

# DEVON ENERGY

Project: Eddy County, NM (NAD-83)  
Site: Lone Tree Draw "14" State  
Well: 2H  
Wellbore: OH  
Design: Plan #1 Draft 1a



Azimuths to Grid North  
True North: -0.09°  
Magnetic North: 7.58°  
  
Magnetic Field  
Strength: 48428.6snT  
Dip Angle: 60.25°  
Date: 01/15/2014  
Model: BGGM2013



PROJECT DETAILS: Eddy County, NM (NAD-83)  
Geodetic System: US State Plane 1983  
Datum: North American Datum 1983  
Ellipsoid: GRS 1980  
Zone: New Mexico Eastern Zone

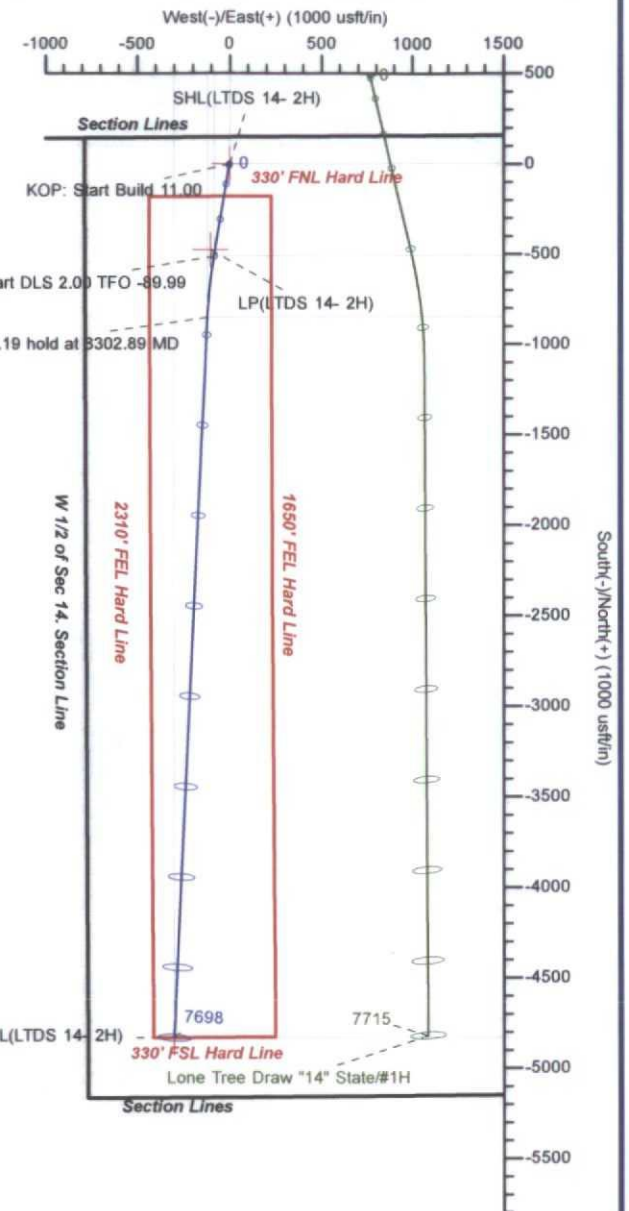
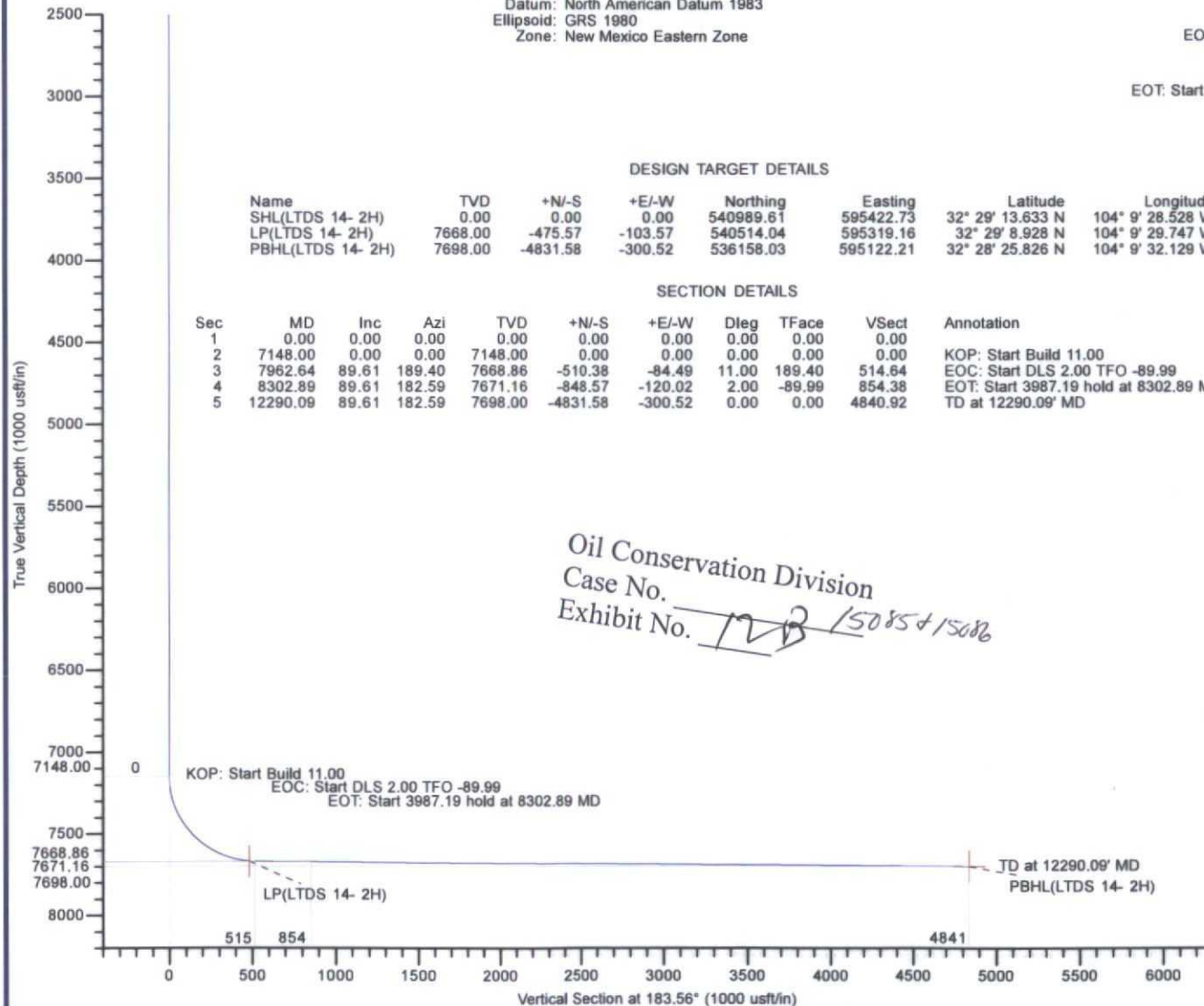
## DESIGN TARGET DETAILS

| Name              | TVD     | +N/-S    | +E/-W   | Northing  | Easting   | Latitude         | Longitude        |
|-------------------|---------|----------|---------|-----------|-----------|------------------|------------------|
| SHL(LTDS 14- 2H)  | 0.00    | 0.00     | 0.00    | 540989.61 | 595422.73 | 32° 29' 13.633 N | 104° 9' 28.528 W |
| LP(LTDS 14- 2H)   | 7668.00 | -475.57  | -103.57 | 540514.04 | 595319.16 | 32° 29' 8.928 N  | 104° 9' 29.747 W |
| PBHL(LTDS 14- 2H) | 7698.00 | -4831.58 | -300.52 | 536158.03 | 595122.21 | 32° 28' 25.826 N | 104° 9' 32.129 W |

## SECTION DETAILS

| Sec | MD       | Inc   | Azi    | TVD     | +N/-S    | +E/-W   | Dleg  | TFace  | VFace   | Annotation                            |
|-----|----------|-------|--------|---------|----------|---------|-------|--------|---------|---------------------------------------|
| 1   | 0.00     | 0.00  | 0.00   | 0.00    | 0.00     | 0.00    | 0.00  | 0.00   | 0.00    |                                       |
| 2   | 7148.00  | 0.00  | 0.00   | 7148.00 | 0.00     | 0.00    | 0.00  | 0.00   | 0.00    | KOP: Start Build 11.00                |
| 3   | 7962.64  | 89.61 | 189.40 | 7668.86 | -510.38  | -84.49  | 11.00 | 189.40 | 514.64  | EOC: Start DLS 2.00 TFO -89.99        |
| 4   | 8302.89  | 89.61 | 182.59 | 7671.16 | -848.57  | -120.02 | 2.00  | -89.99 | 854.38  | EOT: Start 3987.19 hold at 8302.89 MD |
| 5   | 12290.09 | 89.61 | 182.59 | 7698.00 | -4831.58 | -300.52 | 0.00  | 0.00   | 4840.92 | TD at 12290.09' MD                    |

Oil Conservation Division  
Case No.  
Exhibit No. 123 15085 & 15086



LEAM DRILLING SYSTEMS LLC  
2010 East Davis, Conroe, Texas 77301  
Phone: 936/756-7577, Fax 936/756-7595

Plan: Plan #1 Draft 1a (2H+OH)  
Lone Tree Draw "14" State  
Created By: Heber Claros  
Date: 13-58, February 11 2014  
Approved: \_\_\_\_\_ Date: \_\_\_\_\_

# **DEVON ENERGY**

Eddy County, NM (NAD-83)

Lone Tree Draw "14" State

2H

OH

Plan: Plan #1 Draft 1a

## **Standard Planning Report**

11 February, 2014

# Leam Drilling Systems LLC

## Planning Report

|           |                           |                              |                                              |
|-----------|---------------------------|------------------------------|----------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 2H                                      |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| Project:  | Eddy County, NM (NAD-83)  | MD Reference:                | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| Site:     | Lone Tree Draw "14" State | North Reference:             | Grid                                         |
| Well:     | 2H                        | Survey Calculation Method:   | Minimum Curvature                            |
| Wellbore: | OH                        |                              |                                              |
| Design:   | Plan #1 Draft 1a          |                              |                                              |

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

|                       |                           |              |                 |                   |                  |
|-----------------------|---------------------------|--------------|-----------------|-------------------|------------------|
| Site                  | Lone Tree Draw "14" State |              |                 |                   |                  |
| Site Position:        |                           | Northing:    | 541,480.29 usft | Latitude:         | 32° 29' 18.473 N |
| From:                 | Lat/Long                  | Easting:     | 596,338.28 usft | Longitude:        | 104° 9' 17.829 W |
| Position Uncertainty: | 0.00 usft                 | Slot Radius: | 13-3/16 "       | Grid Convergence: | 0.10 °           |

|                      |       |              |                     |                 |               |                  |
|----------------------|-------|--------------|---------------------|-----------------|---------------|------------------|
| Well                 | 2H    |              |                     |                 |               |                  |
| Well Position        | +N/-S | -490.67 usft | Northing:           | 540,989.61 usft | Latitude:     | 32° 29' 13.633 N |
|                      | +E/-W | -915.55 usft | Easting:            | 595,422.73 usft | Longitude:    | 104° 9' 28.528 W |
| Position Uncertainty |       | 0.00 usft    | Wellhead Elevation: | 0.00 usft       | Ground Level: | 3,221.00 usft    |

|           |            |             |                 |               |                     |
|-----------|------------|-------------|-----------------|---------------|---------------------|
| Wellbore  | OH         |             |                 |               |                     |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
|           | BGGM2013   | 01/15/14    | 7.68            | 60.25         | 48,429              |

|                   |                         |              |               |               |
|-------------------|-------------------------|--------------|---------------|---------------|
| Design            | Plan #1 Draft 1a        |              |               |               |
| Audit Notes:      |                         |              |               |               |
| Version:          | Phase:                  | PROTOTYPE    | Tie On Depth: | 0.00          |
| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft)  | Direction (°) |
|                   | 0.00                    | 0.00         | 0.00          | 183.56        |

| 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    |                   |
| 7,148.00              | 0.00            | 0.00        | 7,148.00              | 0.00         | 0.00         | 0.00                    | 0.00                   | 0.00                  | 0.00    |                   |
| 7,962.64              | 89.61           | 189.40      | 7,668.86              | -510.38      | -84.49       | 11.00                   | 11.00                  | 0.00                  | 189.40  |                   |
| 8,302.89              | 89.61           | 182.59      | 7,671.16              | -848.57      | -120.02      | 2.00                    | 0.00                   | -2.00                 | -89.99  |                   |
| 12,290.09             | 89.61           | 182.59      | 7,698.00              | -4,831.58    | -300.52      | 0.00                    | 0.00                   | 0.00                  | 0.00    | PBHL(LTDS 14- 2H) |

# Leam Drilling Systems LLC

## Planning Report

|           |                           |                              |                                              |
|-----------|---------------------------|------------------------------|----------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 2H                                      |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| Project:  | Eddy County, NM (NAD-83)  | MD Reference:                | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| Site:     | Lone Tree Draw "14" State | North Reference:             | Grid                                         |
| Well:     | 2H                        | Survey Calculation Method:   | Minimum Curvature                            |
| Wellbore: | OH                        |                              |                                              |
| Design:   | Plan #1 Draft 1a          |                              |                                              |

### 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) |
|--------------------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 7,148.00                                         | 0.00            | 0.00        | 7,148.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| <b>KOP: Start Build 11.00</b>                    |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,150.00                                         | 0.22            | 189.40      | 7,150.00              | 0.00         | 0.00         | 0.00                    | 11.00                   | 11.00                  | 0.00                  |
| 7,200.00                                         | 5.72            | 189.40      | 7,199.91              | -2.56        | -0.42        | 2.58                    | 11.00                   | 11.00                  | 0.00                  |
| 7,250.00                                         | 11.22           | 189.40      | 7,249.35              | -9.82        | -1.63        | 9.90                    | 11.00                   | 11.00                  | 0.00                  |
| 7,286.63                                         | 15.25           | 189.40      | 7,285.00              | -18.09       | -3.00        | 18.24                   | 11.00                   | 11.00                  | 0.00                  |
| <b>2nd Bone Spring Sand - 2nd BSSS Upper Top</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,300.00                                         | 16.72           | 189.40      | 7,297.85              | -21.73       | -3.60        | 21.91                   | 11.00                   | 11.00                  | 0.00                  |
| 7,350.00                                         | 22.22           | 189.40      | 7,344.97              | -38.16       | -6.32        | 38.48                   | 11.00                   | 11.00                  | 0.00                  |
| 7,400.00                                         | 27.72           | 189.40      | 7,390.28              | -58.98       | -9.76        | 59.47                   | 11.00                   | 11.00                  | 0.00                  |
| 7,416.77                                         | 29.56           | 189.40      | 7,405.00              | -66.91       | -11.08       | 67.47                   | 11.00                   | 11.00                  | 0.00                  |
| <b>2nd BSSS Upper Base</b>                       |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,450.00                                         | 33.22           | 189.40      | 7,433.36              | -83.98       | -13.90       | 84.68                   | 11.00                   | 11.00                  | 0.00                  |
| 7,486.28                                         | 37.21           | 189.40      | 7,463.00              | -104.62      | -17.32       | 105.49                  | 11.00                   | 11.00                  | 0.00                  |
| <b>2nd BSSS Mid Top</b>                          |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,500.00                                         | 38.72           | 189.40      | 7,473.81              | -112.94      | -18.70       | 113.89                  | 11.00                   | 11.00                  | 0.00                  |
| 7,534.51                                         | 42.52           | 189.40      | 7,500.00              | -135.10      | -22.37       | 136.23                  | 11.00                   | 11.00                  | 0.00                  |
| <b>2nd BSSS Mid Base</b>                         |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,550.00                                         | 44.22           | 189.40      | 7,511.26              | -145.60      | -24.10       | 146.81                  | 11.00                   | 11.00                  | 0.00                  |
| 7,600.00                                         | 49.72           | 189.40      | 7,545.37              | -181.64      | -30.07       | 183.16                  | 11.00                   | 11.00                  | 0.00                  |
| 7,650.00                                         | 55.22           | 189.40      | 7,575.82              | -220.75      | -36.54       | 222.59                  | 11.00                   | 11.00                  | 0.00                  |
| 7,655.63                                         | 55.84           | 189.40      | 7,579.00              | -225.32      | -37.30       | 227.20                  | 11.00                   | 11.00                  | 0.00                  |
| <b>2nd BSSS Lower Top</b>                        |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,700.00                                         | 60.72           | 189.40      | 7,602.32              | -262.55      | -43.47       | 264.74                  | 11.00                   | 11.00                  | 0.00                  |
| 7,750.00                                         | 66.22           | 189.40      | 7,624.65              | -306.67      | -50.77       | 309.23                  | 11.00                   | 11.00                  | 0.00                  |
| 7,800.00                                         | 71.72           | 189.40      | 7,642.59              | -352.69      | -58.39       | 355.64                  | 11.00                   | 11.00                  | 0.00                  |
| 7,850.00                                         | 77.22           | 189.40      | 7,655.97              | -400.20      | -66.25       | 403.54                  | 11.00                   | 11.00                  | 0.00                  |
| 7,900.00                                         | 82.72           | 189.40      | 7,664.67              | -448.76      | -74.29       | 452.51                  | 11.00                   | 11.00                  | 0.00                  |
| 7,931.41                                         | 86.18           | 189.40      | 7,667.71              | -479.60      | -79.40       | 483.60                  | 11.00                   | 11.00                  | 0.00                  |
| <b>LP(LTDS 14- 2H)</b>                           |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,950.00                                         | 88.22           | 189.40      | 7,668.62              | -497.91      | -82.43       | 502.07                  | 11.00                   | 11.00                  | 0.00                  |
| 7,962.64                                         | 89.61           | 189.40      | 7,668.86              | -510.38      | -84.49       | 514.64                  | 11.00                   | 11.00                  | 0.00                  |
| <b>EOC: Start DLS 2.00 TFO -89.99</b>            |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,000.00                                         | 89.61           | 188.65      | 7,669.11              | -547.28      | -90.35       | 551.83                  | 2.00                    | 0.00                   | -2.00                 |
| 8,100.00                                         | 89.61           | 186.65      | 7,669.79              | -646.38      | -103.67      | 651.57                  | 2.00                    | 0.00                   | -2.00                 |
| 8,200.00                                         | 89.61           | 184.65      | 7,670.47              | -745.89      | -113.52      | 751.50                  | 2.00                    | 0.00                   | -2.00                 |
| 8,302.89                                         | 89.61           | 182.59      | 7,671.16              | -848.57      | -120.02      | 854.38                  | 2.00                    | 0.00                   | -2.00                 |
| <b>EOT: Start 3987.19 hold at 8302.89 MD</b>     |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,400.00                                         | 89.61           | 182.59      | 7,671.82              | -945.57      | -124.42      | 951.47                  | 0.00                    | 0.00                   | 0.00                  |
| 8,500.00                                         | 89.61           | 182.59      | 7,672.49              | -1,045.47    | -128.94      | 1,051.46                | 0.00                    | 0.00                   | 0.00                  |
| 8,600.00                                         | 89.61           | 182.59      | 7,673.16              | -1,145.36    | -133.47      | 1,151.44                | 0.00                    | 0.00                   | 0.00                  |
| 8,700.00                                         | 89.61           | 182.59      | 7,673.84              | -1,245.26    | -138.00      | 1,251.42                | 0.00                    | 0.00                   | 0.00                  |
| 8,800.00                                         | 89.61           | 182.59      | 7,674.51              | -1,345.15    | -142.53      | 1,351.41                | 0.00                    | 0.00                   | 0.00                  |
| 8,900.00                                         | 89.61           | 182.59      | 7,675.18              | -1,445.05    | -147.05      | 1,451.39                | 0.00                    | 0.00                   | 0.00                  |
| 9,000.00                                         | 89.61           | 182.59      | 7,675.86              | -1,544.94    | -151.58      | 1,551.37                | 0.00                    | 0.00                   | 0.00                  |
| 9,100.00                                         | 89.61           | 182.59      | 7,676.53              | -1,644.84    | -156.11      | 1,651.36                | 0.00                    | 0.00                   | 0.00                  |
| 9,200.00                                         | 89.61           | 182.59      | 7,677.20              | -1,744.73    | -160.63      | 1,751.34                | 0.00                    | 0.00                   | 0.00                  |
| 9,300.00                                         | 89.61           | 182.59      | 7,677.88              | -1,844.63    | -165.16      | 1,851.32                | 0.00                    | 0.00                   | 0.00                  |
| 9,400.00                                         | 89.61           | 182.59      | 7,678.55              | -1,944.52    | -169.69      | 1,951.31                | 0.00                    | 0.00                   | 0.00                  |
| 9,500.00                                         | 89.61           | 182.59      | 7,679.22              | -2,044.42    | -174.21      | 2,051.29                | 0.00                    | 0.00                   | 0.00                  |
| 9,600.00                                         | 89.61           | 182.59      | 7,679.89              | -2,144.31    | -178.74      | 2,151.28                | 0.00                    | 0.00                   | 0.00                  |

# Leam Drilling Systems LLC

## Planning Report

|           |                           |                              |                                              |
|-----------|---------------------------|------------------------------|----------------------------------------------|
| Database: | EDM 5000.1 Single User Db | Local Co-ordinate Reference: | Well 2H                                      |
| Company:  | DEVON ENERGY              | TVD Reference:               | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| Project:  | Eddy County, NM (NAD-83)  | MD Reference:                | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| Site:     | Lone Tree Draw "14" State | North Reference:             | Grid                                         |
| Well:     | 2H                        | Survey Calculation Method:   | Minimum Curvature                            |
| Wellbore: | OH                        |                              |                                              |
| Design:   | Plan #1 Draft 1a          |                              |                                              |

### 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) |
|-----------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 9,700.00                                | 89.61           | 182.59      | 7,680.57              | -2,244.21    | -183.27      | 2,251.26                | 0.00                    | 0.00                   | 0.00                  |
| 9,800.00                                | 89.61           | 182.59      | 7,681.24              | -2,344.10    | -187.79      | 2,351.24                | 0.00                    | 0.00                   | 0.00                  |
| 9,900.00                                | 89.61           | 182.59      | 7,681.91              | -2,444.00    | -192.32      | 2,451.23                | 0.00                    | 0.00                   | 0.00                  |
| 10,000.00                               | 89.61           | 182.59      | 7,682.59              | -2,543.90    | -196.85      | 2,551.21                | 0.00                    | 0.00                   | 0.00                  |
| 10,100.00                               | 89.61           | 182.59      | 7,683.26              | -2,643.79    | -201.38      | 2,651.19                | 0.00                    | 0.00                   | 0.00                  |
| 10,200.00                               | 89.61           | 182.59      | 7,683.93              | -2,743.69    | -205.90      | 2,751.18                | 0.00                    | 0.00                   | 0.00                  |
| 10,300.00                               | 89.61           | 182.59      | 7,684.61              | -2,843.58    | -210.43      | 2,851.16                | 0.00                    | 0.00                   | 0.00                  |
| 10,400.00                               | 89.61           | 182.59      | 7,685.28              | -2,943.48    | -214.96      | 2,951.14                | 0.00                    | 0.00                   | 0.00                  |
| 10,500.00                               | 89.61           | 182.59      | 7,685.95              | -3,043.37    | -219.48      | 3,051.13                | 0.00                    | 0.00                   | 0.00                  |
| 10,600.00                               | 89.61           | 182.59      | 7,686.63              | -3,143.27    | -224.01      | 3,151.11                | 0.00                    | 0.00                   | 0.00                  |
| 10,700.00                               | 89.61           | 182.59      | 7,687.30              | -3,243.16    | -228.54      | 3,251.09                | 0.00                    | 0.00                   | 0.00                  |
| 10,800.00                               | 89.61           | 182.59      | 7,687.97              | -3,343.06    | -233.06      | 3,351.08                | 0.00                    | 0.00                   | 0.00                  |
| 10,900.00                               | 89.61           | 182.59      | 7,688.64              | -3,442.95    | -237.59      | 3,451.06                | 0.00                    | 0.00                   | 0.00                  |
| 11,000.00                               | 89.61           | 182.59      | 7,689.32              | -3,542.85    | -242.12      | 3,551.04                | 0.00                    | 0.00                   | 0.00                  |
| 11,100.00                               | 89.61           | 182.59      | 7,689.99              | -3,642.74    | -246.64      | 3,651.03                | 0.00                    | 0.00                   | 0.00                  |
| 11,200.00                               | 89.61           | 182.59      | 7,690.66              | -3,742.64    | -251.17      | 3,751.01                | 0.00                    | 0.00                   | 0.00                  |
| 11,300.00                               | 89.61           | 182.59      | 7,691.34              | -3,842.53    | -255.70      | 3,851.00                | 0.00                    | 0.00                   | 0.00                  |
| 11,400.00                               | 89.61           | 182.59      | 7,692.01              | -3,942.43    | -260.23      | 3,950.98                | 0.00                    | 0.00                   | 0.00                  |
| 11,500.00                               | 89.61           | 182.59      | 7,692.68              | -4,042.32    | -264.75      | 4,050.96                | 0.00                    | 0.00                   | 0.00                  |
| 11,600.00                               | 89.61           | 182.59      | 7,693.36              | -4,142.22    | -269.28      | 4,150.95                | 0.00                    | 0.00                   | 0.00                  |
| 11,700.00                               | 89.61           | 182.59      | 7,694.03              | -4,242.11    | -273.81      | 4,250.93                | 0.00                    | 0.00                   | 0.00                  |
| 11,800.00                               | 89.61           | 182.59      | 7,694.70              | -4,342.01    | -278.33      | 4,350.91                | 0.00                    | 0.00                   | 0.00                  |
| 11,900.00                               | 89.61           | 182.59      | 7,695.37              | -4,441.90    | -282.86      | 4,450.90                | 0.00                    | 0.00                   | 0.00                  |
| 12,000.00                               | 89.61           | 182.59      | 7,696.05              | -4,541.80    | -287.39      | 4,550.88                | 0.00                    | 0.00                   | 0.00                  |
| 12,100.00                               | 89.61           | 182.59      | 7,696.72              | -4,641.69    | -291.91      | 4,650.86                | 0.00                    | 0.00                   | 0.00                  |
| 12,200.00                               | 89.61           | 182.59      | 7,697.39              | -4,741.59    | -296.44      | 4,750.85                | 0.00                    | 0.00                   | 0.00                  |
| 12,290.09                               | 89.61           | 182.59      | 7,698.00              | -4,831.58    | -300.52      | 4,840.92                | 0.00                    | 0.00                   | 0.00                  |
| TD at 12290.09' MD - PBHL (LTDS 14- 2H) |                 |             |                       |              |              |                         |                         |                        |                       |

### Design Targets

| Target Name                                                                                   | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude         | Longitude        |
|-----------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|------------------|------------------|
| SHL(LTDS 14- 2H)                                                                              | 0.00          | 0.00         | 0.00       | 0.00         | 0.00         | 540,989.61      | 595,422.73     | 32° 29' 13.633 N | 104° 9' 28.528 W |
| - hit/miss target                                                                             |               |              |            |              |              |                 |                |                  |                  |
| - Shape                                                                                       |               |              |            |              |              |                 |                |                  |                  |
| - plan misses target center by 7148.00usft at 7148.00usft MD (7148.00 TVD, 0.00 N, 0.00 E)    |               |              |            |              |              |                 |                |                  |                  |
| - Point                                                                                       |               |              |            |              |              |                 |                |                  |                  |
| LP(LTDS 14- 2H)                                                                               | 0.00          | 0.00         | 7,668.00   | -475.57      | -103.57      | 540,514.04      | 595,319.16     | 32° 29' 8.928 N  | 104° 9' 29.747 W |
| - plan misses target center by 24.51usft at 7931.41usft MD (7667.71 TVD, -479.60 N, -79.40 E) |               |              |            |              |              |                 |                |                  |                  |
| - Point                                                                                       |               |              |            |              |              |                 |                |                  |                  |
| PBHL(LTDS 14- 2H)                                                                             | 0.00          | 0.00         | 7,698.00   | -4,831.58    | -300.52      | 536,158.03      | 595,122.21     | 32° 28' 25.826 N | 104° 9' 32.129 W |
| - plan hits target center                                                                     |               |              |            |              |              |                 |                |                  |                  |
| - Point                                                                                       |               |              |            |              |              |                 |                |                  |                  |

# Leam Drilling Systems LLC

## Planning Report

|                  |                           |                                     |                                              |
|------------------|---------------------------|-------------------------------------|----------------------------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 2H                                      |
| <b>Company:</b>  | DEVON ENERGY              | <b>TVD Reference:</b>               | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| <b>Project:</b>  | Eddy County, NM (NAD-83)  | <b>MD Reference:</b>                | GE 3221' + KB 26' @ 3247.00usft (Cactus 126) |
| <b>Site:</b>     | Lone Tree Draw "14" State | <b>North Reference:</b>             | Grid                                         |
| <b>Well:</b>     | 2H                        | <b>Survey Calculation Method:</b>   | Minimum Curvature                            |
| <b>Wellbore:</b> | OH                        |                                     |                                              |
| <b>Design:</b>   | Plan #1 Draft 1a          |                                     |                                              |

| Formations            |                       |                      |           |         |                   |
|-----------------------|-----------------------|----------------------|-----------|---------|-------------------|
| Measured Depth (usft) | Vertical Depth (usft) | Name                 | Lithology | Dip (°) | Dip Direction (°) |
| 0.00                  | 0.00                  | Rustler              |           | 0.01    |                   |
| 340.00                | 340.00                | Salado               |           | 0.01    |                   |
| 595.00                | 595.00                | Base of Salt         |           | 0.01    |                   |
| 595.00                | 595.00                | Tansil Dolo          |           | 0.01    |                   |
| 645.00                | 645.00                | Yates                |           | 0.01    |                   |
| 745.00                | 745.00                | Seven Rivers         |           | 0.01    |                   |
| 835.00                | 835.00                | Capitan              |           | 0.01    |                   |
| 2,640.00              | 2,640.00              | Base of Capitan      |           | 0.01    |                   |
| 2,935.00              | 2,935.00              | Delaware             |           | 0.01    |                   |
| 5,198.00              | 5,198.00              | Lower Brushy Canyon  |           | 0.01    |                   |
| 5,380.00              | 5,380.00              | Bone Spring Lime     |           | 0.01    |                   |
| 5,530.00              | 5,530.00              | Avalon Sand          |           | 0.01    |                   |
| 6,462.00              | 6,462.00              | 1st Bone Spring Sand |           | 0.01    |                   |
| 6,807.00              | 6,807.00              | 2nd Bone Spring Lime |           | 0.01    |                   |
| 7,286.63              | 7,285.00              | 2nd Bone Spring Sand |           | 0.01    |                   |
| 7,286.63              | 7,285.00              | 2nd BSSS Upper Top   |           | 0.01    |                   |
| 7,416.77              | 7,405.00              | 2nd BSSS Upper Base  |           | 0.01    |                   |
| 7,486.28              | 7,463.00              | 2nd BSSS Mid Top     |           | 0.01    |                   |
| 7,534.51              | 7,500.00              | 2nd BSSS Mid Base    |           | 0.01    |                   |
| 7,655.63              | 7,579.00              | 2nd BSSS Lower Top   |           | 0.01    |                   |

| Plan Annotations      |                       |                   |              |                                       |
|-----------------------|-----------------------|-------------------|--------------|---------------------------------------|
| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates |              | Comment                               |
|                       |                       | +N/-S (usft)      | +E/-W (usft) |                                       |
| 7,148.00              | 7,148.00              | 0.00              | 0.00         | KOP: Start Build 11.00                |
| 7,962.64              | 7,668.86              | -510.38           | -84.49       | EOC: Start DLS 2.00 TFO -89.99        |
| 8,302.89              | 7,671.16              | -848.57           | -120.02      | EOT: Start 3987.19 hold at 8302.89 MD |
| 12,290.09             | 7,698.00              | -4,831.58         | -300.52      | TD at 12290.09' MD                    |