



- human resources
- management
- supervision not directly charged under Section II.2 (*Labor*)
- legal services not directly chargeable under Section II.9 (*Legal Expense*)
- taxation, other than those costs identified as directly chargeable under Section II.10 (*Taxes and Permits*)
- preparation and monitoring of permits and certifications, preparing regulatory reports; appearances before or meetings with governmental agencies or other authorities having jurisdiction over the Joint Property, other than On-site inspections; reviewing, interpreting, or submitting comments on or lobbying with respect to Laws or proposed Laws

Overhead charges shall include the salaries or wages plus applicable payroll burdens, benefits, and Personal Expenses of personnel performing overhead functions, as well as office and other related expenses of overhead functions.

#### 1. OVERHEAD—DRILLING AND PRODUCING OPERATIONS

As compensation for costs incurred but not chargeable under Section II (*Direct Charges*) and not covered by other provisions of this Section III, the Operator shall charge on either:

- ☒ (Alternative 1) Fixed Rate Basis, Section III.1 B
- ☐ (Alternative 2) Percentage Basis, Section III.1 C

#### A. TECHNICAL SERVICES

- (i) Except as otherwise provided in Section II.13 (*Ecological Environmental and Safety*) and Section III.2 (*Overhead - Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6 A (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for On-site Technical Services, including third party Technical Services:

- ☒ (Alternative 1 - Direct) shall be charged direct to the Joint Account
- ☐ (Alternative 2 - Overhead) shall be covered by the overhead rates.

- (ii) Except as otherwise provided in Section II.13 (*Ecological Environmental and Safety*) and Section III.2 (*Overhead - Major Construction and Catastrophe*), or by approval of the Parties pursuant to Section I.6 A (*General Matters*), the salaries, wages, related payroll burdens and benefits, and Personal Expenses for Off-site Technical Services, including third party Technical Services:

- ☐ (Alternative 1 - All Overhead) shall be covered by the overhead rates.
- ☐ (Alternative 2 - All Direct) shall be charged direct to the Joint Account.
- ☒ (Alternative 3 - Drilling Direct) shall be charged direct to the Joint Account, only to the extent such Technical Services are directly attributable to drilling, re-drilling, deepening, or sidetracking operations, through completion, temporary abandonment, or abandonment if a dry hole. Off-site Technical Services for all other operations, including workover, recompletion, abandonment of producing wells, and the construction or expansion of fixed assets not covered by Section III.2 (*Overhead - Major Construction and Catastrophe*) shall be covered by the overhead rates.

Notwithstanding anything to the contrary in this Section III, Technical Services provided by Operator's Affiliates are subject to limitations set forth in Section II.7 (*Affiliates*). Charges for Technical personnel performing non-technical work shall not be governed by this Section III.1.A, but instead governed by other provisions of this Accounting Procedure relating to the type of work being performed.

#### B. OVERHEAD—FIXED RATE BASIS

- (1) The Operator shall charge the Joint Account at the following rates per well per month:

Drilling Well Rate per month \$ 1000 (prorated for less than a full month)

Producing Well Rate per month \$ 800

- (2) Application of Overhead—Drilling Well Rate shall be as follows

- (a) Charges for onshore drilling wells shall begin on the spud date and terminate on the date the drilling and/or completion equipment used on the well is released, whichever occurs later. Charges for offshore and inland waters drilling wells shall begin on the date the drilling or completion equipment arrives on location and terminate on the date the drilling or completion equipment moves off location, or is released, whichever occurs first. No charge shall be made during suspension of drilling and/or completion operations for fifteen (15) or more consecutive calendar days

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF GMT EXPLORATION COMPANY LLC  
TO RE-OPEN CASE NO. 15394 FOR A NON-STANDARD  
OIL SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**Case No. 15394 (Re-opened)**

**AFFIDAVIT OF NOTICE**

COUNTY OF SANTA FE     )  
                                          ) ss.  
STATE OF NEW MEXICO    )

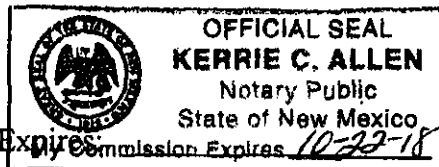
James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for GMT Exploration Company LLC.
3. GMT Exploration Company LLC has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owner, at its correct address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

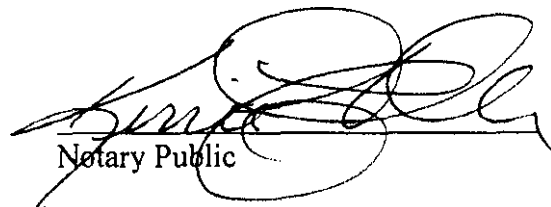


James Bruce

SUBSCRIBED AND SWORN TO before me this 16<sup>th</sup> day of November, 2016 by James Bruce.



My Commission Expires:

  
Notary Public

Oil Conservation Division  
Case No. 15394 (Re-opened)  
Exhibit No. 9

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruce@aol.com](mailto:jamesbruce@aol.com)

October 14, 2016

OXY USA Inc.  
Suite 110  
5 Greenway Plaza  
Houston, Texas 77046

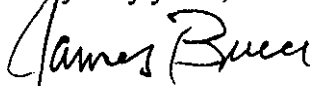
Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard oil spacing and proration unit and compulsory pooling, filed with the New Mexico Oil Conservation Division by GMT Exploration Company LLC, regarding a Bone Spring well in the W½W½ of Section 22, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, November 17, 2016, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, November 10, 2016. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

  
James Bruce

Attorney for GMT Exploration Company LLC

ATTACHMENT *A*

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 Suite 110  
 Street, Apt. No., or PO Box No. 5 Greenway Plaza  
 City, State, ZIP+4 Houston, Texas 77046

PS Form 3800, August 2006 See Reverse for Instructions

| SENDER: COMPLETE THIS SECTION                                                                                                                                                                                                                                                                                                                      | COMPLETE THIS SECTION ON DELIVERY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>                                                                                 | <p>A. Signature<br/>  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>E. Mendora</u> C. Date of Delivery <u>10-24-16</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes<br/>         If YES, enter delivery address below: <input type="checkbox"/> No</p>                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                    |
| <p>1. Article Addressed to:</p> <p>OXY USA Inc.<br/>         Suite 110<br/>         5 Greenway Plaza<br/>         Houston, Texas 77046</p>                                                                                                                                                                                                         | <p>3. Service Type</p> <table border="0"> <tr> <td> <input type="checkbox"/> Adult Signature<br/> <input type="checkbox"/> Adult Signature Restricted Delivery<br/> <input checked="" type="checkbox"/> Certified Mail®<br/> <input type="checkbox"/> Certified Mail Restricted Delivery<br/> <input type="checkbox"/> Collect on Delivery<br/> <input type="checkbox"/> Collect on Delivery Restricted Delivery               </td> <td> <input type="checkbox"/> Priority Mail Express®<br/> <input type="checkbox"/> Registered Mail™<br/> <input type="checkbox"/> Registered Mail Restricted Delivery<br/> <input type="checkbox"/> Return Receipt for Merchandise<br/> <input type="checkbox"/> Signature Confirmation™<br/> <input type="checkbox"/> Signature Confirmation Restricted Delivery               </td> </tr> </table> | <input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input checked="" type="checkbox"/> Certified Mail®<br><input type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Adult Signature<br><input type="checkbox"/> Adult Signature Restricted Delivery<br><input checked="" type="checkbox"/> Certified Mail®<br><input type="checkbox"/> Certified Mail Restricted Delivery<br><input type="checkbox"/> Collect on Delivery<br><input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Priority Mail Express®<br><input type="checkbox"/> Registered Mail™<br><input type="checkbox"/> Registered Mail Restricted Delivery<br><input type="checkbox"/> Return Receipt for Merchandise<br><input type="checkbox"/> Signature Confirmation™<br><input type="checkbox"/> Signature Confirmation Restricted Delivery                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                    |
| <p>2. Article Number (Transfer from service label)</p> <p>9590 9402 1676 6053 6631 64</p> <p>7014 0510 0000 9539 6624</p>                                                                                                                                                                                                                          | <p>Restricted Delivery (over \$500)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                    |

GMT

Offset Operators

E/2E/2 Section 16

Yates Petroleum Corporation

W/2 Section 15

Chevron U.S.A. Inc.

E/2W/2 Section 22

GMT Exploration Company LLC

N/2 Section 27

BTA Oil Producers LLC

N/2 Section 28

EOG Resources, Inc.

E/2E/2 Section 21

GMT Exploration Company LLC

Oil Conservation Division  
Case No. 15394 (Re-issued)  
Exhibit No. 10

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF GMT EXPLORATION COMPANY LLC  
TO RE-OPEN CASE NO. 15394 FOR A NON-STANDARD  
OIL SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

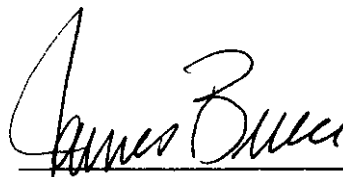
**Case No. 15394 (Re-opened)**

**AFFIDAVIT OF NOTICE**

COUNTY OF SANTA FE     )  
                                      ) ss.  
STATE OF NEW MEXICO    )

James Bruce, being duly sworn upon his oath, deposes and states:

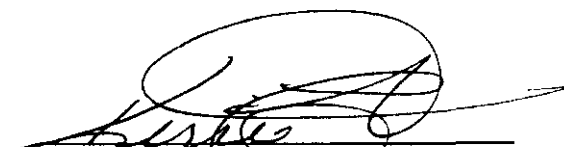
1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for GMT Exploration Company LLC.
3. GMT Exploration Company LLC has conducted a good faith, diligent effort to find the names and correct addresses of the offset operators or working interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the offsets by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

  
James Bruce

SUBSCRIBED AND SWORN TO before me this 16<sup>th</sup> day of November, 2015 by James Bruce.



My Commission Expires

  
Notary Public

Oil Conservation Division  
Case No. 15394 (Re-opened)  
Exhibit No. 11

JAMES BRUCE  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruce@aol.com](mailto:jamesbruce@aol.com)

October 14, 2016

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

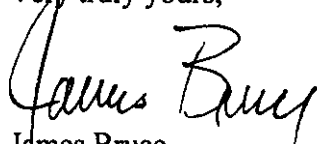
Ladies and gentlemen:

Enclosed is a copy of an application for a non-standard unit, *etc.*, filed with the New Mexico Oil Conservation Division by GMT Exploration Company LLC, regarding a Bone Spring well in the W½W½ of Section 22, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, November 17, 2016, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, **but as an offset owner or operator who may be affected by this application**, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, November 10, 2016. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,



James Bruce

Attorney for GMT Exploration Company LLC

ATTACHMENT **A**

EXHIBIT A

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Chevron U.S.A. Inc.  
6301 Deauville Boulevard  
Midland, Texas 79706

Attention: Permitting Team

BTA Oil Producers, LLC  
104 South Pecos  
Midland, Texas 79701

EOG Resources, Inc.  
P.O. Box 2267  
Midland, Texas 79702

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6301 Deauville Boulevard  
Midland, Texas 79706

9590 9402 1676 6053 6631 88

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Artesia, New Mexico 88210  
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1. Article Addressed to:

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

9590 9402 1676 6053 6631 71

2. Article Number (Transfer from service label)

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GMT

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Midland, Texas 79702

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*[Signature]*

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GM1

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Street, Apt. No.,  
or PO Box No.

P.O. Box 2267  
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City, State, ZIP+4

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### DATE & TIME

### STATUS OF ITEM

### LOCATION

October 21, 2016 , 11:13  
pm

Delivery status not updated

October 21, 2016 , 9:13 am

Out for Delivery

MIDLAND, TX 79701

October 21, 2016 , 7:01 am

Arrived at Unit

MIDLAND, TX 79701

October 20, 2016 , 7:56 pm

Departed USPS Facility

MIDLAND, TX 79711

October 20, 2016 , 2:07 pm

Arrived at USPS Facility

MIDLAND, TX 79711

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BTA Oil Producers, L.L.C  
104 South Pecos  
Midland, Texas 79701

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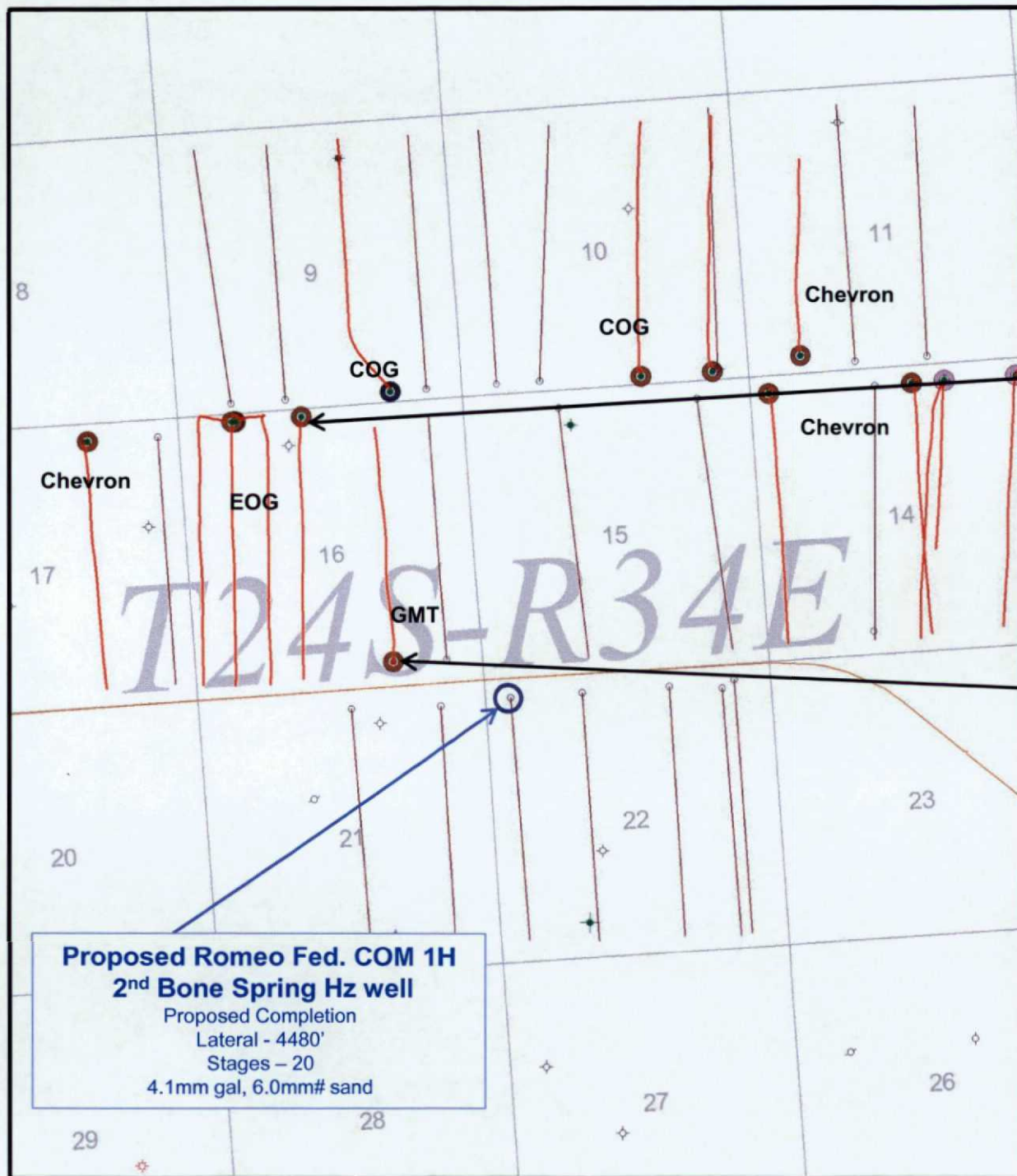
No FEAR Act EEO Data

# **GMT EXPLORATION Company LLC**

**T24S R34E Sec. 22  
Lea County New Mexico**

**Romeo Federal 1 H**

Oil Conservation Division  
Case No. \_\_\_\_\_  
Exhibit No. 12



## BASE MAP

Proposed Romeo Fed COM 1H Well  
2<sup>nd</sup> BS #2 Sand HZ  
Lea County New Mexico

**EOG Jolly Roger 16 State**  
2<sup>nd</sup> BS #2 Sand  
IP 1,264BO 1558MCF  
Cum 146,475 BO, 193,560 MCF  
Completion - 8/2014  
Lateral - 3,695'  
74,132 BBL, 1979Tons Sand

**GMT Pirate State 1H Well**  
2<sup>nd</sup> BS #2 Sand  
IP 238BO 385MCF  
Cum 57,549 BO, 60,730 MCF  
Completion - 9/2014  
Lateral - 3,695'  
Stages - 20  
3.1mm gals, 3.1mm # Sand  
1066 # sand/ft

**Proposed Romeo Fed. COM 1H**  
**2<sup>nd</sup> Bone Spring Hz well**  
Proposed Completion  
Lateral - 4480'  
Stages - 20  
4.1mm gal, 6.0mm# sand

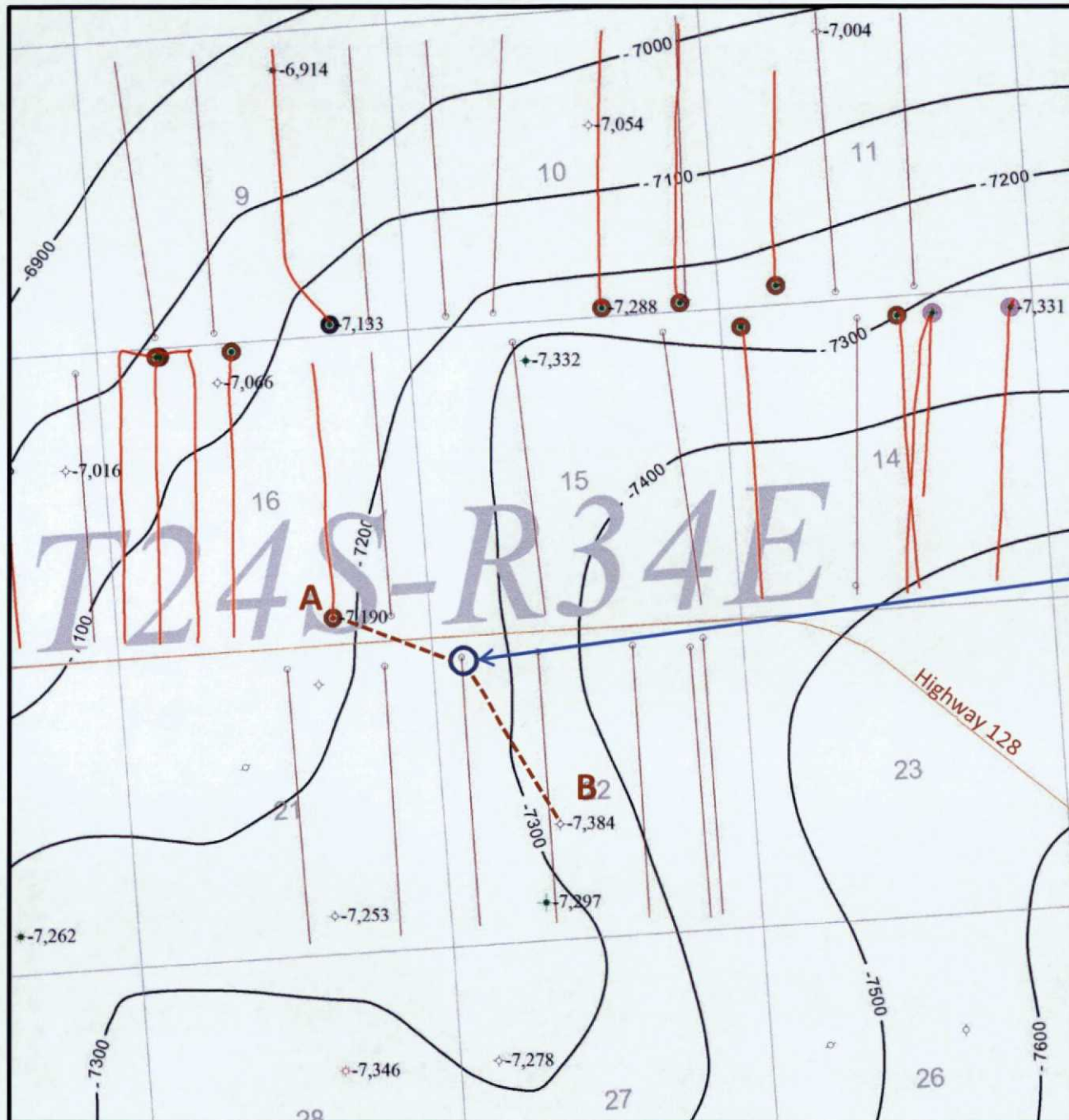
### Production Legend

|                                                   |
|---------------------------------------------------|
| Delaware                                          |
| Avalon Shale                                      |
| 1 <sup>st</sup> Bone Spring Sand                  |
| 2 <sup>nd</sup> Bone Spring Sand                  |
| 3 <sup>rd</sup> Bone Spring Sand                  |
| 3 <sup>rd</sup> BS Lowest Sand/<br>Upper Wolfcamp |
| Wolfcamp                                          |

# STRUCTURE MAP

Top 2<sup>nd</sup> Bone Spring Sand

CI = 100'



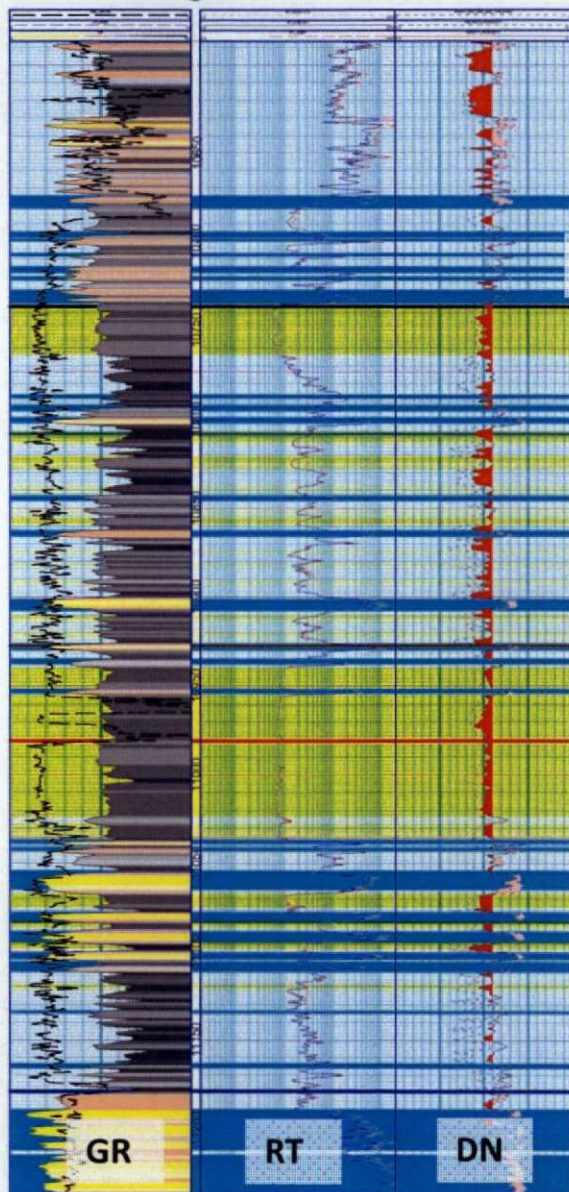
Proposed Romeo Fed. COM 1H  
2<sup>nd</sup> Bone Spring Hz well

## Production Legend

|                                                   |
|---------------------------------------------------|
| Delaware                                          |
| Avalon Shale                                      |
| 1 <sup>st</sup> Bone Spring Sand                  |
| 2 <sup>nd</sup> Bone Spring Sand                  |
| 3 <sup>rd</sup> Bone Spring Sand                  |
| 3 <sup>rd</sup> BS Lowest Sand/<br>Upper Wolfcamp |
| Wolfcamp                                          |

A  
nw

**GMT**  
Pirate State  
T24S R34E S16



**PROPOSED**

**GMT**  
Romeo Federal COM

Top 2<sup>nd</sup> Bone Spring Sand

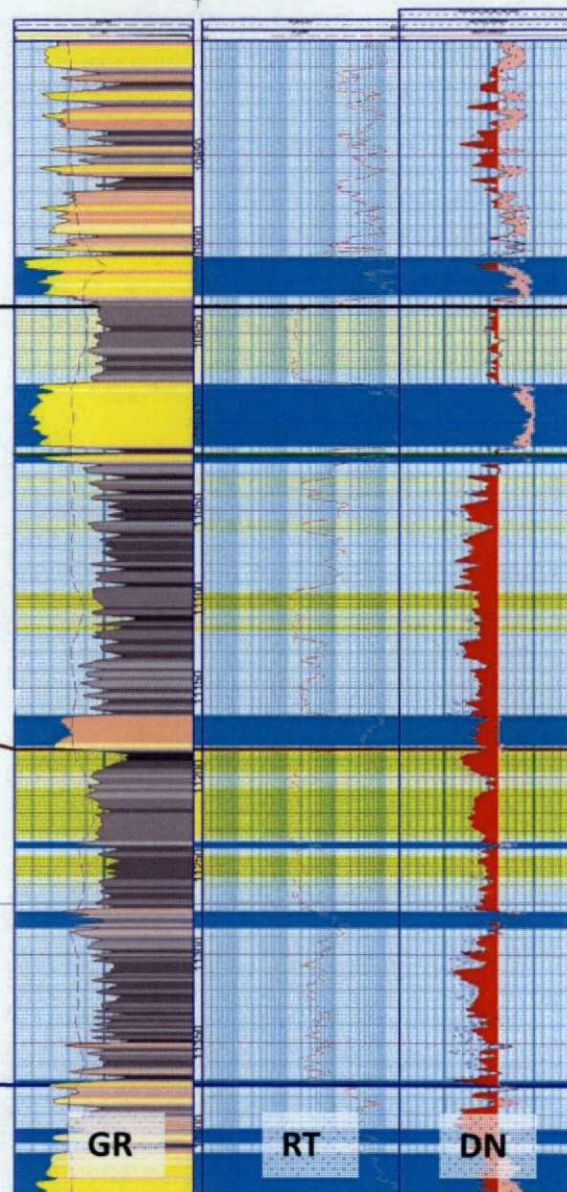
2<sup>nd</sup> Bone Spring #2 Sand

HZ Target Zone

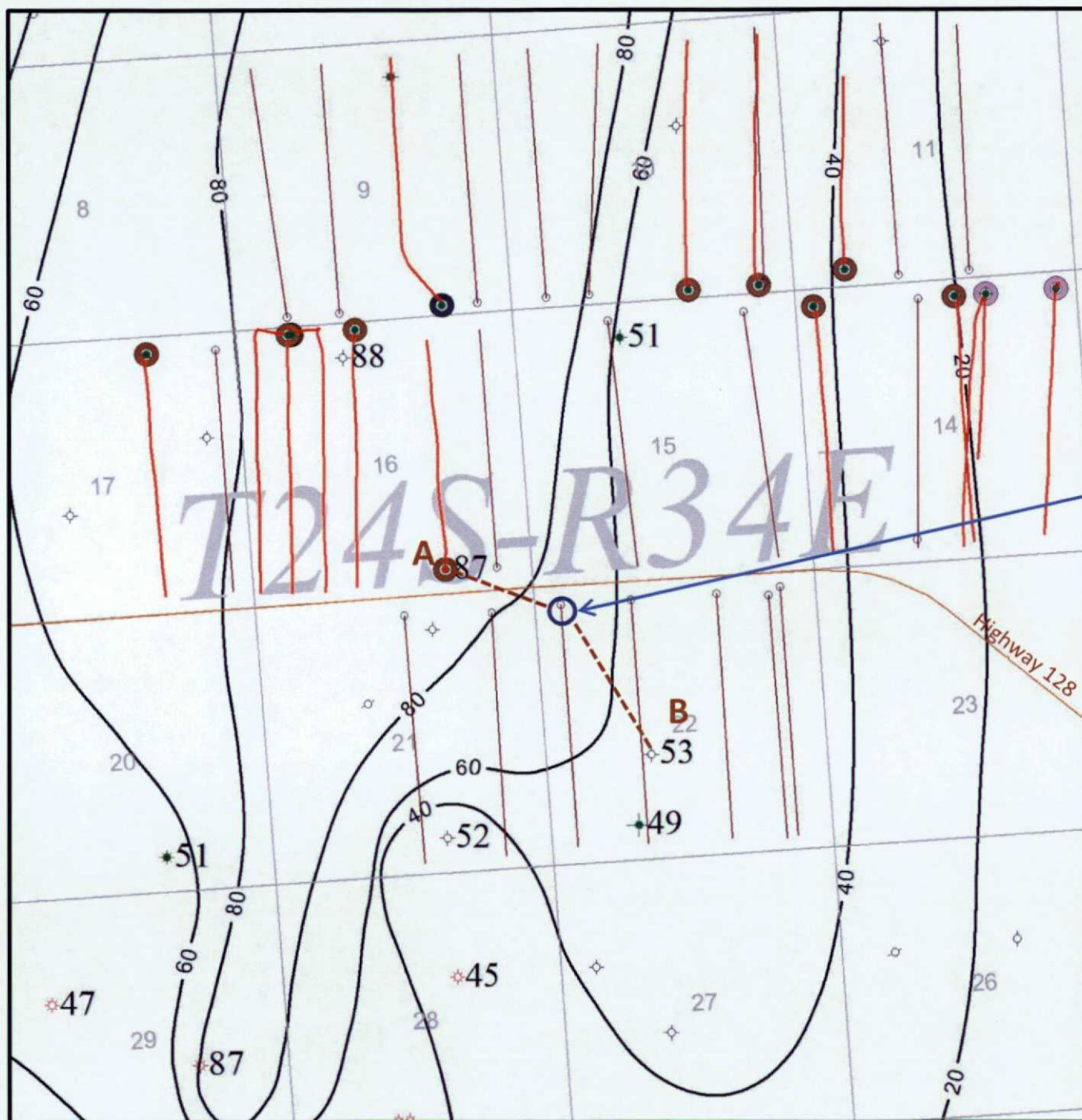
Carbonate



**HNG**  
BUFF '22'  
T24S R34E S22



B  
se



# ISOPACH MAP

2<sup>nd</sup> Bone Spring #2 Sand

CI = 20'

Proposed Romeo Fed. COM 1H  
2<sup>nd</sup> Bone Spring Hz well

## Production Legend

|                                                   |
|---------------------------------------------------|
| Delaware                                          |
| Avalon Shale                                      |
| 1 <sup>st</sup> Bone Spring Sand                  |
| 2 <sup>nd</sup> Bone Spring Sand                  |
| 3 <sup>rd</sup> Bone Spring Sand                  |
| 3 <sup>rd</sup> BS Lowest Sand/<br>Upper Wolfcamp |
| Wolfcamp                                          |

Project: Lea County, NM (NAD 83)  
Site: Romeo Federal 1H  
Well: Romeo Federal 1H  
Wellbore: Romeo Federal 1H  
Design: Design #3  
Latitude: 32° 12' 33.090 N  
Longitude: 103° 27' 51.240 W  
GL: 3534.00  
KB: WELL @ 3554.00ft (McVay 10)

**WELLBORE TARGET DETAILS (LAT/LONG)**

| Name                     | TVD      | +N/-S    | +E/-W   | Northing  | Easting   | Latitude         | Longitude         |
|--------------------------|----------|----------|---------|-----------|-----------|------------------|-------------------|
| VP Romeo Federal 1H P2   | 8500.00  | 377.27   | -311.80 | 441302.00 | 809827.34 | 32° 12' 36.848 N | 103° 27' 54.833 W |
| LP Romeo Federal 1H P2   | 11127.00 | -188.71  | -307.53 | 440736.02 | 809831.61 | 32° 12' 31.247 N | 103° 27' 54.837 W |
| PBHL Romeo Federal 1H P2 | 11180.00 | -4548.06 | -274.64 | 436376.68 | 809864.50 | 32° 11' 48.109 N | 103° 27' 54.864 W |

**WELL DETAILS: Romeo Federal 1H**

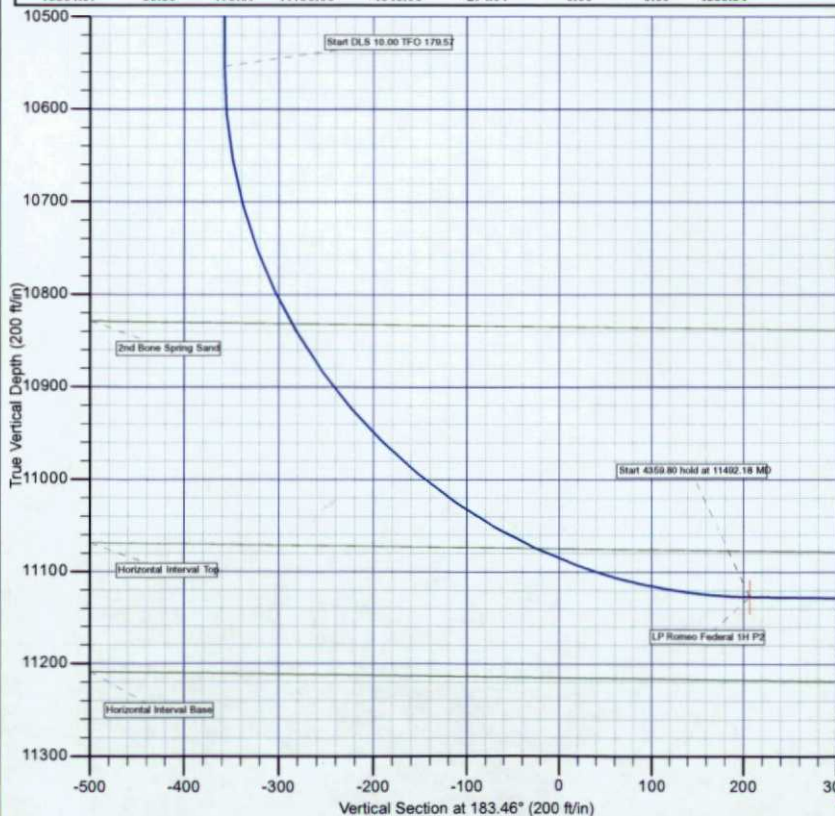
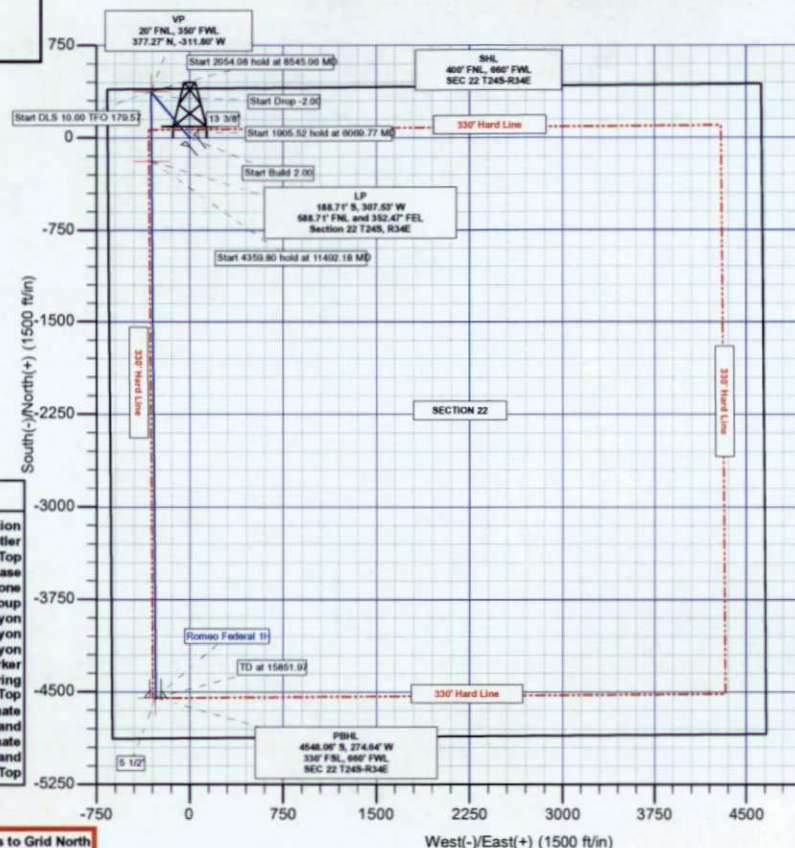
| +N/-S | +E/-W | Northing  | Easting   | Ground Level: | Latitude         | Longitude         | Slot |
|-------|-------|-----------|-----------|---------------|------------------|-------------------|------|
| 0.00  | 0.00  | 440924.73 | 810139.14 | 3534.00       | 32° 12' 33.090 N | 103° 27' 51.240 W |      |

**SECTION DETAILS**

| MD       | Inc   | Azi    | TVD      | +N/-S    | +E/-W   | Dleg  | TFace  | Vsect   | Annotation                        |
|----------|-------|--------|----------|----------|---------|-------|--------|---------|-----------------------------------|
| 0.00     | 0.00  | 0.00   | 0.00     | 0.00     | 0.00    | 0.00  | 0.00   | 0.00    |                                   |
| 5500.00  | 0.00  | 0.00   | 5500.00  | 0.00     | 0.00    | 0.00  | 0.00   | 0.00    | Start Build 2.00                  |
| 6069.77  | 11.40 | 320.43 | 6066.02  | 43.53    | -35.98  | 2.00  | 320.43 | -41.28  | Start 1905.52 hold at 6069.77 MD  |
| 7975.29  | 11.40 | 320.43 | 7933.98  | 333.74   | -275.82 | 0.00  | 0.00   | -316.50 | Start Drop -2.00                  |
| 8545.06  | 0.00  | 0.00   | 8500.00  | 377.27   | -311.80 | 2.00  | 180.00 | -357.79 | Start 2054.08 hold at 8545.06 MD  |
| 10599.14 | 0.00  | 0.00   | 10554.08 | 377.27   | -311.80 | 0.00  | 0.00   | -357.79 | Start DLS 10.00 TFO 179.57        |
| 11492.18 | 89.30 | 179.57 | 11127.00 | -188.71  | -307.53 | 10.00 | 179.57 | 206.90  | Start 4359.80 hold at 11492.18 MD |
| 15851.97 | 89.30 | 179.57 | 11180.00 | -4548.06 | -274.64 | 0.00  | 0.00   | 4556.34 | TD at 15851.97                    |

**FORMATION TOP DETAILS**

| TVDPath  | MDPath   | Formation                  |
|----------|----------|----------------------------|
| 1195.00  | 1195.00  | Rustler                    |
| 1295.00  | 1295.00  | Salt Top                   |
| 3015.00  | 3015.00  | Salt Base                  |
| 3050.00  | 3050.00  | Lamar Limestone            |
| 5350.00  | 5350.00  | Delaware Mountain Group    |
| 5375.00  | 5375.00  | Delaware Bell Canyon       |
| 6578.49  | 6592.54  | Cherry Canyon              |
| 7746.26  | 7783.79  | Brushy Canyon              |
| 9040.36  | 9085.42  | Lower Brushy Canyon Marker |
| 9180.36  | 9225.42  | Bone Spring                |
| 9230.36  | 9275.42  | Avalon Shale Top           |
| 9415.36  | 9469.42  | Carbonate                  |
| 10230.36 | 10275.42 | 1st Bone Spring Sand       |
| 10455.36 | 10500.42 | Carbonate                  |
| 10831.24 | 10888.43 | 2nd Bone Spring Sand       |
| 11074.43 | 11251.70 | Horizontal Interval Top    |



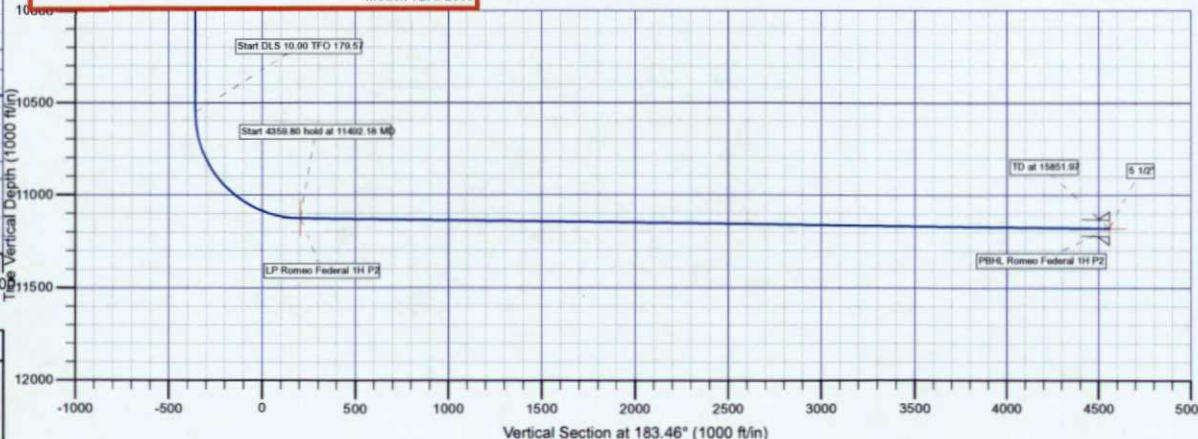
Plan: Design #3 (Romeo Federal 1H/Romeo Federal 1H)  
Created By: TRACY WILLIAMS Date: 8:47, November 14 2016

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

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

**CASING DETAILS**

| TVD      | MD       | Name    | Size    |
|----------|----------|---------|---------|
| 820.00   | 820.00   | 13 3/8" | 13-3/8" |
| 5400.00  | 5400.00  | 8 5/8"  | 8-5/8"  |
| 11180.00 | 15851.97 | 5 1/2"  | 5-1/2"  |





# GMT Exploration Company LLC

## Preliminary DRILLING PROGNOSIS

PROSPECT: **Solomon**

WELL NAME: **Romed Federal 1H**

DATE: 10/25/2016  
API #: 30025429990000  
FIELD: Red Hills North

LOCATION: **T 24 S R 34 E Sec 22 400' FNL 660' FWL  
Lee County, New Mexico**

ELEVATION: **MD 3534 (est) GL: 3034**

ESTIMATED TO: **- 15,500 MD -11,210 TVD**  
FORMATION AT TD: **2nd Bone Spring Sand**

OBJECTIVE FORMATION: **2nd Bone Spring Sand**

DRILLING CONTRACTOR:

DRILLING PROGRAM

Surface Casing  
Intermediate Casing  
Production Casing

How Size

Casing Size

Depth

Comments

TBD  
TBD  
TBD

### FORMATION TOPS

| FORMATION                  | DRILL DEPTH (est.) | DATUM (est.) | COMMENTS                  |
|----------------------------|--------------------|--------------|---------------------------|
| Rustler                    | 1,193              | 2,359        |                           |
| Salt Top                   | 1,293              | 2,259        |                           |
| Salt Base                  | 3,015              | 532          |                           |
| Lamar Limestone            | 3,050              | 504          |                           |
| Delaware Mountain Group    | 5,350              | -1,798       |                           |
| Delaware Bell Canyon       | 5,373              | -1,821       |                           |
| Cherry Canyon              | 6,580              | -3,026       |                           |
| Brushy Canyon              | 7,750              | -4,198       |                           |
| Lower Brushy Canyon Member | 9,043              | -5,491       | Possible Oil and Gas Show |
| Bone Spring                | 9,183              | -5,631       |                           |
| Aviation Shale Top         | 9,235              | -5,681       | Possible Oil and Gas Show |
| Carbonate                  | 9,420              | -5,866       | Possible Chert Zone       |
| 1st Bone Spring Sand       | 10,225             | -6,661       | Possible Oil and Gas Show |
| Carbonate                  | 10,480             | -6,906       | Possible Chert Zone       |
| 2nd Bone Spring Sand       | 10,835             | -7,261       | Possible Oil and Gas Show |
| Horizontal Interval Top    | 11,075             | -7,521       | Possible Oil and Gas Show |
| Horizontal Interval Base   | 11,215             | -7,661       | Possible Oil and Gas Show |
| MD PBot                    | TVD 11,210         | -7,656       |                           |

### LOGGING PROGRAM

OPEN HOLE LOGS: NA

LOGGING COMPANY:

Schlumberger  
Denver Contact: Thomas Miller  
Office 303-352-1273  
Cell 303-548-3053  
Email T.Miller@slb.com

LOGGING COMPANY:

NA

MWD/LWD LOGS Gamma Ray  
Logging Depth: intermediate casing to TD

Newaco  
Contact: Ed Sanderich  
Office 307-232-4338  
Cell 303-483-7382  
Email ed.sanderich@newaco-drilling.com

MWD LOGGER

Monroe Geophysical Services  
3023 National Park Highway  
Carlsbad New Mexico 88220

Contact:  
Cory Stewart  
Cell (575) 341-1270

Time interval: 10:00' to TD

### OFFSET WELLS

| WELL NAME         | LOCATION                          | Depth | Date        |
|-------------------|-----------------------------------|-------|-------------|
| Probe #2H Pilot   | T 24 S R 34 E Sec 16 - TVD 12,700 |       | Date 8/2014 |
| DAF 122           | T 24 S R 34 E Sec 22 - TVD 15,525 |       | Date 9/1983 |
| Madrona B 5706 JV | T 24 S R 34 E Sec 22 - TVD 15,500 |       | Date 7/1988 |

### REMARKS

ANTICIPATED COMPLETION: **2nd Bone Spring Sand**

SPECIAL CONSIDERATION: **Chert intervals may be encountered - these areas have been denoted in the formation tops section**

### GMT EXPLORATION CONTACTS

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EXHIBIT 13

This well is a TIGHT hole



**GMT**  
**Exploration Company LLC**

## **GMT Exploration**

**Lea County, NM (NAD 83)**

**Romeo Federal 1H**

**Romeo Federal 1H**

**Romeo Federal 1H**

**Plan: Design #2**

## **Standard Planning Report**

**01 November, 2016**

EXHIBIT

14

**≡ NEWS CO**

|                  |                           |                                     |                             |
|------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Romeo Federal 1H       |
| <b>Company:</b>  | GMT Exploration           | <b>TVD Reference:</b>               | WELL @ 3554.00ft (McVay 10) |
| <b>Project:</b>  | Lea County, NM (NAD 83)   | <b>MD Reference:</b>                | WELL @ 3554.00ft (McVay 10) |
| <b>Site:</b>     | Romeo Federal 1H          | <b>North Reference:</b>             | Grid                        |
| <b>Well:</b>     | Romeo Federal 1H          | <b>Survey Calculation Method:</b>   | Minimum Curvature           |
| <b>Wellbore:</b> | Romeo Federal 1H          |                                     |                             |
| <b>Design:</b>   | Design #2                 |                                     |                             |

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

|                              |                  |                     |                 |                                     |
|------------------------------|------------------|---------------------|-----------------|-------------------------------------|
| <b>Site</b>                  | Romeo Federal 1H |                     |                 |                                     |
| <b>Site Position:</b>        |                  | <b>Northing:</b>    | 440,924.73 usft | <b>Latitude:</b> 32° 12' 33.090 N   |
| <b>From:</b>                 | Lat/Long         | <b>Easting:</b>     | 810,139.14 usft | <b>Longitude:</b> 103° 27' 51.240 W |
| <b>Position Uncertainty:</b> | 0.00 ft          | <b>Slot Radius:</b> | 13-3/16"        | <b>Grid Convergence:</b> 0.46 °     |

|                             |                  |         |                                    |                                     |
|-----------------------------|------------------|---------|------------------------------------|-------------------------------------|
| <b>Well</b>                 | Romeo Federal 1H |         |                                    |                                     |
| <b>Well Position</b>        | +N/-S            | 0.00 ft | <b>Northing:</b> 440,924.73 usft   | <b>Latitude:</b> 32° 12' 33.090 N   |
|                             | +E/-W            | 0.00 ft | <b>Easting:</b> 810,139.14 usft    | <b>Longitude:</b> 103° 27' 51.240 W |
| <b>Position Uncertainty</b> |                  | 0.00 ft | <b>Wellhead Elevation:</b> 0.00 ft | <b>Ground Level:</b> 3,534.00 ft    |

|                  |                   |                    |                           |                         |                               |
|------------------|-------------------|--------------------|---------------------------|-------------------------|-------------------------------|
| <b>Wellbore</b>  | Romeo Federal 1H  |                    |                           |                         |                               |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination</b><br>(°) | <b>Dip Angle</b><br>(°) | <b>Field Strength</b><br>(nT) |
|                  | IGRF2015          | 10/28/16           | 6.97                      | 60.07                   | 48,005                        |

|                          |                                 |                      |                      |                         |
|--------------------------|---------------------------------|----------------------|----------------------|-------------------------|
| <b>Design</b>            | Design #2                       |                      |                      |                         |
| <b>Audit Notes:</b>      |                                 |                      |                      |                         |
| <b>Version:</b>          | <b>Phase:</b>                   | PLAN                 | <b>Tie On Depth:</b> | 0.00                    |
| <b>Vertical Section:</b> | <b>Depth From (TVD)</b><br>(ft) | <b>+N/-S</b><br>(ft) | <b>+E/-W</b><br>(ft) | <b>Direction</b><br>(°) |
|                          | 0.00                            | 0.00                 | 0.00                 | 183.46                  |

| <b>Plan Sections</b>   |                    |                |                        |               |               |                            |                           |                          |            |                     |
|------------------------|--------------------|----------------|------------------------|---------------|---------------|----------------------------|---------------------------|--------------------------|------------|---------------------|
| Measured Depth<br>(ft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical Depth<br>(ft) | +N/-S<br>(ft) | +E/-W<br>(ft) | Dogleg Rate<br>(°/100usft) | Build Rate<br>(°/100usft) | Turn Rate<br>(°/100usft) | TFO<br>(°) | Target              |
| 0.00                   | 0.00               | 0.00           | 0.00                   | 0.00          | 0.00          | 0.00                       | 0.00                      | 0.00                     | 0.00       |                     |
| 4,000.00               | 0.00               | 0.00           | 4,000.00               | 0.00          | 0.00          | 0.00                       | 0.00                      | 0.00                     | 0.00       |                     |
| 4,335.15               | 6.70               | 320.43         | 4,334.39               | 15.09         | -12.48        | 2.00                       | 2.00                      | 0.00                     | 320.43     |                     |
| 8,192.74               | 6.70               | 320.43         | 8,165.61               | 362.17        | -299.32       | 0.00                       | 0.00                      | 0.00                     | 0.00       |                     |
| 8,527.90               | 0.00               | 0.00           | 8,500.00               | 377.27        | -311.80       | 2.00                       | -2.00                     | 0.00                     | 180.00     | VP Romeo Federal 1H |
| 10,581.98              | 0.00               | 0.00           | 10,554.08              | 377.27        | -311.80       | 0.00                       | 0.00                      | 0.00                     | 0.00       |                     |
| 11,475.01              | 89.30              | 179.57         | 11,127.00              | -188.71       | -307.53       | 10.00                      | 10.00                     | 20.11                    | 179.57     |                     |
| 15,834.81              | 89.30              | 179.57         | 11,180.00              | -4,548.06     | -274.64       | 0.00                       | 0.00                      | 0.00                     | 0.00       | PBHL Romeo Federa   |

|                  |                           |                                     |                             |
|------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Romeo Federal 1H       |
| <b>Company:</b>  | GMT Exploration           | <b>TVD Reference:</b>               | WELL @ 3554.00ft (McVay 10) |
| <b>Project:</b>  | Lea County, NM (NAD 83)   | <b>MD Reference:</b>                | WELL @ 3554.00ft (McVay 10) |
| <b>Site:</b>     | Romeo Federal 1H          | <b>North Reference:</b>             | Grid                        |
| <b>Well:</b>     | Romeo Federal 1H          | <b>Survey Calculation Method:</b>   | Minimum Curvature           |
| <b>Wellbore:</b> | Romeo Federal 1H          |                                     |                             |
| <b>Design:</b>   | Design #2                 |                                     |                             |

| Planned Survey          |                 |             |                     |           |           |                       |                         |                        |                       |
|-------------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (ft)     | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N-S (ft) | +E-W (ft) | Vertical Section (ft) | 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                  |
| 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                  | 0.00            | 0.00        | 400.00              | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 500.00                  | 0.00            | 0.00        | 500.00              | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 600.00                  | 0.00            | 0.00        | 600.00              | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 700.00                  | 0.00            | 0.00        | 700.00              | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 800.00                  | 0.00            | 0.00        | 800.00              | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 900.00                  | 0.00            | 0.00        | 900.00              | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,000.00                | 0.00            | 0.00        | 1,000.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,100.00                | 0.00            | 0.00        | 1,100.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Rustler</b>          |                 |             |                     |           |           |                       |                         |                        |                       |
| 1,195.00                | 0.00            | 0.00        | 1,195.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,200.00                | 0.00            | 0.00        | 1,200.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Salt Top</b>         |                 |             |                     |           |           |                       |                         |                        |                       |
| 1,295.00                | 0.00            | 0.00        | 1,295.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,300.00                | 0.00            | 0.00        | 1,300.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,400.00                | 0.00            | 0.00        | 1,400.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,500.00                | 0.00            | 0.00        | 1,500.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,600.00                | 0.00            | 0.00        | 1,600.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,700.00                | 0.00            | 0.00        | 1,700.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,800.00                | 0.00            | 0.00        | 1,800.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 1,900.00                | 0.00            | 0.00        | 1,900.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,000.00                | 0.00            | 0.00        | 2,000.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,100.00                | 0.00            | 0.00        | 2,100.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,200.00                | 0.00            | 0.00        | 2,200.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,300.00                | 0.00            | 0.00        | 2,300.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,400.00                | 0.00            | 0.00        | 2,400.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,500.00                | 0.00            | 0.00        | 2,500.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,600.00                | 0.00            | 0.00        | 2,600.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,700.00                | 0.00            | 0.00        | 2,700.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,800.00                | 0.00            | 0.00        | 2,800.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 2,900.00                | 0.00            | 0.00        | 2,900.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,000.00                | 0.00            | 0.00        | 3,000.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Salt Base</b>        |                 |             |                     |           |           |                       |                         |                        |                       |
| 3,015.00                | 0.00            | 0.00        | 3,015.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Lamar Limestone</b>  |                 |             |                     |           |           |                       |                         |                        |                       |
| 3,050.00                | 0.00            | 0.00        | 3,050.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,100.00                | 0.00            | 0.00        | 3,100.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,200.00                | 0.00            | 0.00        | 3,200.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,300.00                | 0.00            | 0.00        | 3,300.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,400.00                | 0.00            | 0.00        | 3,400.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,500.00                | 0.00            | 0.00        | 3,500.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,600.00                | 0.00            | 0.00        | 3,600.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,700.00                | 0.00            | 0.00        | 3,700.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,800.00                | 0.00            | 0.00        | 3,800.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 3,900.00                | 0.00            | 0.00        | 3,900.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Start Build 2.00</b> |                 |             |                     |           |           |                       |                         |                        |                       |
| 4,000.00                | 0.00            | 0.00        | 4,000.00            | 0.00      | 0.00      | 0.00                  | 0.00                    | 0.00                   | 0.00                  |
| 4,100.00                | 2.00            | 320.43      | 4,099.98            | 1.35      | -1.11     | -1.28                 | 2.00                    | 2.00                   | 0.00                  |
| 4,200.00                | 4.00            | 320.43      | 4,199.84            | 5.38      | -4.45     | -5.10                 | 2.00                    | 2.00                   | 0.00                  |
| 4,300.00                | 6.00            | 320.43      | 4,299.45            | 12.10     | -10.00    | -11.47                | 2.00                    | 2.00                   | 0.00                  |

|                  |                           |                                     |                             |
|------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Romeo Federal 1H       |
| <b>Company:</b>  | GMT Exploration           | <b>TVD Reference:</b>               | WELL @ 3554.00ft (McVay 10) |
| <b>Project:</b>  | Lea County, NM (NAD 83)   | <b>MD Reference:</b>                | WELL @ 3554.00ft (McVay 10) |
| <b>Site:</b>     | Romeo Federal 1H          | <b>North Reference:</b>             | Grid                        |
| <b>Well:</b>     | Romeo Federal 1H          | <b>Survey Calculation Method:</b>   | Minimum Curvature           |
| <b>Wellbore:</b> | Romeo Federal 1H          |                                     |                             |
| <b>Design:</b>   | Design #2                 |                                     |                             |

| Planned Survey                   |                    |                |                           |               |               |                             |                               |                              |                             |  |
|----------------------------------|--------------------|----------------|---------------------------|---------------|---------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|--|
| Measured<br>Depth<br>(ft)        | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(ft) | +N/-S<br>(ft) | +E/-W<br>(ft) | Vertical<br>Section<br>(ft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |  |
| Start 3867.69 hold at 4336.16 MD |                    |                |                           |               |               |                             |                               |                              |                             |  |
| 4,335.15                         | 6.70               | 320.43         | 4,334.39                  | 15.09         | -12.48        | -14.32                      | 2.00                          | 2.00                         | 0.00                        |  |
| 4,400.00                         | 6.70               | 320.43         | 4,398.79                  | 20.93         | -17.30        | -19.85                      | 0.00                          | 0.00                         | 0.00                        |  |
| 4,500.00                         | 6.70               | 320.43         | 4,498.11                  | 29.93         | -24.73        | -28.38                      | 0.00                          | 0.00                         | 0.00                        |  |
| 4,600.00                         | 6.70               | 320.43         | 4,597.43                  | 38.92         | -32.17        | -36.91                      | 0.00                          | 0.00                         | 0.00                        |  |
| 4,700.00                         | 6.70               | 320.43         | 4,696.74                  | 47.92         | -39.60        | -45.45                      | 0.00                          | 0.00                         | 0.00                        |  |
| 4,800.00                         | 6.70               | 320.43         | 4,796.06                  | 56.92         | -47.04        | -53.98                      | 0.00                          | 0.00                         | 0.00                        |  |
| 4,900.00                         | 6.70               | 320.43         | 4,895.37                  | 65.92         | -54.48        | -62.51                      | 0.00                          | 0.00                         | 0.00                        |  |
| 5,000.00                         | 6.70               | 320.43         | 4,994.69                  | 74.91         | -61.91        | -71.04                      | 0.00                          | 0.00                         | 0.00                        |  |
| 5,100.00                         | 6.70               | 320.43         | 5,094.01                  | 83.91         | -69.35        | -79.58                      | 0.00                          | 0.00                         | 0.00                        |  |
| 5,200.00                         | 6.70               | 320.43         | 5,193.32                  | 92.91         | -76.78        | -88.11                      | 0.00                          | 0.00                         | 0.00                        |  |
| 5,300.00                         | 6.70               | 320.43         | 5,292.64                  | 101.90        | -84.22        | -96.64                      | 0.00                          | 0.00                         | 0.00                        |  |
| Delaware Mountain Group          |                    |                |                           |               |               |                             |                               |                              |                             |  |
| 5,356.43                         | 6.70               | 320.43         | 5,348.68                  | 106.98        | -88.42        | -101.46                     | 0.00                          | 0.00                         | 0.00                        |  |
| Delaware Bell Canyon             |                    |                |                           |               |               |                             |                               |                              |                             |  |
| 5,381.57                         | 6.70               | 320.43         | 5,373.66                  | 109.24        | -90.29        | -103.60                     | 0.00                          | 0.00                         | 0.00                        |  |
| 5,400.00                         | 6.70               | 320.43         | 5,391.96                  | 110.90        | -91.66        | -105.18                     | 0.00                          | 0.00                         | 0.00                        |  |
| 5,500.00                         | 6.70               | 320.43         | 5,491.27                  | 119.90        | -99.09        | -113.71                     | 0.00                          | 0.00                         | 0.00                        |  |
| 5,600.00                         | 6.70               | 320.43         | 5,590.59                  | 128.90        | -106.53       | -122.24                     | 0.00                          | 0.00                         | 0.00                        |  |
| 5,700.00                         | 6.70               | 320.43         | 5,689.91                  | 137.89        | -113.96       | -130.77                     | 0.00                          | 0.00                         | 0.00                        |  |
| 5,800.00                         | 6.70               | 320.43         | 5,789.22                  | 146.89        | -121.40       | -139.31                     | 0.00                          | 0.00                         | 0.00                        |  |
| 5,900.00                         | 6.70               | 320.43         | 5,888.54                  | 155.89        | -128.84       | -147.84                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,000.00                         | 6.70               | 320.43         | 5,987.86                  | 164.89        | -136.27       | -156.37                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,100.00                         | 6.70               | 320.43         | 6,087.17                  | 173.88        | -143.71       | -164.90                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,200.00                         | 6.70               | 320.43         | 6,186.49                  | 182.88        | -151.14       | -173.44                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,300.00                         | 6.70               | 320.43         | 6,285.81                  | 191.88        | -158.58       | -181.97                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,400.00                         | 6.70               | 320.43         | 6,385.12                  | 200.87        | -166.02       | -190.50                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,500.00                         | 6.70               | 320.43         | 6,484.44                  | 209.87        | -173.45       | -199.04                     | 0.00                          | 0.00                         | 0.00                        |  |
| Cherry Canyon                    |                    |                |                           |               |               |                             |                               |                              |                             |  |
| 6,593.52                         | 6.70               | 320.43         | 6,577.32                  | 218.29        | -180.41       | -207.01                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,600.00                         | 6.70               | 320.43         | 6,583.75                  | 218.87        | -180.89       | -207.57                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,700.00                         | 6.70               | 320.43         | 6,683.07                  | 227.87        | -188.32       | -216.10                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,800.00                         | 6.70               | 320.43         | 6,782.39                  | 236.88        | -195.76       | -224.63                     | 0.00                          | 0.00                         | 0.00                        |  |
| 6,900.00                         | 6.70               | 320.43         | 6,881.70                  | 245.86        | -203.20       | -233.17                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,000.00                         | 6.70               | 320.43         | 6,981.02                  | 254.86        | -210.63       | -241.70                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,100.00                         | 6.70               | 320.43         | 7,080.34                  | 263.86        | -218.07       | -250.23                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,200.00                         | 6.70               | 320.43         | 7,179.65                  | 272.85        | -225.50       | -258.76                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,300.00                         | 6.70               | 320.43         | 7,278.97                  | 281.85        | -232.94       | -267.30                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,400.00                         | 6.70               | 320.43         | 7,378.29                  | 290.85        | -240.37       | -275.83                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,500.00                         | 6.70               | 320.43         | 7,477.60                  | 299.84        | -247.81       | -284.36                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,600.00                         | 6.70               | 320.43         | 7,576.92                  | 308.84        | -255.25       | -292.89                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,700.00                         | 6.70               | 320.43         | 7,676.24                  | 317.84        | -262.68       | -301.43                     | 0.00                          | 0.00                         | 0.00                        |  |
| Brushy Canyon                    |                    |                |                           |               |               |                             |                               |                              |                             |  |
| 7,770.26                         | 6.70               | 320.43         | 7,746.01                  | 324.16        | -267.91       | -307.42                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,800.00                         | 6.70               | 320.43         | 7,775.55                  | 326.84        | -270.12       | -309.96                     | 0.00                          | 0.00                         | 0.00                        |  |
| 7,900.00                         | 6.70               | 320.43         | 7,874.87                  | 335.83        | -277.55       | -318.49                     | 0.00                          | 0.00                         | 0.00                        |  |
| 8,000.00                         | 6.70               | 320.43         | 7,974.18                  | 344.83        | -284.99       | -327.03                     | 0.00                          | 0.00                         | 0.00                        |  |
| 8,100.00                         | 6.70               | 320.43         | 8,073.50                  | 353.83        | -292.43       | -335.56                     | 0.00                          | 0.00                         | 0.00                        |  |
| Start Drop -2.00                 |                    |                |                           |               |               |                             |                               |                              |                             |  |
| 8,192.74                         | 6.70               | 320.43         | 8,165.61                  | 362.17        | -299.32       | -343.47                     | 0.00                          | 0.00                         | 0.00                        |  |
| 8,200.00                         | 6.56               | 320.43         | 8,172.82                  | 362.82        | -299.86       | -344.08                     | 2.00                          | -2.00                        | 0.00                        |  |
| 8,300.00                         | 4.56               | 320.43         | 8,272.34                  | 370.28        | -306.03       | -351.16                     | 2.00                          | -2.00                        | 0.00                        |  |
| 8,400.00                         | 2.56               | 320.43         | 8,372.15                  | 375.07        | -309.98       | -355.70                     | 2.00                          | -2.00                        | 0.00                        |  |

|                  |                           |                                     |                             |
|------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Romeo Federal 1H       |
| <b>Company:</b>  | GMT Exploration           | <b>TVD Reference:</b>               | WELL @ 3554.00ft (McVay 10) |
| <b>Project:</b>  | Lea County, NM (NAD 83)   | <b>MD Reference:</b>                | WELL @ 3554.00ft (McVay 10) |
| <b>Site:</b>     | Romeo Federal 1H          | <b>North Reference:</b>             | Grid                        |
| <b>Well:</b>     | Romeo Federal 1H          | <b>Survey Calculation Method:</b>   | Minimum Curvature           |
| <b>Wellbore:</b> | Romeo Federal 1H          |                                     |                             |
| <b>Design:</b>   | Design #2                 |                                     |                             |

| Planned Survey                           |                 |             |                     |           |           |                       |                         |                        |                       |
|------------------------------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (ft)                      | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N-S (ft) | +E-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 8,500.00                                 | 0.56            | 320.43      | 8,472.10            | 377.16    | -311.71   | -357.69               | 2.00                    | -2.00                  | 0.00                  |
| <b>Start 2054.08 hold at 8527.90 MD</b>  |                 |             |                     |           |           |                       |                         |                        |                       |
| 8,527.90                                 | 0.00            | 0.00        | 8,500.00            | 377.27    | -311.80   | -357.79               | 2.00                    | -2.00                  | 0.00                  |
| 8,600.00                                 | 0.00            | 0.00        | 8,572.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 8,700.00                                 | 0.00            | 0.00        | 8,672.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 8,800.00                                 | 0.00            | 0.00        | 8,772.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 8,900.00                                 | 0.00            | 0.00        | 8,872.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,000.00                                 | 0.00            | 0.00        | 8,972.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>Lower Brushy Canyon Marker</b>        |                 |             |                     |           |           |                       |                         |                        |                       |
| 9,068.26                                 | 0.00            | 0.00        | 9,040.36            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,100.00                                 | 0.00            | 0.00        | 9,072.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,200.00                                 | 0.00            | 0.00        | 9,172.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>Bone Spring</b>                       |                 |             |                     |           |           |                       |                         |                        |                       |
| 9,208.26                                 | 0.00            | 0.00        | 9,180.36            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>Avalon Shale Top</b>                  |                 |             |                     |           |           |                       |                         |                        |                       |
| 9,258.26                                 | 0.00            | 0.00        | 9,230.36            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,300.00                                 | 0.00            | 0.00        | 9,272.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,400.00                                 | 0.00            | 0.00        | 9,372.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>Carbonate</b>                         |                 |             |                     |           |           |                       |                         |                        |                       |
| 9,443.26                                 | 0.00            | 0.00        | 9,415.36            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,500.00                                 | 0.00            | 0.00        | 9,472.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,600.00                                 | 0.00            | 0.00        | 9,572.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,700.00                                 | 0.00            | 0.00        | 9,672.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,800.00                                 | 0.00            | 0.00        | 9,772.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 9,900.00                                 | 0.00            | 0.00        | 9,872.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,000.00                                | 0.00            | 0.00        | 9,972.10            | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,100.00                                | 0.00            | 0.00        | 10,072.10           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,200.00                                | 0.00            | 0.00        | 10,172.10           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>1st Bone Spring Sand</b>              |                 |             |                     |           |           |                       |                         |                        |                       |
| 10,258.26                                | 0.00            | 0.00        | 10,230.36           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,300.00                                | 0.00            | 0.00        | 10,272.10           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,400.00                                | 0.00            | 0.00        | 10,372.10           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>Carbonate</b>                         |                 |             |                     |           |           |                       |                         |                        |                       |
| 10,483.26                                | 0.00            | 0.00        | 10,455.36           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,500.00                                | 0.00            | 0.00        | 10,472.10           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| <b>Start DLS 10.00 TFO 179.57</b>        |                 |             |                     |           |           |                       |                         |                        |                       |
| 10,581.98                                | 0.00            | 0.00        | 10,554.08           | 377.27    | -311.80   | -357.79               | 0.00                    | 0.00                   | 0.00                  |
| 10,600.00                                | 1.80            | 179.57      | 10,572.10           | 376.98    | -311.80   | -357.50               | 10.00                   | 10.00                  | 0.00                  |
| 10,700.00                                | 11.80           | 179.57      | 10,671.27           | 365.15    | -311.71   | -345.70               | 10.00                   | 10.00                  | 0.00                  |
| 10,800.00                                | 21.80           | 179.57      | 10,766.88           | 336.29    | -311.49   | -316.90               | 10.00                   | 10.00                  | 0.00                  |
| <b>2nd Bone Spring Sand</b>              |                 |             |                     |           |           |                       |                         |                        |                       |
| 10,871.27                                | 28.93           | 179.57      | 10,831.24           | 305.77    | -311.26   | -286.46               | 10.00                   | 10.00                  | 0.00                  |
| 10,900.00                                | 31.80           | 179.57      | 10,856.02           | 291.25    | -311.15   | -271.97               | 10.00                   | 10.00                  | 0.00                  |
| 11,000.00                                | 41.80           | 179.57      | 10,935.99           | 231.42    | -310.70   | -212.28               | 10.00                   | 10.00                  | 0.00                  |
| 11,100.00                                | 51.80           | 179.57      | 11,004.36           | 158.62    | -310.15   | -139.64               | 10.00                   | 10.00                  | 0.00                  |
| 11,200.00                                | 61.80           | 179.57      | 11,059.04           | 75.05     | -309.52   | -56.26                | 10.00                   | 10.00                  | 0.00                  |
| <b>Horizontal Interval Top</b>           |                 |             |                     |           |           |                       |                         |                        |                       |
| 11,234.53                                | 65.26           | 179.57      | 11,074.43           | 44.14     | -309.28   | -25.42                | 10.00                   | 10.00                  | 0.00                  |
| 11,300.00                                | 71.80           | 179.57      | 11,098.38           | -16.75    | -308.82   | 35.33                 | 10.00                   | 10.00                  | 0.00                  |
| 11,400.00                                | 81.80           | 179.57      | 11,121.18           | -113.98   | -308.09   | 132.34                | 10.00                   | 10.00                  | 0.00                  |
| <b>Start 4359.80 hold at 11475.01 MD</b> |                 |             |                     |           |           |                       |                         |                        |                       |
| 11,475.01                                | 89.30           | 179.57      | 11,127.00           | -188.71   | -307.53   | 206.90                | 10.00                   | 10.00                  | 0.00                  |
| 11,500.00                                | 89.30           | 179.57      | 11,127.30           | -213.69   | -307.34   | 231.83                | 0.00                    | 0.00                   | 0.00                  |

|                  |                           |                                     |                             |
|------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Romeo Federal 1H       |
| <b>Company:</b>  | GMT Exploration           | <b>TVD Reference:</b>               | WELL @ 3554.00ft (McVay 10) |
| <b>Project:</b>  | Lea County, NM (NAD 83)   | <b>MD Reference:</b>                | WELL @ 3554.00ft (McVay 10) |
| <b>Site:</b>     | Romeo Federal 1H          | <b>North Reference:</b>             | Grid                        |
| <b>Well:</b>     | Romeo Federal 1H          | <b>Survey Calculation Method:</b>   | Minimum Curvature           |
| <b>Wellbore:</b> | Romeo Federal 1H          |                                     |                             |
| <b>Design:</b>   | Design #2                 |                                     |                             |

| Planned Survey      |                 |             |                     |            |            |                       |                         |                        |                       |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 11,600.00           | 89.30           | 179.57      | 11,128.52           | -313.68    | -306.58    | 331.59                | 0.00                    | 0.00                   | 0.00                  |
| 11,700.00           | 89.30           | 179.57      | 11,129.73           | -413.67    | -305.83    | 431.36                | 0.00                    | 0.00                   | 0.00                  |
| 11,800.00           | 89.30           | 179.57      | 11,130.95           | -513.66    | -305.08    | 531.12                | 0.00                    | 0.00                   | 0.00                  |
| 11,900.00           | 89.30           | 179.57      | 11,132.16           | -613.65    | -304.32    | 630.88                | 0.00                    | 0.00                   | 0.00                  |
| 12,000.00           | 89.30           | 179.57      | 11,133.38           | -713.64    | -303.57    | 730.64                | 0.00                    | 0.00                   | 0.00                  |
| 12,100.00           | 89.30           | 179.57      | 11,134.60           | -813.63    | -302.81    | 830.41                | 0.00                    | 0.00                   | 0.00                  |
| 12,200.00           | 89.30           | 179.57      | 11,135.81           | -913.62    | -302.06    | 930.17                | 0.00                    | 0.00                   | 0.00                  |
| 12,300.00           | 89.30           | 179.57      | 11,137.03           | -1,013.61  | -301.30    | 1,029.93              | 0.00                    | 0.00                   | 0.00                  |
| 12,400.00           | 89.30           | 179.57      | 11,138.24           | -1,113.60  | -300.55    | 1,129.69              | 0.00                    | 0.00                   | 0.00                  |
| 12,500.00           | 89.30           | 179.57      | 11,139.46           | -1,213.59  | -299.79    | 1,229.46              | 0.00                    | 0.00                   | 0.00                  |
| 12,600.00           | 89.30           | 179.57      | 11,140.67           | -1,313.58  | -299.04    | 1,329.22              | 0.00                    | 0.00                   | 0.00                  |
| 12,700.00           | 89.30           | 179.57      | 11,141.89           | -1,413.57  | -298.29    | 1,428.98              | 0.00                    | 0.00                   | 0.00                  |
| 12,800.00           | 89.30           | 179.57      | 11,143.11           | -1,513.56  | -297.53    | 1,528.74              | 0.00                    | 0.00                   | 0.00                  |
| 12,900.00           | 89.30           | 179.57      | 11,144.32           | -1,613.55  | -296.78    | 1,628.51              | 0.00                    | 0.00                   | 0.00                  |
| 13,000.00           | 89.30           | 179.57      | 11,145.54           | -1,713.54  | -296.02    | 1,728.27              | 0.00                    | 0.00                   | 0.00                  |
| 13,100.00           | 89.30           | 179.57      | 11,146.75           | -1,813.53  | -295.27    | 1,828.03              | 0.00                    | 0.00                   | 0.00                  |
| 13,200.00           | 89.30           | 179.57      | 11,147.97           | -1,913.52  | -294.51    | 1,927.79              | 0.00                    | 0.00                   | 0.00                  |
| 13,300.00           | 89.30           | 179.57      | 11,149.18           | -2,013.51  | -293.76    | 2,027.56              | 0.00                    | 0.00                   | 0.00                  |
| 13,400.00           | 89.30           | 179.57      | 11,150.40           | -2,113.50  | -293.01    | 2,127.32              | 0.00                    | 0.00                   | 0.00                  |
| 13,500.00           | 89.30           | 179.57      | 11,151.62           | -2,213.49  | -292.25    | 2,227.08              | 0.00                    | 0.00                   | 0.00                  |
| 13,600.00           | 89.30           | 179.57      | 11,152.83           | -2,313.48  | -291.50    | 2,326.84              | 0.00                    | 0.00                   | 0.00                  |
| 13,700.00           | 89.30           | 179.57      | 11,154.05           | -2,413.47  | -290.74    | 2,426.61              | 0.00                    | 0.00                   | 0.00                  |
| 13,800.00           | 89.30           | 179.57      | 11,155.26           | -2,513.46  | -289.99    | 2,526.37              | 0.00                    | 0.00                   | 0.00                  |
| 13,900.00           | 89.30           | 179.57      | 11,156.48           | -2,613.45  | -289.23    | 2,626.13              | 0.00                    | 0.00                   | 0.00                  |
| 14,000.00           | 89.30           | 179.57      | 11,157.69           | -2,713.44  | -288.48    | 2,725.89              | 0.00                    | 0.00                   | 0.00                  |
| 14,100.00           | 89.30           | 179.57      | 11,158.91           | -2,813.43  | -287.72    | 2,825.66              | 0.00                    | 0.00                   | 0.00                  |
| 14,200.00           | 89.30           | 179.57      | 11,160.13           | -2,913.42  | -286.97    | 2,925.42              | 0.00                    | 0.00                   | 0.00                  |
| 14,300.00           | 89.30           | 179.57      | 11,161.34           | -3,013.41  | -286.22    | 3,025.18              | 0.00                    | 0.00                   | 0.00                  |
| 14,400.00           | 89.30           | 179.57      | 11,162.56           | -3,113.40  | -285.46    | 3,124.94              | 0.00                    | 0.00                   | 0.00                  |
| 14,500.00           | 89.30           | 179.57      | 11,163.77           | -3,213.39  | -284.71    | 3,224.71              | 0.00                    | 0.00                   | 0.00                  |
| 14,600.00           | 89.30           | 179.57      | 11,164.99           | -3,313.38  | -283.95    | 3,324.47              | 0.00                    | 0.00                   | 0.00                  |
| 14,700.00           | 89.30           | 179.57      | 11,166.20           | -3,413.37  | -283.20    | 3,424.23              | 0.00                    | 0.00                   | 0.00                  |
| 14,800.00           | 89.30           | 179.57      | 11,167.42           | -3,513.36  | -282.44    | 3,523.99              | 0.00                    | 0.00                   | 0.00                  |
| 14,900.00           | 89.30           | 179.57      | 11,168.64           | -3,613.35  | -281.69    | 3,623.76              | 0.00                    | 0.00                   | 0.00                  |
| 15,000.00           | 89.30           | 179.57      | 11,169.85           | -3,713.34  | -280.93    | 3,723.52              | 0.00                    | 0.00                   | 0.00                  |
| 15,100.00           | 89.30           | 179.57      | 11,171.07           | -3,813.33  | -280.18    | 3,823.28              | 0.00                    | 0.00                   | 0.00                  |
| 15,200.00           | 89.30           | 179.57      | 11,172.28           | -3,913.32  | -279.43    | 3,923.04              | 0.00                    | 0.00                   | 0.00                  |
| 15,300.00           | 89.30           | 179.57      | 11,173.50           | -4,013.31  | -278.67    | 4,022.81              | 0.00                    | 0.00                   | 0.00                  |
| 15,400.00           | 89.30           | 179.57      | 11,174.71           | -4,113.30  | -277.92    | 4,122.57              | 0.00                    | 0.00                   | 0.00                  |
| 15,500.00           | 89.30           | 179.57      | 11,175.93           | -4,213.29  | -277.16    | 4,222.33              | 0.00                    | 0.00                   | 0.00                  |
| 15,600.00           | 89.30           | 179.57      | 11,177.15           | -4,313.27  | -276.41    | 4,322.09              | 0.00                    | 0.00                   | 0.00                  |
| 15,700.00           | 89.30           | 179.57      | 11,178.36           | -4,413.26  | -275.65    | 4,421.86              | 0.00                    | 0.00                   | 0.00                  |
| 15,800.00           | 89.30           | 179.57      | 11,179.58           | -4,513.25  | -274.90    | 4,521.62              | 0.00                    | 0.00                   | 0.00                  |
| TD at 15834.81      |                 |             |                     |            |            |                       |                         |                        |                       |
| 15,834.81           | 89.30           | 179.57      | 11,180.00           | -4,548.06  | -274.64    | 4,556.34              | 0.00                    | 0.00                   | 0.00                  |

|                  |                           |                                     |                             |
|------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>Database:</b> | EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Romeo Federal 1H       |
| <b>Company:</b>  | GMT Exploration           | <b>TVD Reference:</b>               | WELL @ 3554.00ft (McVay 10) |
| <b>Project:</b>  | Lea County, NM (NAD 83)   | <b>MD Reference:</b>                | WELL @ 3554.00ft (McVay 10) |
| <b>Site:</b>     | Romeo Federal 1H          | <b>North Reference:</b>             | Grid                        |
| <b>Well:</b>     | Romeo Federal 1H          | <b>Survey Calculation Method:</b>   | Minimum Curvature           |
| <b>Wellbore:</b> | Romeo Federal 1H          |                                     |                             |
| <b>Design:</b>   | Design #2                 |                                     |                             |

**Design Targets**

| Target Name<br>hit/miss target<br>Shape                       | Dip Angle<br>(°) | Dip Dir.<br>(°) | TVD<br>(ft) | +N/-S<br>(ft) | +E/-W<br>(ft) | Northing<br>(usft) | Easting<br>(usft) | Latitude         | Longitude         |
|---------------------------------------------------------------|------------------|-----------------|-------------|---------------|---------------|--------------------|-------------------|------------------|-------------------|
| VP Romeo Federal 1H F<br>- plan hits target center<br>- Point | 0.00             | 0.00            | 8,500.00    | 377.27        | -311.80       | 441,302.00         | 809,827.34        | 32° 12' 36.848 N | 103° 27' 54.833 W |
| LP Romeo Federal 1H P<br>- plan hits target center<br>- Point | 0.00             | 0.00            | 11,127.00   | -188.71       | -307.53       | 440,736.02         | 809,831.61        | 32° 12' 31.247 N | 103° 27' 54.837 W |
| PBHL Romeo Federal 1H<br>- plan hits target center<br>- Point | 0.00             | 0.00            | 11,180.00   | -4,548.06     | -274.64       | 436,376.68         | 809,864.50        | 32° 11' 48.109 N | 103° 27' 54.864 W |

**Formations**

| Measured<br>Depth<br>(ft) | Vertical<br>Depth<br>(ft) | Name                       | Lithology | Dip<br>(°) | Dip<br>Direction<br>(°) |
|---------------------------|---------------------------|----------------------------|-----------|------------|-------------------------|
| 1,195.00                  | 1,195.00                  | Rustler                    |           | 0.70       | 179.57                  |
| 1,295.00                  | 1,295.00                  | Salt Top                   |           | 0.70       | 179.57                  |
| 3,015.00                  | 3,015.00                  | Salt Base                  |           | 0.70       | 179.57                  |
| 3,050.00                  | 3,050.00                  | Lamar Limestone            |           | 0.70       | 179.57                  |
| 5,356.43                  | 5,350.00                  | Delaware Mountain Group    |           | 0.70       | 179.57                  |
| 5,381.57                  | 5,375.00                  | Delaware Bell Canyon       |           | 0.70       | 179.57                  |
| 6,593.52                  | 6,580.00                  | Cherry Canyon              |           | 0.70       | 179.57                  |
| 7,770.26                  | 7,750.00                  | Brushy Canyon              |           | 0.70       | 179.57                  |
| 9,068.26                  | 9,045.00                  | Lower Brushy Canyon Marker |           | 0.70       | 179.57                  |
| 9,208.26                  | 9,185.00                  | Bone Spring                |           | 0.70       | 179.57                  |
| 9,258.26                  | 9,235.00                  | Avalon Shale Top           |           | 0.70       | 179.57                  |
| 9,443.26                  | 9,420.00                  | Carbonate                  |           | 0.70       | 179.57                  |
| 10,258.26                 | 10,235.00                 | 1st Bone Spring Sand       |           | 0.70       | 179.57                  |
| 10,483.26                 | 10,460.00                 | Carbonate                  |           | 0.70       | 179.57                  |
| 10,871.27                 | 10,835.00                 | 2nd Bone Spring Sand       |           | 0.70       | 179.57                  |
| 11,234.53                 | 11,075.00                 | Horizontal Interval Top    |           | 0.70       | 179.57                  |

**Plan Annotations**

| Measured<br>Depth<br>(ft) | Vertical<br>Depth<br>(ft) | Local Coordinates |               | Comment                           |
|---------------------------|---------------------------|-------------------|---------------|-----------------------------------|
|                           |                           | +N/-S<br>(ft)     | +E/-W<br>(ft) |                                   |
| 4,000.00                  | 4,000.00                  | 0.00              | 0.00          | Start Build 2.00                  |
| 4,335.15                  | 4,334.39                  | 15.09             | -12.48        | Start 3857.59 hold at 4335.15 MD  |
| 8,192.74                  | 8,165.61                  | 362.17            | -299.32       | Start Drop -2.00                  |
| 8,527.90                  | 8,500.00                  | 377.27            | -311.80       | Start 2054.08 hold at 8527.90 MD  |
| 10,581.98                 | 10,554.08                 | 377.27            | -311.80       | Start DLS 10.00 TFO 179.57        |
| 11,475.01                 | 11,127.00                 | -188.71           | -307.53       | Start 4359.80 hold at 11475.01 MD |
| 15,834.81                 | 11,180.00                 | -4,548.06         | -274.64       | TD at 15834.81                    |