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March 15, 2018

### Federal Indian Mineral Office

Attn: Maureen Joe 6521 College Blvd, Bldg B Farmington NM 87402

## **Bureau of Land Management**

Attn: Joe Hewitt 6251 College Blvd, Bldg A Farmington, NM 87402

## State of New Mexico Land Office

Attn: Marilyn Gruebel 310 Old Santa Fe Trail Santa Fe, NM 87405

#### **State of New Mexico Oil Conservation Division**

Attn: Heather Riley 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Plan of Development 2018

**Pinon Unit** 

San Juan County, New Mexico

Ladies and Gentlemen,

Juniper Resources Exploration Company, LLC ("Juniper") respectfully submits for your approval the 2018 Plan of Development and Review of Operations for the Pinon Unit – NMNM 133481X – located in San Juan County, New Mexico.

The Pinon Unit was approved effective October 20, 2014. In accordance with the terms of Article 9, Encana drilled and completed the Pinon Unit 301H well as the initial obligation well and thereafter drilled and completed the Pinon Unit 302H. On March 28, 2017 the AO approved Juniper Resources Exploration Company, LLC as the Pinon Unit's successor operator. Juniper

R-91

proceeded to drill and complete the Pinon Unit 305H and 306H commencing on May 9, 2017. On August 1, 2017 Juniper annexed the Good Times L10 2410 001H into the unit, renaming the wellbore the Pinon Unit 307H. In total five (5) Pinon Unit Horizontals have been drilled and completed the details of which can be found in the operational timeline described below.

The Pinon Unit Mancos Participating Area R-13857 was approved July 3, 2014, which encompasses the entire Pinon Unit area of 8,005.44 acres.

This 2018 Plan of Development contains a review of the operations conducted in the Pinon Unit since the October 20, 2014 inception of the unit.

# REVIEW OF OPERATIONS (included all operations conducted since unit inception)

Existing Wells Drilled & Completed

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Well Name	Location	Spud Date	<b>Completion Date</b>	Work Performed								
Pinon Unit 301H	14-24N-10W	10/17/2014	3/31/2015	Completed to Mancos Formation								
Pinon Unit 302H	14-24N-10W	11/3/2014	4/3/2015	Completed to Mancos Formation								
Pinon Unit 305H	16-24N-10W	5/9/2017	8/27/2017	Completed to Mancos Formation								
Pinon Unit 306H	16-24N-10W	5/9/2017	10/11/2017	Completed to Mancos Formation								
Pinon Unit 307H	10-24N-10W	6/5/2013	8/25/2013	Completed to Mancos Formation								

## Other Operations

Pipeline

Well Name	Work Commenced	Date Completed
Pinon Unit JT-1 Trunk Line	May 12, 2017	August 1, 2017

#### **2018 PLAN OF DEVELOPMENT**

2018 Drilling Operations

Well Name	Location	Work to be Performed
Pinon Unit 303H*	Sec 16, T24N – R10W	Drilling and completion of HZ Mancos
Pinon Unit 304H*	Sec 16, T24N – R10W	Drilling and completion of HZ Mancos
Pinon Unit 306H* Sidetrack	Sec 16, T24N – R10W	Sidetrack and completion of HZ Mancos

<sup>\*</sup>Drilling operations subject to change based on results of Re-Completions listed below

#### 2018 Other Operations

**Re-Completion Operations** 

Well Name	Location	Work	Project Scope
		Performed	
Pinon Unit 305H	Sec. 16 T24N-R10W	Jan 2018	Refrac Mancos Formation
Pinon Unit 307H	Sec 10, T24N-R10W	Jan 2018	Refrac Mancos Formation

## 2018 Other Operations Cont...

**ROW** and Water Gathering Expansions

Well Name	Location	Work Performed	Project Scope		
Pinon Unit JX 1-1 extension	Sec.14,15 T24N-10W	2018	1.4 mile lateral gas/water extension to JT-1 trunk line from Pinon Unit 301-302H		
Pinon Unit JT-2 Trunk Line*	Sec.16,17,18 T24N- R10W	2018	~6 mile trunk line extension to Western Unit Boundary		
Pinon 307H Water line	Sec 10 T24N-R10W	2018	~400' water line tie in to Juniper disposal line		
Pinon Unit Jemez Electrification	Sec 16 T24N-R10W	Feb 2018	Electrification of Pinon Unit 305-306H Faciliteis		

<sup>\*</sup>Contingent on BLM APD approval of Coal Creek 24-11 23D and 2018 spud

## Unit Materials Enclosed

- 1. Pinon Unit Production History
- 2. Pinon Unit Exhibit B ownership changes
- 3. Pinon Unit drilled and planned wellbore locater map
- 4. Pinon Unit pipeline map

Any additions or modifications to this Plan of Development will be submitted on a Supplemental Plan of Development. If you have any questions or concerns regarding this Plan of Development please do not hesitate to contact me at 214-443-0007.

Sincerely,

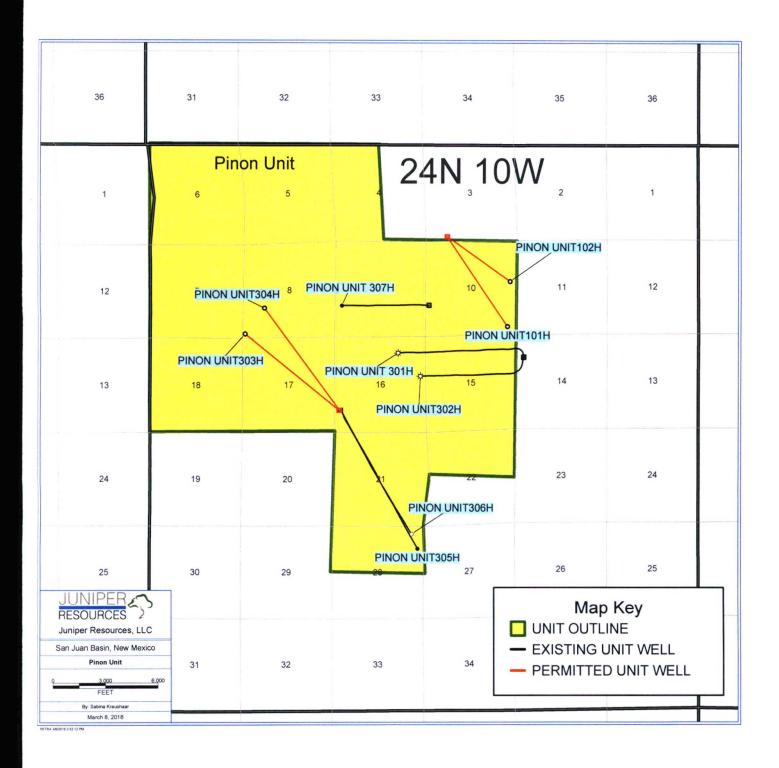
Matt Strickler

Vice President of Land Juniper Resources, LLC

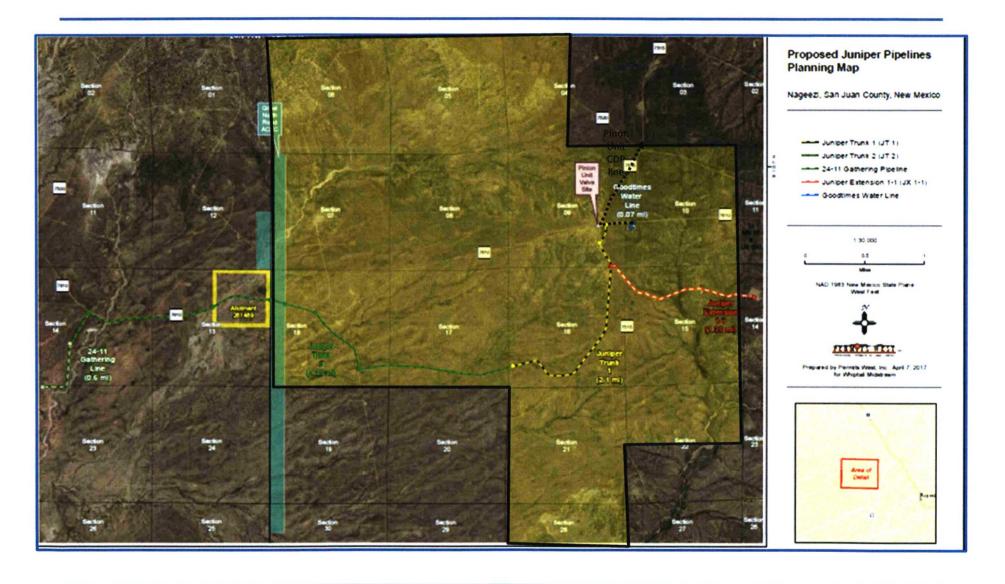
	PINON UNIT PRODUCTION CUM 2013-2017																
						2015			2016			2017			8/2013 to 12/2017		2017
															Total	Total Gas	Total
	İ					Oil	Gas	Water	Oil	Gas	Water	Oil	Gas	Water	Oil by	by Well	Water
Wells	Location	County	State	API	Spud Date	(bbl)	(MCF)	(bbl)	(bbl)	(MCF)	(bbl)	(bbi)	(MCF)	(bbl)	Well	(MCF)	by Well
Juniper Unit 301H	14-24N-10W	San Juan	NM	3004535493	10/17/2014	8,641	149,610	18,722	6,887	172,213	15,818	4,625	37,514	8,576	20,153	359,337	43,116
Juniper Unit 302H	14-24N-10W	San Juan	NM	3004535530	11/3/2014	4,189	128,814	18,933	3,328	167,030	14,362	2,320	33,562	10,118	9,837	329,406	43,413
Juniper Unit 305H	16-24N-10W	San Juan	NM	3004535637	5/9/2017							11,976	16,286	45,522	11,976	16,286	45,522
Juniper Unit 306H	16-24N-10W	San Juan	NM	3004535638	5/9/2017									597			597
Juniper Unit 307H	10-24N-10W	San Juan	NM	3004535442	6/5/2013							2,062	26,017	4,184	2,062	26,017	4,184

PINON UNIT TOTALS:	12,830	278,424	37,655	10,215	339,243	30,180	20,983	113,379	68,997	44,028	731,046	136,832

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# **Pinon Unit Pipeline Map**





#### **EXHIBIT "B"**

## Schedule Showing Percentage and Kind of Ownership of Oil and Gas Interests

#### **PINON UNIT**

San Juan County, New Mexico

The Oil and Gas Lease ownerships described in this schedule are limited from 100 feet below the stratigraphic equivalent of the top of the Mancos Shale (base of the Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone Formation as shown in the Rodeo Rosie #1 01 well (API # 30045253980000).

Tract Number	Description of Land	Number of Acres	Serial Number and Expiration Date of Lease	Lesee of Record and Percentage		Overriding Royalty and Percentage	Working Interest and Percentage	
Federal Tacts								
1	Township 24 North, Range 10 West, NMPM Section 22 NE/4 Section 28 NW/4	320.00	NM-15654 Effective Date 7/1/1972 Held By Production	Dugan Production, Corp.	100.00%	Insofar as the lease covers Township 24 North, Range 10 West Section 22: NE/4NE/4 Mildred O. Dahl Flame Royalties, Inc. Oakason Jr. Company, LC Jean C. Oakason Memorial, LLC	Insofar as the lease covers Township 24 North, Range 10 West Section 22: NE/4NE/4 0.5000% Juniper Resources, LLC 7.5000% Coleman Oil and Gas, Inc. 2.3400% 2.1600%	85.000000% 15.000000%
						Insofar as the lease covers Township 24 North, Range 10 West Section 22: W/2NE/4, SE/4NE/4 Section 28: NW/4	Insofar as the lease covers Township 24 North, Range 10 West Section 22: W/2NE/4, SE/4NE/4 Section 28: NW/4	
						Mildred O. Dahl Oakason Jr. Company, LC Jean C. Oakason Memorial, LLC Dugan Production, Corp.	0.5000% Juniper Resources, LLC 2.3400% Coleman Oil and Gas, Inc. 2.1600% 1.2458%	85.000000% 15.000000%
2	Township 24 North, Range 10 West, NMPM Section 7 LOT 1 (NWNW 37.55), LOT 2 (SWNW 37.62), LOT 3 (NWSW 37.68), LOT 4 (SWSW 37.75), E/2W/2	310.60	NM-100804 Effective Date 6/1/1996 Held By Production	Coleman Oil and Gas, Inc.	100.00%	Merrion Oil and Gas, Inc. Juniper Resources, LLC Coleman Oil and Gas, Inc	2.5000% Juniper Resources, LLC 2.1250% Coleman Oil and Gas, Inc. 0.3750%	85.000000% 15.000000%
3	Township 24 North, Range 10 West, NMPM Section 10 NW/4	160.00	NM-100805 Effective Date 6/1/1998 Held By Production	Coleman Oil and Gas, Inc. Juniper Res Exp Co, LLC	50.00% 50.00%	Robert L. Bayless Producer, LLC Juniper Resources, LLC Coleman Oil and Gas, Inc.	<ul><li>2.5000% Juniper Resources, LLC</li><li>2.1250% Coleman Oil and Gas, Inc.</li><li>0.3750%</li></ul>	85.000000% 15.000000%
4	Township 24 North, Range 10 West, NMPM Section 10 SW/4	160.00	NM-100806 Effective Date 6/1/1998 Held By Production	Coleman Oil and Gas, Inc.	100.00%	Merrion Oil and Gas, Inc. Juniper Resources, LLC Coleman Oil and Gas, Inc	<ul><li>2.5000% Juniper Resources, LLC</li><li>2.1250% Coleman Oil and Gas, Inc.</li><li>0.3750%</li></ul>	85.000000% 15.000000%
5	Township 24 North, Range 10 West, NMPM Section 15 ALL	640.00	NM-100807 Effective Date 6/1/1998 Held By Production	Coleman Oil and Gas, Inc.	100.00%	Merrion Oil and Gas, Inc. Juniper Resources, LLC Coleman Oil and Gas, Inc	<ul><li>2.5000% Juniper Resources, LLC</li><li>2.1250% Coleman Oil and Gas, Inc.</li><li>0.3750%</li></ul>	85.000000% 15.000000%
6	Township 24 North, Range 10 West, NMPM Section 22 NW/4	160.00	NM-100808 Effective Date	Coleman Oil and Gas, Inc.	100.00%	Merrion Oil and Gas, Inc. Juniper Resources, LLC	2.5000% Juniper Resources, LLC 2.1250% Coleman Oil and Gas, Inc.	85.000000% 15.000000%

Tract Number	Description of Land	Number of Acres	Serial Number and Expiration Date of Lease 6/1/1998	Lesee of Record and Percentage		Overriding Royalty and Percentage Coleman Oil and Gas, Inc	Working Interest and Percentage	
7	Township 24 North, Range 10 West, NMPM           Section         9         NE/4, S/2           Section         17         SE/4, W/2           Section         18         LOT 1 (NWNW 37.74), LOT 2 (SWNW 37.67), LOT 3 (NWSW 37.59), LOT 4 (SWSW 37.52), E/2W/2, SE/4           Section         21         N/2	1,750.52	NM-101058 Effective Date 9/1/1998 Held By Production	Coleman Oil and Gas, Inc.	100.00%	Merrion Oil and Gas, Inc. Juniper Resources, LLC Coleman Oil and Gas, Inc	2.5000% Juniper Resources, LLC 2.1250% Coleman Oil and Gas, Inc. 0.3750%	85.000000% 15.000000%
8	Township 24 North, Range 10 West, NMPM           Section         4         SW/4           Section         8         SE/4           Section         10         E/2           Section         17         NE/4           Section         18         NE/4           Section         21         SW/4	1,120.00	NM-104606 Effective Date 6/1/2000 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
	8 Federal Tracts Totalling	4,621.12	acres are 57.72% of Unit					
State La	nds							
9	Township 24 North, Range 10 West, NMPM Section 16 W2	320.00	VO-5292 Effective Date 4/1/1998 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
10	Township 24 North, Range 10 West, NMPM Section 16 E2	320.00	B-10889-36 Effective Date 12/22/1943 Held By Production	Coleman Oil and Gas, Inc. Koch Exploration Co., LLC		Harold Montgomery Raplph Lawrence Brimhall Estate of George Foster, Dec'd Heirs of Al Greer Merrion Oil and Gas, Inc Dugan Production, Corp. Juniper Resources, LLC Coleman Oil and Gas, Inc.	0.6250% Juniper Resources, LLC 0.6250% Coleman Oil and Gas, Inc. 0.6250% 0.6250% 0.3125% 0.9375% 0.2656% 0.0469%	85.000000% 15.000000%
	2 State Tracts Totalling	640.00	acres are 7.99% of Unit					
<u>Navajo</u> <u>Allotted</u> Lands								
11	Township 24 North, Range 10 West, NMPM Section 6 LOT 1 (NENE 40.71), LOT 2 (NWNE 40.77), S/2NE/4	161.48	BIA-NO-G-0101-1425 Effective Date 1/8/2001 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
	Township 24 North, Range 10 West, NMPM Section 21 SE/4	160.00	BIA-NO-G-0101-1426 Effective Date 1/8/2001 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%

Tract	Description	Number	Serial Number and Expiration	Lesee of Record and		Overriding Royalty and	Working Interest and Percentage	
Number	of Land	of Acres	Date of Lease	Percentage		Percentage		
13	Township 24 North, Range 10 West, NMPM Section 28 NE/4	160.00	BIA-NO-G-0101-1427 Effective Date 1/8/2001 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
14	Township 24 North, Range 10 West, NMPM Section 5 LOT 1 (NENE 40.33), LOT 2 (NWNE 40.43), S/2NE/4	160.76	BIA-NO-G-0101-1434 Effective Date 1/8/2001 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
15	Township 24 North, Range 10 West, NMPM Section 6 LOT 8 (NENW 45.69), LOT 9 (NWNW 42.72), LOT 10 (SWNW 41.06), LOT 11 (SENW 43.85)	173.32	BIA-NO-G-9904-1349 Effective Date 4/19/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	Merrion Oil and Gas, Inc. Juniper Resources, LLC Coleman Oil and Gas, Inc.	0.4150% Juniper Resources, LLC 0.3528% Coleman Oil and Gas, Inc. 0.0623%	85.000000% 15.000000%
16	Township 24 North, Range 10 West, NMPM Section 6 SE/4	160.00	BIA-NO-G-9910-1360 Effective Date 10/4/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
17	Township 24 North, Range 10 West, NMPM Section 6 LOT 6 (NWSW 37.50), LOT 7 (SWSW 37.51), E/2SW/4	155.01	BIA-NO-G-9910-1361 Effective Date 10/4/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
18	Township 24 North, Range 10 West, NMPM Section 5 SW/4	160.00	BIA-NO-G-9910-1362 Effective Date 10/4/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
19	Township 24 North, Range 10 West, NMPM Section 7 NE/4	160.00	BIA-NO-G-9910-1363 Effective Date 10/13/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
20	Township 24 North, Range 10 West, NMPM Section 7 SE/4	160.00	BIA-NO-G-9910-1364 Effective Date 10/14/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
21	Township 24 North, Range 10 West, NMPM Section 8 NW/4	160.00	BIA-NO-G-9910-1365 Effective Date 10/19/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
22	Township 24 North, Range 10 West, NMPM	172.71	BIA-NO-G-9910-1366	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC	85.000000%

Tract Number		Num of Ac		Lesee of Record and Percentage		Overriding Royalty and Percentage	Working Interest and Percentage	
	Section 5 LOT 5 (NENW 43.75), LOT 6 NWNW 44.90), LOT 7 (SWNW 42.58), LOT 8 (SENW 41.48)		Effective Date 10/28/1999 Held By Production				Coleman Oil and Gas, Inc.	15.000000%
23	Township 24 North, Range 10 West, NMPM Section 8 SW/4	16	0.00 BIA-NO-G-9911-1367 Effective Date 11/2/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
24	Township 24 North, Range 10 West, NMPM Section 9 NW/4	16	0.00 BIA-NO-G-9911-1368 Effective Date 11/9/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
25	Township 24 North, Range 10 West, NMPM Section 8 NE/4	16	0.00 BIA-NO-G-9911-1369 Effective Date 11/9/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
26	Township 24 North, Range 10 West, NMPM Section 5 SE/4	16	0.00 BIA-NO-G-9911-1370 Effective Date 11/10/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
27	Township 24 North, Range 10 West, NMPM Section 4 LOT 3 (NENW 40.64), LOT 4 (NWNW 40.40), S/2NW/4		1.04 BIA-NO-G-9911-1371 Effective Date 11/10/1999 Held By Production	Coleman Oil and Gas, Inc.	100.00%	None	Juniper Resources, LLC Coleman Oil and Gas, Inc.	85.000000% 15.000000%
	2 State Tracts Totalling	2,74	4.32 acres are 34.28% of Unit					
	Total Unit Acres	8,00	5.44					
		Federal 4,62						
			0.00 7.99%					
		Fee Navajo Allotted 2,74	4.32 34.28%					
	Total Unit Acres	8,00		-				