H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Site: | MARGARET 23 FEE | North Reference: | Grid |
| Well: | 20H | 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) |
| 3. MARGARET 20H SEC 22/23 XING @ 3428.50' MD | | | | | | | | | |
| 3,450.00 | 80.12 | 90.26 | 3,041.83 | -25.65 | 924.82 | 924.93 | 10.00 | 10.00 | 0.00 |
| 3,500.00 | 85.12 | 90.26 | 3,048.25 | -25.87 | 974.39 | 974.50 | 10.00 | 10.00 | 0.00 |
| 3,529.36 | 88.05 | 90.26 | 3,050.00 | -26.00 | 1,003.70 | 1,003.81 | 10.00 | 10.00 | 0.00 |
| 4. MARGARET 20H FTP: 1260' FNL, 100' FWL | | | | | | | | | |
| 3,600.00 | 88.05 | 90.26 | 3,052.40 | -26.32 | 1,074.30 | 1,074.40 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 88.05 | 90.26 | 3,055.80 | -26.77 | 1,174.24 | 1,174.35 | 0.00 | 0.00 | 0.00 |
| 3,800.00 | 88.05 | 90.26 | 3,059.20 | -27.21 | 1,274.18 | 1,274.29 | 0.00 | 0.00 | 0.00 |
| 3,900.00 | 88.05 | 90.26 | 3,062.60 | -27.66 | 1,374.12 | 1,374.23 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 88.05 | 90.26 | 3,066.00 | -28.11 | 1,474.06 | 1,474.17 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 88.05 | 90.26 | 3,069.40 | -28.56 | 1,574.00 | 1,574.12 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 88.05 | 90.26 | 3,072.79 | -29.01 | 1,673.94 | 1,674.06 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 88.05 | 90.26 | 3,076.19 | -29.46 | 1,773.88 | 1,774.00 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 88.05 | 90.26 | 3,079.59 | -29.91 | 1,873.83 | 1,873.94 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 88.05 | 90.26 | 3,082.99 | -30.35 | 1,973.77 | 1,973.88 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 88.05 | 90.26 | 3,086.39 | -30.80 | 2,073.71 | 2,073.83 | 0.00 | 0.00 | 0.00 |
| 4,700.00 | 88.05 | 90.26 | 3,089.79 | -31.25 | 2,173.65 | 2,173.77 | 0.00 | 0.00 | 0.00 |
| 4,800.00 | 88.05 | 90.26 | 3,093.19 | -31.70 | 2,273.59 | 2,273.71 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 88.05 | 90.26 | 3,096.59 | -32.15 | 2,373.53 | 2,373.65 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 88.05 | 90.26 | 3,099.99 | -32.60 | 2,473.47 | 2,473.60 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 88.05 | 90.26 | 3,103.39 | -33.05 | 2,573.41 | 2,573.54 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 88.05 | 90.26 | 3,106.78 | -33.50 | 2,673.36 | 2,673.48 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 88.05 | 90.26 | 3,110.18 | -33.94 | 2,773.30 | 2,773.42 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 88.05 | 90.26 | 3,113.58 | -34.39 | 2,873.24 | 2,873.36 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 88.05 | 90.26 | 3,116.98 | -34.84 | 2,973.18 | 2,973.31 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 88.05 | 90.26 | 3,120.38 | -35.29 | 3,073.12 | 3,073.25 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 88.05 | 90.26 | 3,123.78 | -35.74 | 3,173.06 | 3,173.19 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 88.05 | 90.26 | 3,127.18 | -36.19 | 3,273.00 | 3,273.13 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 88.05 | 90.26 | 3,130.58 | -36.64 | 3,372.94 | 3,373.08 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 88.05 | 90.26 | 3,133.98 | -37.08 | 3,472.88 | 3,473.02 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 88.05 | 90.26 | 3,137.38 | -37.53 | 3,572.83 | 3,572.96 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 88.05 | 90.26 | 3,140.77 | -37.98 | 3,672.77 | 3,672.90 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 88.05 | 90.26 | 3,144.17 | -38.43 | 3,772.71 | 3,772.84 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 88.05 | 90.26 | 3,147.57 | -38.88 | 3,872.65 | 3,872.79 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 88.05 | 90.26 | 3,150.97 | -39.33 | 3,972.59 | 3,972.73 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 88.05 | 90.26 | 3,154.37 | -39.78 | 4,072.53 | 4,072.67 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 88.05 | 90.26 | 3,157.77 | -40.23 | 4,172.47 | 4,172.61 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 88.05 | 90.26 | 3,161.17 | -40.67 | 4,272.41 | 4,272.56 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 88.05 | 90.26 | 3,164.57 | -41.12 | 4,372.36 | 4,372.50 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 88.05 | 90.26 | 3,167.97 | -41.57 | 4,472.30 | 4,472.44 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 88.05 | 90.26 | 3,171.36 | -42.02 | 4,572.24 | 4,572.38 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 88.05 | 90.26 | 3,174.76 | -42.47 | 4,672.18 | 4,672.32 | 0.00 | 0.00 | 0.00 |
| 7,300.00 | 88.05 | 90.26 | 3,178.16 | -42.92 | 4,772.12 | 4,772.27 | 0.00 | 0.00 | 0.00 |
| 7,400.00 | 88.05 | 90.26 | 3,181.56 | -43.37 | 4,872.06 | 4,872.21 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 88.05 | 90.26 | 3,184.96 | -43.81 | 4,972.00 | 4,972.15 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 88.05 | 90.26 | 3,188.36 | -44.26 | 5,071.94 | 5,072.09 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 88.05 | 90.26 | 3,191.76 | -44.71 | 5,171.89 | 5,172.04 | 0.00 | 0.00 | 0.00 |
| 7,800.00 | 88.05 | 90.26 | 3,195.16 | -45.16 | 5,271.83 | 5,271.98 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 88.05 | 90.26 | 3,198.56 | -45.61 | 5,371.77 | 5,371.92 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 88.05 | 90.26 | 3,201.96 | -46.06 | 5,471.71 | 5,471.86 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 88.05 | 90.26 | 3,205.35 | -46.51 | 5,571.65 | 5,571.80 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 88.05 | 90.26 | 3,208.75 | -46.96 | 5,671.59 | 5,671.75 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 88.05 | 90.26 | 3,212.15 | -47.40 | 5,771.53 | 5,771.69 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 88.05 | 90.26 | 3,215.55 | -47.85 | 5,871.47 | 5,871.63 | 0.00 | 0.00 | 0.00 |



PROTOTYPE
Planning Report



| | | | |
|------------------|--------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM 5000.17 Single User Db | Local Co-ordinate Reference: | Well 20H |
| Company: | SPUR ENERGY PARTNERS, LLC | TVD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3350.00usft (AKITA 57) |
| Site: | MARGARET 23 FEE | North Reference: | Grid |
| Well: | 20H | 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) | |
| 8,500.00 | 88.05 | 90.26 | 3,218.95 | -48.30 | 5,971.42 | 5,971.57 | 0.00 | 0.00 | 0.00 | |
| 8,600.00 | 88.05 | 90.26 | 3,222.35 | -48.75 | 6,071.36 | 6,071.52 | 0.00 | 0.00 | 0.00 | |
| 8,627.96 | 88.05 | 90.26 | 3,223.30 | -48.88 | 6,099.30 | 6,099.46 | 0.00 | 0.00 | 0.00 | |
| 5. MARGARET 20H LTP: 1260' FNL, 100' FEL | | | | | | | | | | |
| 8,677.99 | 88.05 | 90.26 | 3,225.00 | -49.10 | 6,149.30 | 6,149.46 | 0.00 | 0.00 | 0.00 | |
| 6. MARGARET 20H BHL: 1260' FNL, 50' FEL | | | | | | | | | | |

| Design Targets | | | | | | | | | | |
|--|---------------|--------------|------------|--------------|--------------|-----------------|----------------|----------|------------|--|
| Target Name | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude | |
| 1. MARGARET 20H S - hit/miss target - Shape - Point | 0.00 | 360.00 | 0.00 | 0.00 | 0.00 | 631,949.20 | 531,866.30 | 32.73726 | -104.36414 | |
| 2. MARGARET 20H K - plan hits target center - Point | 0.00 | 360.00 | 2,094.97 | -16.91 | 87.27 | 631,932.30 | 531,953.57 | 32.73722 | -104.36385 | |
| 3. MARGARET 20H S - plan hits target center - Point | 0.00 | 360.00 | 3,037.74 | -25.55 | 903.72 | 631,923.65 | 532,770.02 | 32.73719 | -104.36120 | |
| 4. MARGARET 20H F - plan hits target center - Point | 0.00 | 360.00 | 3,050.00 | -26.00 | 1,003.70 | 631,923.20 | 532,870.00 | 32.73719 | -104.36087 | |
| 5. MARGARET 20H L - plan misses target center by 0.02usft at 8627.96usft MD (3223.30 TVD, -48.88 N, 6099.30 E) - Point | 0.00 | 360.00 | 3,223.30 | -48.90 | 6,099.30 | 631,900.30 | 537,965.60 | 32.73713 | -104.34430 | |
| 6. MARGARET 20H B - plan hits target center - Point | 0.00 | 0.00 | 3,225.00 | -49.10 | 6,149.30 | 631,900.10 | 538,015.60 | 32.73713 | -104.34414 | |

Spur Energy Partners LLC – Margaret 23 Fee 20H

1. Geologic Formations

| | |
|---------------|--------|
| TVD of Target | 3,225' |
| MD at TD | 8,678' |

| Formation | Depth | Lithology | Expected Fluids |
|----------------|-------|--------------------------------|------------------|
| Quaternary | 0' | Dolomite, other: Caliche | Useable Water |
| Queen | 30' | Anhydrite, Dolomite, Sandstone | None |
| Grayburg | 665' | Anhydrite | None |
| San Andres | 965' | Dolomite | Natural Gas, Oil |
| Glorieta | 2450' | Dolomite, Siltstone | Natural Gas, Oil |
| Paddock | 2565' | Dolomite, Limestone | Natural Gas, Oil |
| Upper Blinebry | 3150' | Dolomite, Limestone | Natural Gas, Oil |
| Tubb | 4015' | 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 |
| San Andres | 12.25 | 0 | 1250 | 9.625 | 36 | J-55 | BTC | 1.125 | 1.2 | 1.4 | 1.4 |
| N/A | 8.75 | 0 | 3300 | 7 | 32 | L-80 | GBCD | 1.125 | 1.2 | 1.4 | 1.4 |
| Yeso | 8.75 | 3300 | 8678 | 5.5 | 20 | L-80 | GBCD | 1.125 | 1.2 | 1.4 | 1.4 |
| SF Values will meet or Exceed | | | | | | | | | | | |

Spur Energy Partners LLC – Margaret 23 Fee 20H

| | |
|--|--------|
| | 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? | N |
| If yes, are there two strings cemented to surface? | N/A |
| 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 (Lead) | 0 | 950 | 50% |
| Surface (Tail) | 950 | 1250 | 100% |
| Production (Lead) | 0 | 2300 | 100% |
| Production (Tail) | 2300 | 8678 | 25% |

| Casing String | # Sks | Wt. (lb/gal) | Yld (ft3/sack) | H20 (gal/sk) | 500# Comp. Strength (hours) | Slurry Description |
|-------------------|-------|--------------|----------------|--------------|-----------------------------|----------------------------|
| Surface (Lead) | 204 | 12 | 2.4 | 13.48 | 8:12 | Clas C Premium Plus Cement |
| Surface (Tail) | 111 | 13.2 | 1.87 | 9.92 | 6:59 | Clas C Premium Plus Cement |
| Production (Lead) | 217 | 11.4 | 2.42 | 15.29 | N/A | Clas C Premium Plus Cement |
| Production (Tail) | 1213 | 13.2 | 1.56 | 9.81 | N/A | Clas C Premium Plus Cement |

Spur Energy Partners LLC – Margaret 23 Fee 20H

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 |
| | | | Blind Ram | ✓ | 250 psi / 3000 psi |
| | | Pipe Ram | ✓ | | |
| | | Double Ram | | | |
| | | Other* | | | |
| 8.75" Hole | 13-5/8" | 5M | Annular | ✓ | 70% of working pressure |
| | | | 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 | 1493 psi |
| Abnormal Temperature | No |
| BH Temperature at deepest TVD | 106°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 – Margaret 23 Fee 20H

| | |
|---|--|
| | 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 | 1250 | Water-Based Mud | 8.6-8.9 | 32-36 | N/C |
| 1250 | 8678 | Water-Based Mud | 8.6-8.9 | 32-36 | N/C |

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

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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 | SCP - 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 (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S 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 | H2S is present |
| Y | H2S Plan attached |

Total estimated cuttings volume: 827.7 bbls.

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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 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 | D&C Manager | 832-930-8629 | 713-380-7754 |
| Ryan Barber | Senior D&C Engineer | 832-930-8502 | 832-544-9267 |
| Johnny Nabors | EVP Operations | 832-930-8502 | 281-904-8811 |



Permian Drilling
Hydrogen Sulfide Drilling Operations Plan
MARGARET 23 FEE DEVELOPMENT

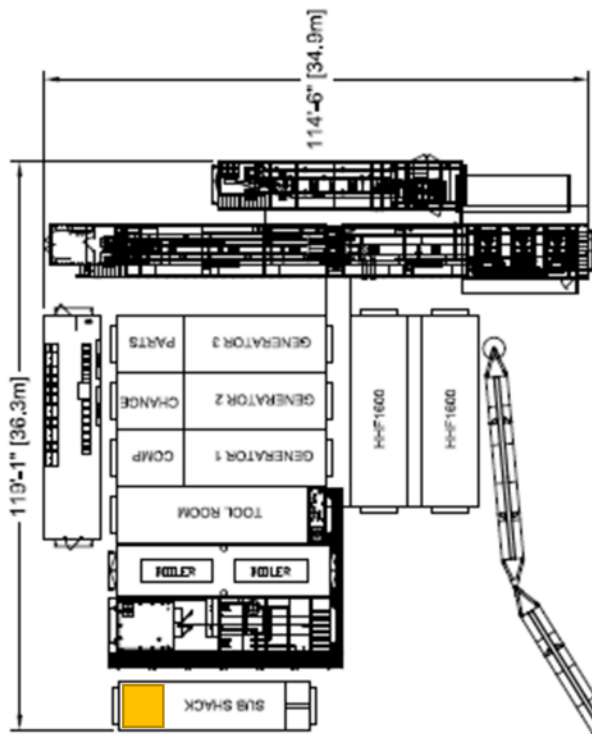
Open drill site. No homes or buildings are near the proposed location.




1. Escape

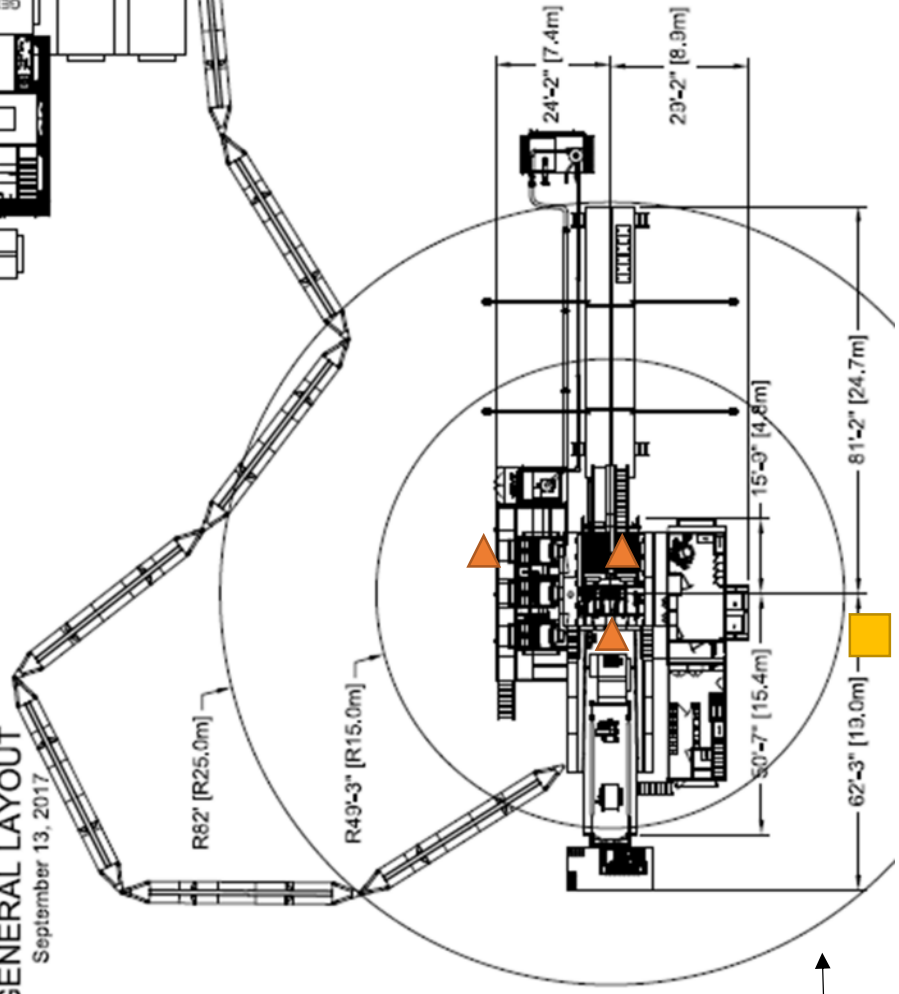
Personnel shall escape upwind of wellbore in the even of an emergency gas release.

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 secondary egress route should be taken.



-  H2S Detectors. At least three detectors will be installed: bell nipple, rig floor, and Shakers.
 -  Briefing Areas. At least two briefing areas will be placed, 9 deg off.
 -  Wind direction indicators. Visible from rig floor and from the mud pits area.
- A gas buster is connected to both the choke manifold and the flowline outlets.



AKITA DRILLING LTD.
RIG 57
 GENERAL LAYOUT
 September 13, 2017

Wind: Prevailing winds are from the Southwest.

Primary Briefing Area

Secondary Egress

Secondary Briefing Area

Exit to road. Caution sign placed here.

State of New Mexico
 Energy, Minerals and Natural Resources Department

Submit Electronically
 Via E-permitting

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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:** 03/11/2026

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 |
|---------------------|---------|--------------|--------------------|-----------------------|-----------------------|----------------------------------|
| MARGARET 23 FEE 10H | 30-015- | A-22-18S-26E | 1233' FNL 884' FEL | 359 BBL/D | 451 MCF/D | 1945 BBL/D |
| MARGARET 23 FEE 11H | 30-015- | A-22-18S-26E | 1233' FNL 864' FEL | 359 BBL/D | 451 MCF/D | 1945 BBL/D |
| MARGARET 23 FEE 20H | 30-015- | A-22-18S-26E | 1233' FNL 904' FEL | 359 BBL/D | 451 MCF/D | 1945 BBL/D |
| MARGARET 23 FEE 60H | 30-015- | A-22-18S-26E | 1233' FNL 824' FEL | 334 BBL/D | 291 MCF/D | 2247 BBL/D |
| MARGARET 23 FEE 90H | 30-015 | A-22-18S-26E | 1233' FNL 844' FEL | 289 BBL/D | 425 MCF/D | 1529 BBL/D |

IV. Central Delivery Point Name: MARGARET 23 FEE 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 |
|---------------------|---------|------------|-----------------|------------------------------|------------------------|-----------------------|
| MARGARET 23 FEE 10H | 30-015- | 04/04/2026 | 05/09/2026 | 06/07/2026 | 06/11/2026 | 07/12/2026 |
| MARGARET 23 FEE 11H | 30-015 | 04/05/2026 | 05/14/2026 | 06/07/2026 | 06/11/2026 | 07/12/2026 |
| MARGARET 23 FEE 20H | 30-015- | 04/06/2026 | 05/19/2026 | 06/07/2026 | 06/11/2026 | 07/12/2026 |
| MARGARET 23 FEE 60H | 30-015- | 04/07/2026 | 05/25/2026 | 06/07/2026 | 06/11/2026 | 07/12/2026 |
| MARGARET 23 FEE 90H | 30-015- | 04/08/2026 | 05/31/2026 | 06/07/2026 | 06/11/2026 | 07/12/2026 |

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 Savino</i> |
| Printed Name: | SARAH SAVINO |
| Title: | REGULATORY DIRECTOR |
| E-mail Address: | SSAVINO@SPUREENERGY.COM |
| Date: | 03/11/2026 |
| Phone: | 832-930-8613 |
| OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form) | |
| Approved By: | |
| Title: | |
| Approval Date: | |
| Conditions of Approval: | |