SD WE 23 FED P25 #3H 30-025-43462 DRILLED NEW OIL WELL AS FOLLOWS:

01/22/2017: SPUD WELL. Drill 154 - 765'.

Surface Casing

01/22/2017: TD 17 1/2" Hole.

RUN 13 3/8" 54.5# J-55 STC surface casing & set @ 756'. Schlumberger CEMENTED w/TAIL 920 SX CLASS C. DENSITY:14.80, YIELD: 1.35, FLUID MIX RATIO: 6.57

02/02/2017: Install test plug. Fill stack & choke manifold. Test BOPE to 250 psi low/5000 psi high. Tag TOC @ 701'.

Test 13 3/8" casing to 1620 psi for 30 minutes. Good test.

Drill 10' new formation to 775'.

02/03/2017 through 02/04/2017: Drill 775 - 4507'.

Intermediate Casing

02/04/2017: TD 12 1/4" hole.

RUN 9 5/8" 40# HCK-55 J-55 LTC casing & Set @ 4497'.

Schlumberger CEMENTED w/LEAD 1050 SX CLASS C. DENSITY:11.90, YIELD:2.38, FLUID MIX RATIO:13.68 & TAIL 460 SX CLASS C. DENSITY:14.80, YIELD:1.33, FLUID MIX RATIO: 6.37.

Displace cement w/334 bbls OBM. Bump plug w/600psi over final circulating pressure. 174 bbls cement to surface. Full returns throughout job. Plug bumped at calculated displacement. Install pack off. Test to 5000 psi for 15 minutes. Waited 8 hrs after bumping plug.

02/06/2017: Tag TOC @ 4407'. Tested 9 5/8" csg to 2910 psi for 30 minutes. Good test. Drill 10' new formation to 4517'.

02/06/2017 through 02/14/2017: Drill 4517 – 8895'.

Cement Plug

02/14/2017: Cement whipstock (8357 – 8862) w/242 SX LEAD. DENSITY:15.60.

Displace w/119 bbls OBM. Full returns throughout job.

02/15/2017: Tag TOC @ 8304'. Drill 8304-8368. Drill through cement to top of whipstock @ 8368'.

02/16/2017: Drill 8373 - 8573'.

02/17/2017: Test BOPE to 250 psi low/5000 psi high. 02/18/2017 through 03/02/2017: Drill 8573 – 19,419' TD

Production Casing

03/04/2017: TD 8 3/4" hole.

RUN 5 1/2" 20# HCP-110 TXP-BTC CASING & SET @ 19,409'.

Broke circulation every 2500'.

Schlumberger CEMENTED w/LEAD 1 614 SX CLASS H. DENSITY:11.50, YIELD:2.77, FLUID MIX RATIO:16.19, & LEAD 2 2162 SX CLASS H, DENSITY:12.50, YIELD:1.57, FLUID MIX RATIO:8.47. & TAIL 121 SX CLASS H. DENSITY:15.00, YIELD:2.18, FLUID MIX RATIO:9.56.

Displace cement w/428 bbls FW. Bump plug. Hold 500 psi over. 0 bbls cement to surf. Full returns dropped to partial returns 130 bbls into displacement. Lost circ 390 bbls into displacement. Plug bumped on calculated displacement.

03/05/2017: Release Rig @ 09:00 hrs.

COMPLETED NEW DRILL AS FOLLOWS:

TOC @ 942' by CBL. PBTD @ 19357'.

05/02/2017: MIRU.

05/05/2017: TIH W /GR/JB to 9400'. TIH W/CBL to 9360'. TOC 7250'.

05/06/2017: Open tbg head & inter valves to check for flow. No flow on prod tbg. Annulus on vac.

Prime & test lines to 3000psi.

05/07/2017: Test manifold to 9800 psi for 15 mins. Good test.

05/09/2017: Pump 30 bbls chemical wash 100 then pumped 335 bbls 14.8lb cement. Capacity to 7250.

On vacuum.

05/10/2017: TIH to 9252'. Logged out. No cement fro 6750-4760. TOC @ 942'.

05/11/2017: Test casing to 9800 psi for 30 mins. Inj rate 13.4bpm @ 8300 psi.

05/11/2017 through 06/10/2017: Perf 49 stages Upper Bone Spring from 9448 – 19,224.

Frac w/Total Proppant: 15,290,410 lbs.

*See attached detailed frac & perf report

07/24/2017: Ran 2 7/8" tbg & set @ 8557'.

07/24/2017: Release Rig.

08/06/2017: On 24 hr OPT. Flowing 578 oil, 970 gas, & 1269 water.

GOR - 1678

Tbg press: 959 psi Csg press: 890 psi Choke: 50/64