

Form 3160-3  
(June 2015)FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                               |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER<br>1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other<br>1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |  | 5. Lease Serial No.<br><br>6. If Indian, Allottee or Tribe Name<br><br>7. If Unit or CA Agreement, Name and No.<br><br>8. Lease Name and Well No.<br><br><div style="text-align: center; font-weight: bold; font-size: 1.2em;">[333310]</div> |  |
| 2. Name of Operator<br><br><div style="text-align: center; font-weight: bold; font-size: 1.2em;">[373910]</div>                                                                                                                                                                                                                                                |  | 9. API Well No. <b>30-025-50629</b>                                                                                                                                                                                                           |  |
| 3a. Address<br><br>                                                                                                                                                                                                                                                                                                                                            |  | 3b. Phone No. (include area code)<br><br>                                                                                                                                                                                                     |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface<br>At proposed prod. zone                                                                                                                                                                                                                         |  | 10. Field and Pool, or Exploratory <b>[98187]</b><br><br>11. Sec., T. R. M. or Blk. and Survey or Area                                                                                                                                        |  |
| 14. Distance in miles and direction from nearest town or post office*                                                                                                                                                                                                                                                                                          |  | 12. County or Parish<br><br>                                                                                                                                                                                                                  |  |
| 13. State                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                                                                                                                               |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)                                                                                                                                                                                                                                          |  | 16. No of acres in lease                                                                                                                                                                                                                      |  |
| 17. Spacing Unit dedicated to this well                                                                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                               |  |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.                                                                                                                                                                                                                                                     |  | 19. Proposed Depth                                                                                                                                                                                                                            |  |
| 20. BLM/BIA Bond No. in file                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                               |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)                                                                                                                                                                                                                                                                                                            |  | 22. Approximate date work will start*                                                                                                                                                                                                         |  |
| 23. Estimated duration                                                                                                                                                                                                                                                                                                                                         |  |                                                                                                                                                                                                                                               |  |
| 24. Attachments<br><br>The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)                                                                                                                                                                  |  |                                                                                                                                                                                                                                               |  |
| 1. Well plat certified by a registered surveyor.<br>2. A Drilling Plan.<br>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).                                                                                                                                      |  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).<br>5. Operator certification.<br>6. Such other site specific information and/or plans as may be requested by the BLM.                         |  |
| 25. Signature                                                                                                                                                                                                                                                                                                                                                  |  | Name (Printed/Typed)                                                                                                                                                                                                                          |  |
| Title                                                                                                                                                                                                                                                                                                                                                          |  | Date                                                                                                                                                                                                                                          |  |
| Approved by (Signature)                                                                                                                                                                                                                                                                                                                                        |  | Name (Printed/Typed)                                                                                                                                                                                                                          |  |
| Title                                                                                                                                                                                                                                                                                                                                                          |  | Office                                                                                                                                                                                                                                        |  |
| Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.<br>Conditions of approval, if any, are attached.                                                                                                      |  |                                                                                                                                                                                                                                               |  |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.                                                                     |  |                                                                                                                                                                                                                                               |  |

NGMP Rec 09/13/2022

SL

(Continued on page 2)

APPROVED WITH CONDITIONS

KZ  
09/23/2022

\*(Instructions on page 2)

## INSTRUCTIONS

**GENERAL:** This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

**ITEM I:** If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

**ITEM 4:** Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

**ITEM 14:** Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

**ITEMS 15 AND 18:** If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

**ITEM 22:** Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

**ITEM 24:** If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

**PRINCIPAL PURPOSES:** The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

**ROUTINE USE:** Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

**EFFECT OF NOT PROVIDING INFORMATION:** Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM connects this information to an evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Connection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

## Additional Operator Remarks

### Location of Well

0. SHL: TR N / 345 FSL / 1887 FWL / TWSP: 24S / RANGE: 35E / SECTION: 36 / LAT: 32.167669 / LONG: -103.323693 ( TVD: 0 feet, MD: 0 feet )

PPP: LOT 3 / 86 FNL / 2191 FWL / TWSP: 25S / RANGE: 35E / SECTION: 1 / LAT: 32.166485 / LONG: -103.322707 ( TVD: 12171 feet, MD: 12505 feet )

PPP: LOT 3 / 0 FNL / 2173 FWL / TWSP: 25S / RANGE: 35E / SECTION: 1 / LAT: 32.166721 / LONG: -103.322766 ( TVD: 12161 feet, MD: 12400 feet )

BHL: TR N / 150 FSL / 2232 FWL / TWSP: 25S / RANGE: 35E / SECTION: 12 / LAT: 32.138065 / LONG: -103.322549 ( TVD: 12171 feet, MD: 22848 feet )

### BLM Point of Contact

Name: TENILLE ORTIZ

Title: Legal Instruments Examiner

Phone: (575) 234-2224

Email: tortiz@blm.gov

CONFIDENTIAL

### **Review and Appeal Rights**

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

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District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                         |                                                            |                                                             |
|-----------------------------------------|------------------------------------------------------------|-------------------------------------------------------------|
| <sup>1</sup> API Number<br>30-025-50629 | <sup>2</sup> Pool Code<br>98187                            | <sup>3</sup> Pool Name<br>WC-025 G-09 S253502D;UPR WOLFCAMP |
| <sup>4</sup> Property Code<br>333310    | <sup>5</sup> Property Name<br>GREEN LIGHT FEDERAL          | <sup>6</sup> Well Number<br>803H                            |
| <sup>7</sup> OGRID No.<br>373910        | <sup>8</sup> Operator Name<br>FRANKLIN MOUNTAIN ENERGY LLC | <sup>9</sup> Elevation<br>3304.0'                           |

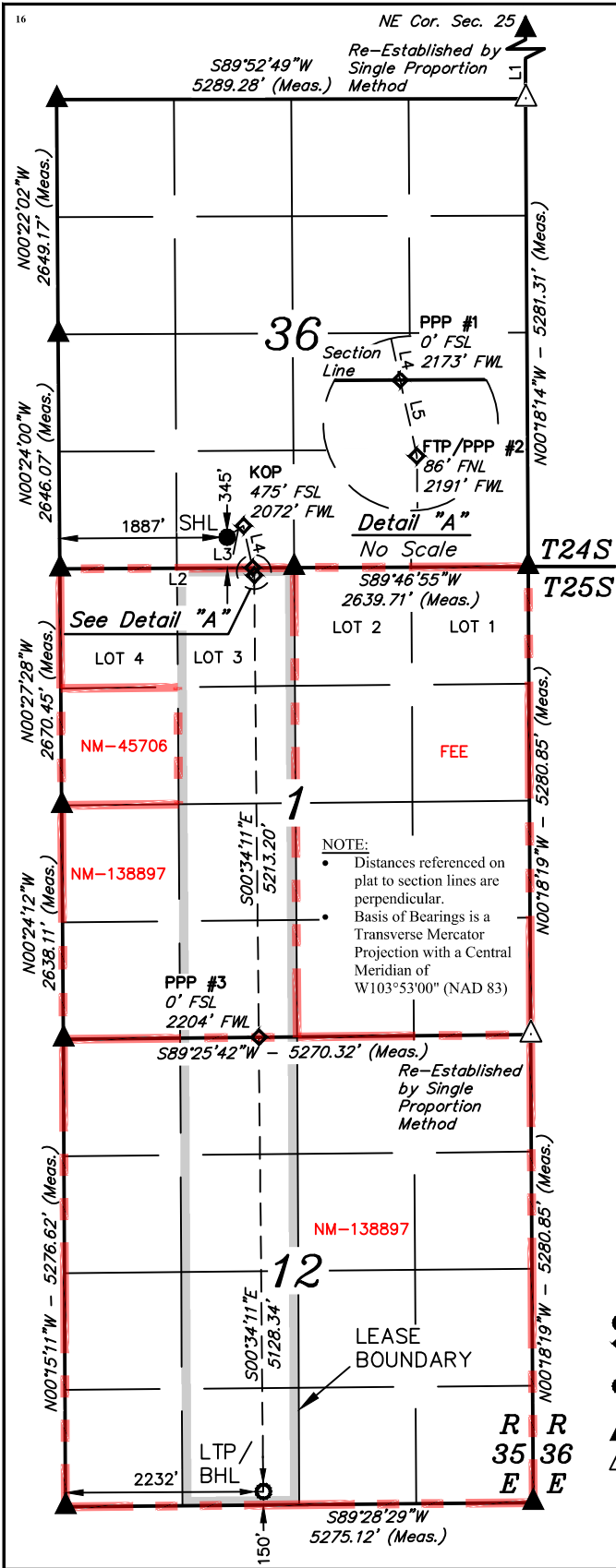
<sup>10</sup> Surface Location

|                    |               |                 |              |         |                      |                           |                       |                        |               |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no.<br>N | Section<br>36 | Township<br>24S | Range<br>35E | Lot Idn | Feet from the<br>345 | North/South line<br>SOUTH | Feet from the<br>1887 | East/West line<br>WEST | County<br>LEA |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|

<sup>11</sup> Bottom Hole Location If Different From Surface

|                                      |                               |                                  |                         |         |                      |                           |                       |                        |               |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no.<br>N                   | Section<br>12                 | Township<br>25S                  | Range<br>35E            | Lot Idn | Feet from the<br>150 | North/South line<br>SOUTH | Feet from the<br>2232 | East/West line<br>WEST | County<br>LEA |
| <sup>12</sup> Dedicated Acres<br>640 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |         |                      |                           |                       |                        |               |

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



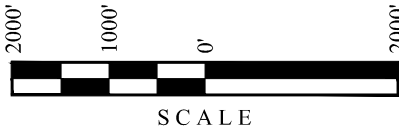
|                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------|
| <b>NAD 83 (SURFACE HOLE LOCATION)</b><br>LATITUDE = 32°10'03.61" (32.167669°)<br>LONGITUDE = 103°19'25.29" (103.323693°) |
| <b>NAD 27 (SURFACE HOLE LOCATION)</b><br>LATITUDE = 32°10'03.15" (32.167542°)<br>LONGITUDE = 103°19'23.62" (103.323228°) |
| <b>STATE PLANE NAD 83 (N.M. EAST)</b><br>N: 426198.51' E: 853750.13'                                                     |
| <b>STATE PLANE NAD 27 (N.M. EAST)</b><br>N: 426139.70' E: 812563.71'                                                     |
| <b>NAD 83 (KICK OFF POINT)</b><br>LATITUDE = 32°10'04.89" (32.168025°)<br>LONGITUDE = 103°19'23.14" (103.323094°)        |
| <b>NAD 27 (KICK OFF POINT)</b><br>LATITUDE = 32°10'04.44" (32.167899°)<br>LONGITUDE = 103°19'21.46" (103.322629°)        |
| <b>STATE PLANE NAD 83 (N.M. EAST)</b><br>N: 426329.91' E: 853934.36'                                                     |
| <b>STATE PLANE NAD 27 (N.M. EAST)</b><br>N: 426271.09' E: 812747.94'                                                     |
| <b>NAD 83 (PPP #1)</b><br>LATITUDE = 32°10'00.20" (32.166721°)<br>LONGITUDE = 103°19'21.96" (103.322766°)                |
| <b>NAD 27 (PPP #1)</b><br>LATITUDE = 32°09'59.74" (32.166594°)<br>LONGITUDE = 103°19'20.28" (103.322301°)                |
| <b>STATE PLANE NAD 83 (N.M. EAST)</b><br>N: 425856.39' E: 854040.20'                                                     |
| <b>STATE PLANE NAD 27 (N.M. EAST)</b><br>N: 425797.59' E: 812853.77'                                                     |
| <b>NAD 83 (FTP/PPP #2)</b><br>LATITUDE = 32°09'59.35" (32.166485°)<br>LONGITUDE = 103°19'21.74" (103.322707°)            |
| <b>NAD 27 (FTP/PPP #2)</b><br>LATITUDE = 32°09'58.89" (32.166359°)<br>LONGITUDE = 103°19'20.07" (103.322242°)            |
| <b>STATE PLANE NAD 83 (N.M. EAST)</b><br>N: 425770.75' E: 854059.35'                                                     |
| <b>STATE PLANE NAD 27 (N.M. EAST)</b><br>N: 425711.95' E: 812872.91'                                                     |
| <b>NAD 83 (PPP #3)</b><br>LATITUDE = 32°09'07.77" (32.152158°)<br>LONGITUDE = 103°19'21.46" (103.322627°)                |
| <b>NAD 27 (PPP #3)</b><br>LATITUDE = 32°09'07.31" (32.152032°)<br>LONGITUDE = 103°19'19.79" (103.322163°)                |
| <b>STATE PLANE NAD 83 (N.M. EAST)</b><br>N: 420558.83' E: 854132.98'                                                     |
| <b>STATE PLANE NAD 27 (N.M. EAST)</b><br>N: 420500.17' E: 812946.33'                                                     |
| <b>NAD 83 (LTP/BHL)</b><br>LATITUDE = 32°08'17.03" (32.138065°)<br>LONGITUDE = 103°19'21.17" (103.322549°)               |
| <b>NAD 27 (LTP/BHL)</b><br>LATITUDE = 32°08'16.58" (32.137938°)<br>LONGITUDE = 103°19'19.51" (103.322085°)               |
| <b>STATE PLANE NAD 83 (N.M. EAST)</b><br>N: 415431.74' E: 854205.40'                                                     |
| <b>STATE PLANE NAD 27 (N.M. EAST)</b><br>N: 415373.22' E: 813018.55'                                                     |

**<sup>17</sup> OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  
Signature: Shelly Albrecht Date: 10/14/2021  
Printed Name: Shelly Albrecht  
E-mail Address: salbrecht@fmellc.com

**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  
Date of Survey: July 31, 2021  
Signature and Seal of Professional Surveyor: Paul Buchele  
Certificate Number: 23782  
10-11-21

| LINE TABLE |             |          |
|------------|-------------|----------|
| LINE       | DIRECTION   | LENGTH   |
| L1         | N00°18'14"W | 5281.31' |
| L2         | S89°40'37"W | 2642.16' |
| L3         | N54°44'30"E | 226.32'  |
| L4         | S12°21'38"E | 485.27'  |
| L5         | S12°21'38"E | 87.77'   |

- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/
- = LAST TAKE POINT/
- ▲ = BOTTOM HOLE LOCATION
- △ = SECTION CORNER LOCATED
- RE-ESTABLISHED.
- (Not Set on Ground.)



SCALE  
DRAWN BY: Z.T. 08-04-21  
REV: 1 10-11-21 D.J.S.  
(ADD LEASE INFO & UPDATE WELL BORE)

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit Electronically  
Via E-permitting

## NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

### Section 1 – Plan Description

Effective May 25, 2021

**I. Operator:** Franklin Mountain Energy, LLC **OGRID:** 373910 **Date:** 09/13/2022

**II. Type:** ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: \_\_\_\_\_

**III. Well(s):** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name              | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|------------------------|-----|-------|----------|-----------------------|-----------------------|----------------------------------|
| See Attached Well List |     |       |          |                       |                       |                                  |
|                        |     |       |          |                       |                       |                                  |

**IV. Central Delivery Point Name:** Green Light CTB: facility ID fAPP2125750904 [See 19.15.27.9(D)(1) NMAC]

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name              | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|------------------------|-----|-----------|-----------------|------------------------------|------------------------|-----------------------|
| See Attached Well List |     |           |                 |                              |                        |                       |
|                        |     |           |                 |                              |                        |                       |

**VI. Separation Equipment:** ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

**VII. Operational Practices:** ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

**VIII. Best Management Practices:** ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

**Section 2 – Enhanced Plan****EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

**IX. Anticipated Natural Gas Production:**

| Well | API | Anticipated Average Natural Gas Rate MCF/D | Anticipated Volume of Natural Gas for the First Year MCF |
|------|-----|--------------------------------------------|----------------------------------------------------------|
|      |     |                                            |                                                          |
|      |     |                                            |                                                          |

**X. Natural Gas Gathering System (NGGS):**

| Operator | System | ULSTR of Tie-in | Anticipated Gathering Start Date | Available Maximum Daily Capacity of System Segment Tie-in |
|----------|--------|-----------------|----------------------------------|-----------------------------------------------------------|
|          |        |                 |                                  |                                                           |
|          |        |                 |                                  |                                                           |

**XI. Map.** ☒ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

**XII. Line Capacity.** The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

**XIII. Line Pressure.** Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

**XIV. Confidentiality:** ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

### **Section 3 - Certifications**

**Effective May 25, 2021**

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

***If Operator checks this box, Operator will select one of the following:***

**Well Shut-In.** ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

**Venting and Flaring Plan.** ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

### **Section 4 - Notices**

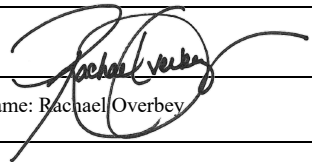
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

|                                                                                                  |
|--------------------------------------------------------------------------------------------------|
| Signature:      |
| Printed Name: Rachael Overbey                                                                    |
| Title: Director Operations Planning & Regulatory                                                 |
| E-mail Address: roverbey@fmelle.com                                                              |
| Date: 09/13/2022                                                                                 |
| Phone: 720-414-7868                                                                              |
| <b>OIL CONSERVATION DIVISION</b><br><b>(Only applicable when submitted as a standalone form)</b> |
| Approved By:                                                                                     |
| Title:                                                                                           |
| Approval Date:                                                                                   |
| Conditions of Approval:                                                                          |

**NATURAL GAS MANAGEMENT PLAN**

**III. Well(s):** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name                | API 14 Digit    | ULSTR        | Surface Location FTG | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|--------------------------|-----------------|--------------|----------------------|-----------------------|-----------------------|----------------------------------|
| Green Light Fed Com 101H | TBD             | N-36-24S-36E | 270 FSL 1824 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 301H | TBD             | N-36-24S-36E | 270 FSL 1849 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 801H | TBD             | N-36-24S-36E | 345 FSL 1837 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 802H | TBD             | N-36-24S-36E | 345 FSL 1862 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Federal 102H | TBD             | N-36-24S-36E | 270 FSL 1874 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Federal 302H | TBD             | N-36-24S-36E | 270 FSL 1899 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Federal 803H | TBD30-025-50629 | N-36-24S-36E | 345 FSL 1887 FWL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 103H | TBD             | O-36-24S-35E | 270 FSL 1492 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 104H | TBD             | O-36-24S-35E | 270 FSL 1442 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 303H | TBD             | O-36-24S-35E | 270 FSL 1467 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 304H | TBD             | O-36-24S-35E | 270 FSL 1417 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 804H | TBD             | O-36-24S-35E | 345 FSL 1479 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 805H | TBD             | O-36-24S-35E | 345 FSL 1454 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |
| Green Light Fed Com 806H | TBD             | O-36-24S-35E | 345 FSL 1429 FEL     | 800 +/-               | 1100 +/-              | 500 +/-                          |

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name                | API 14 Digit    | Spud Date (Batch Drilling) | TD Reached Date | Completion Commencement Date | Initial Flowback Date | First Production Date |
|--------------------------|-----------------|----------------------------|-----------------|------------------------------|-----------------------|-----------------------|
| Green Light Fed Com 101H | TBD             | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Fed Com 301H | TBD             | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Fed Com 801H | TBD             | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Fed Com 802H | TBD             | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Federal 102H | TBD             | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Federal 302H | TBD             | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Federal 803H | TBD30-025-50629 | 1/1/2023                   | 4/23/2023       | 5/8/2023                     | 5/18/2023             | 5/20/2023             |
| Green Light Fed Com 103H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |
| Green Light Fed Com 104H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |
| Green Light Fed Com 303H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |
| Green Light Fed Com 304H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |
| Green Light Fed Com 804H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |
| Green Light Fed Com 805H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |
| Green Light Fed Com 806H | TBD             | 1/15/2022                  | 5/7/2022        | 5/22/2022                    | 6/1/2022              | 6/3/2022              |



## Natural Gas Management Plan

### Items VI-VIII

#### **VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.**

- Data from surrounding wells is used to generate type curves which provides the basis for expected gas rates during initial production, peak production and then the natural decline.
- Separation equipment will be sized to provide adequate separation for peak production.
- Facility design includes multiple stages of separation to minimize gas waste. Wells flow through a high pressure 2-phase separator to remove bulk gas, liquid from the 2-phase separator is sent to a 3-phase separator where additional gas is separated. Gas from the 2 Phase and 3 Phase separators are then sent through a gas scrubber before being route to treatment and/or sales. As production declines the 2-phase separator may be removed.
- Industry standard sizing calculations are used for gas-liquid separation and liquid-liquid separation.

#### **VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F 19.15.27.8 NMAC.**

- Drilling, completion and production setup is designed to minimize the waste of natural gas and to flare instead of vent.
- *Drilling Operations:*
  - Natural gas encountered will be flared instead of vented unless there is an equipment malfunction and/or to avoid risking safety or the environment.
  - Flares will be properly sized and placed at least 100' from the nearest surface hole on the pad.
- *Completions/Recompletions Operations:*
  - Flowback operations will not commence until connected to a properly sized gas gathering system.
  - During initial flowback wells are routed to the separation equipment as soon as technically feasible to minimize gas waste.
  - During separation flowback wells are routed to the separation equipment to minimize gas waste.
  - Gas sales is maximized. Gas will be flared instead of vented during an emergency or malfunction to avoid posing a risk to operations or personnel safety.
  - Flares are properly sized with a continuous pilot.
- *Production Operations:*
  - Gas sales will be maximized. Gas will be flared instead of vented during an emergency or malfunction to avoid posing a risk to operations or personnel safety.
  - After a well is stabilized from liquid unloading, the well will be turned back into the collection system.
- *Performance Standards:*
  - The facility will be designed to handle peak production rates and pressures.
  - All tanks will have automatic gauging equipment.
  - Flares will be designed to ensure proper combustion and will have continuous pilots. Flares will be located 100' from nearest surface hole on the pad and storage tanks.
  - Weekly AVOs will be performed, and any leaking thief hatches will be cleaned and properly re-sealed.



- **Measurement and Calibration:**
  - All volume that is flared and vented that is not measured will be estimated.
  - When metering is not practical due to low pressure/rate, all vented or flared volumes will be estimated.
  - Measurement will conform to industry standards. Measurement will not be bypassed except for purposes of inspection or calibration.

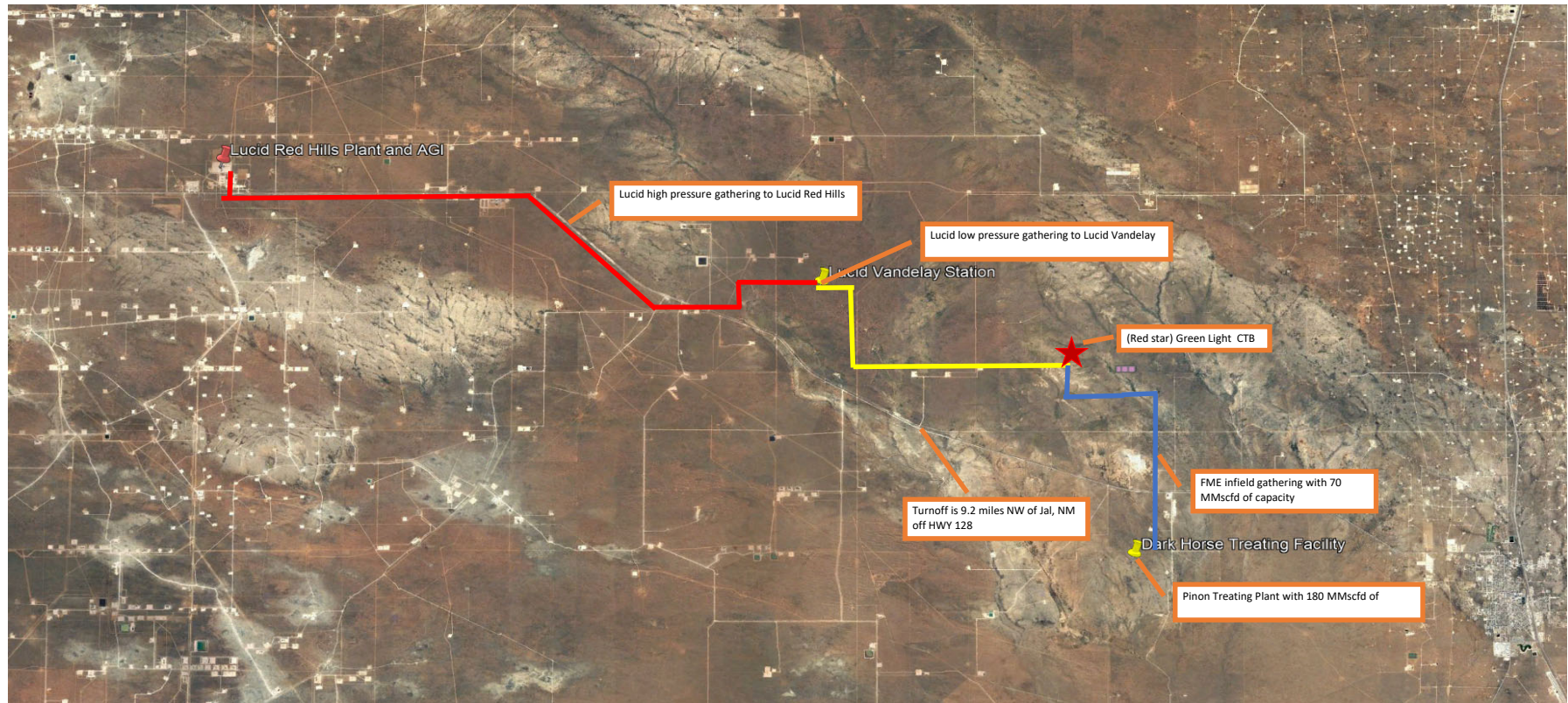
**VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.**

- Venting will be minimized during active and planned maintenance.
- Systems and equipment requiring maintenance will be isolated and blown down to sales and then flare before any remaining gas is vented in an effort to minimize waste and venting.
- Downhole maintenance will use best management practices to minimize vent.

# Green Light MH NGMP Map

Sep 2022

- Capacities reflected are FME's understanding of 3rd party midstream system capacities





## GL Fed Com 803H

1. Geologic name of surface location: Permian
2. Estimated tops of important geological markers:

| Formations                    | PROG SS        | PROG TVD       | Picked TVD | delta | Potential/Issues                    |
|-------------------------------|----------------|----------------|------------|-------|-------------------------------------|
| Cenozoic Alluvium (surface)   | 3,304'         | 30'            | 30'        | 0     | Sand/Gravels/unconsolidated         |
| Rustler                       | 2,125'         | 1,209'         |            |       | Carbonates                          |
| Salado                        | 1,943'         | 1,391'         |            |       | Salt, Carbonate & Clastics          |
| Base Salt                     | 101'           | 3,233'         |            |       | Shaley Carbonate & Shale            |
| Capitan                       | -844'          | 4,178'         |            |       | Carbonates                          |
| Lamar                         | -1,841'        | 5,175'         |            |       | Carbonate & Clastics                |
| Bell Canyon                   | -1,984'        | 5,318'         |            |       | Sandstone - oil/gas/water           |
| Cherry Canyon                 | -2,700'        | 6,034'         |            |       | Sandstone - oil/gas/water           |
| Brushy Canyon                 | -4,020'        | 7,354'         |            |       | Sand/carb/shales - oil/gas/water    |
| Bone Spring Lime              | -5,243'        | 8,577'         |            |       | Shale/Carbonates - oil/gas          |
| Avalon                        | -5,314'        | 8,648'         |            |       | Shale/Carbonates - oil/gas          |
| *Chert Zone*                  | -5,561'        | 8,895'         |            |       | Carbonate/Chert                     |
| First Bone Spring Sand        | -6,561'        | 9,895'         |            |       | Sandstone - oil/gas/water           |
| Second Bone Spring Carbonates | -6,698'        | 10,032'        |            |       | Shale/Carbonates - oil/gas          |
| Second Bone Spring Sand       | -7,104'        | 10,438'        |            |       | Sandstone - oil/gas/water           |
| Third Bone Spring Carbonates  | -7,669'        | 11,003'        |            |       | Shale/Carbonates - oil/gas          |
| Third Bone Spring Sand        | -8,179'        | 11,513'        |            |       | Sandstone - oil/gas/water           |
| Wolfcamp                      | -8,404'        | 11,737'        |            |       | Overpressure shale/sand- Oil/Gas    |
| Wolfcamp A                    | -8,492'        | 11,825'        |            |       | Overpressure Shale - Oil/Gas        |
| Wolfcamp B                    | -8,678'        | 12,012'        |            |       | Overpressure Shale - Oil/Gas        |
| <b>HZ Target</b>              | <b>-8,838'</b> | <b>12,171'</b> |            |       | <b>Overpressure Shale - Oil/Gas</b> |
| Wolfcamp C                    | -8,958'        | 12,291'        |            |       | Overpressure Shale - Oil/Gas        |

3. Estimated depth of anticipated fresh water, oil or gas:

|                     |         |             |
|---------------------|---------|-------------|
| Upper Permian Sands | 0- 400' | Fresh Water |
| Delaware Sands      | 5,318'  | Oil         |
| Bone Spring         | 9,895'  | Oil         |
| Wolfcamp            | 11,737' | Oil         |

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Surface freshwater sands will be protected by setting 13 3/8" casing at 1,300' and circulating cement back to surface.

4. Casing Program:

All casing strings will be run new. Safety factors calculated assuming the well is vertical.

| Casing string       | Weight | Grade   | Burst | Collapse | Tension | Conn                | Length         | API design factor |          |         |              |
|---------------------|--------|---------|-------|----------|---------|---------------------|----------------|-------------------|----------|---------|--------------|
|                     |        |         |       |          |         |                     |                | Burst             | Collapse | Tension | Coupling     |
| Surface 13 3/8"     | 54.5   | J-55    | 2730  | 1130     | 853     | BTC<br>909          | 1300           | 1.18              | 1.67     | 4.99    | 5.32         |
| Intermediate 9 5/8" | 40     | HCL-80  | 7430  | 4230     | 916     | BTC<br>1042         | 5250           | 1.76              | 1.72     | 2.95    | 3.36         |
| Intermediate 7 5/8" | 29.7   | HCP-110 | 8280  | 7150     | 827     | Stinger<br>564      | 11550          | 1.15              | 1.32     | 1.87    | 1.27         |
| Long string 5 1/2"  | 23     | P-110   | 14520 | 14520    | 729     | Eagle<br>606<br>TVD | 22848<br>12171 | 1.32              | 1.36     | 1.17    | 0.97<br>1.60 |



7 5/8" casing will be set at 11,550' MD/11,543' TVD at 0° Inc. Stress calculations on 5 1/2" casing performed assuming 22,848' depth. Actual max vertical depth is 12,171'.

### Cementing Program:

Cementing Stage tool can be placed in the 1<sup>st</sup> Intermediate string as a contingency to ensure required TOC to surface.

| String Type | Hole Size | Casing Size | Setting Depth | Sacks | Type of cmt                                                                                      | Lead Yield ft <sup>3</sup> /sk | Water gal/sk | TOC ft | Sacks | Type of cmt                                                            | Tail Yield ft <sup>3</sup> /sk | Water gal/sk | TOC   | Excess |
|-------------|-----------|-------------|---------------|-------|--------------------------------------------------------------------------------------------------|--------------------------------|--------------|--------|-------|------------------------------------------------------------------------|--------------------------------|--------------|-------|--------|
| Surf        | 17.5      | 13.375      | 1300          | 803   | Extenda Cem, 12.8 ppg Class C, 3lb/sk Kol-Seal                                                   | 1.747                          | 9.06         | 0      | 330   | Tail, 14.8 ppg, Class C,                                               | 1.349                          | 6.51         | 1000  | 100%   |
| Int1        | 12.25     | 9.625       | 5250          | 1540  | 0.125pps Poly-E-Flake<br>Lead, 12.8 ppg, Class C 5% Salt,                                        | 1.79                           | 9.74         | 0      | 154   | 1% CaCl <sub>2</sub> , 0.125pps Celo-Flake<br>Tail, 14.8 ppg, Class C, | 1.33                           | 6.37         | 4950  | 100%   |
| Int2        | 8.75      | 7.625       | 11550         | 338   | 0.125 pps Poly-E-Flake, 3lb/sk Kol-Seal<br>Lite Fill, 9.5 ppg, Class C 3lb/sk                    | 2.13                           | 5.97         | 4250   | 94    | NeoCem 14.8 ppg, Class C                                               | 1.33                           | 6.29         | 10550 | 50%    |
| Prod        | 6.75      | 5.5         | 22848         | 917   | Bridgemaker Gel, 5% Salt, 5pps LCM, 0.25pps Cello-Flake<br>Tail, 14.5 ppg, Gas Migration Control | 1.34                           | 6.22         | 10550  |       | 0.25 pps Cello-Flake, 2% CaCl <sub>2</sub>                             |                                |              |       | 20%    |

### 5. Minimum Specifications for Pressure Control:

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5,000-psi WP). Both units will be hydraulically operated, and the ram-type will be equipped with blind rams on bottom and 4 1/2" x 7" variable pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5,000/250 psig and the annular preventer to 5,000/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the second intermediate casing, the ram-type BOP and accessory equipment will be tested to 10,000/250 psig and the annular preventer to 5,000/250 psig. The second intermediate casing will be tested to 2000 psi for 30 minutes prior to drillout.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.



## 6. Types and characteristics of the proposed mud system:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal. The applicable depths and properties of the drilling fluid systems are as follows.

| Depth                        | Type        | Weight (ppg) | Viscosity | Water Loss |
|------------------------------|-------------|--------------|-----------|------------|
| 0 – 1,300'                   | Fresh - Gel | 8.6-8.8      | 28-34     | N/c        |
| 1,300' – 11,550'             | Brine       | 8.8-10.2     | 28-34     | N/c        |
| 11,550' – 22,848'<br>Lateral | Oil Base    | 11.0-12.5    | 58-68     | 3 - 6      |

The highest mud weight needed to balance formation is expected to be 11-12 ppg. In order to maintain hole stability, mud weights up to 13 ppg may be utilized.

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

## 7. Auxiliary well control and monitoring equipment:

(A) A kelly cock will be kept in the drill string at all times.

(B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.

(C) H<sub>2</sub>S monitoring and detection equipment will be utilized from surface casing point to TD.

(D) A wear bushing will be installed in the wellhead prior to drilling out of the surface casing.

## 8. Logging, testing and coring program:

GR–CCL–CNL Will be run in cased hole during completions phase of operations.

Open-hole logs are not planned for this well.

## 9. Abnormal conditions, pressures, temperatures and potential hazards:

The estimated bottom-hole temperature at 12,171' TVD (deepest point of the well) is 195F with an estimated maximum bottom-hole pressure (BHP) at the same point of 8,227 psig (based on 13 ppg MW). Hydrogen sulfate may be present in the area. All necessary precautions will be taken before drilling operations commence. See Hydrogen Sulfide Plan below:

## 10. Hydrogen Sulfide Plan:

A. All personnel shall receive proper awareness H<sub>2</sub>S training.

B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.

C. Required Emergency Equipment

a. Well Control Equipment

i. Flare line 150' from wellhead to be ignited by auto ignition sparking system.

ii. Choke manifold with a remotely operated hydraulic choke.

iii. Mud/gas separator

b. Protective equipment for essential personnel

i. Breathing Apparatus

1. Rescue packs (SCBA) – 1 unit shall be placed at each briefing area, 2 shall be stored in a safety trailer on site.

2. Work/Escapes packs – 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity



3. Emergency Escape Packs – 4 packs shall be stored in the doghouse for emergency evacuation.
- ii. Auxiliary Rescue Equipment
  1. Stretcher
  2. Two OSHA full body harnesses
  3. 100 feet of 5/8 inches OSHA approved rope
  4. 1-20# class ABC fire extinguisher
- c. H2S Detection and Monitoring Equipment
  - i. A stationary detector with three sensors will be placed in the doghouse if equipped, set to visually alarm at 10 ppm and audible at 14 ppm. The detector will be calibrated a minimum of every 30 days or as needed. The sensors will be placed in the following places:
    1. Rig Floor
    2. Below Rig Floor / Near BOPs
    3. End of flow line or where well bore fluid is being discharged (near shakers)
  - ii. If H2S is encountered, measured values and formations will be provided to the BLM.
- d. Visual Warning Systems
  - i. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
  - ii. A colored condition flag will be on display, reflecting the current condition at the site at the time.
  - iii. Two windsocks will be placed in strategic locations, visible from all angles.
- e. Mud Program
  - i. The Mud program will be designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.
- f. Metallurgy
  - i. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service at the anticipated operating pressures to prevent sour sulfide stress cracking.
- g. Communication
  - i. Communication will be via cell phones and walkie talkies on location.

Franklin Mountain Energy has conducted a review of offset operated wells to determine if an H2S contingency plan is required for the proposed well. Based on concentrations of offset wells, proximity to main roads, and distance to populated areas, the radius of exposure created by a potential release was determined to be minimal and low enough to not necessitate an H2S contingency plan. This will be reevaluated during wellbore construction if H2S is observed and after the well is on production.

#### **11. Anticipated starting date and duration of operations:**

The drilling operations on the well should be finished in approximately one month. However, in order to minimize disturbance in the area and to improve efficiency Franklin Mountain is planning to drill all the wells on the pad prior to commence completion operations. To even further reduce the time heavy machinery is used the “batch drilling” method may be used. A batch drilling sequence sundry will be submitted for BLM approval prior to spud. A drilling rig with walking/skidding capabilities will be used.

**12. Disposal/environmental concerns:**

- (A) Drilled cuttings will be hauled to and disposed of in a state-certified disposal site.
- (B) Non-hazardous waste mud/cement from the drilling process will also be hauled to and disposed of in a state-certified disposal site.
- (C) Garbage will be hauled to the Pecos City Landfill.
- (D) Sewage (grey water) will be hauled to the Carlsbad City Landfill

**13. Wellhead:**

A multi-bowl wellhead system will be utilized.

After running the 13 3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5,000 psi pressure test. This pressure test will be repeated at least every 21 days, as per Onshore Order No. 2

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 5,000 psi.

After running the 2nd intermediate casing, and before drilling out, the wellhead, BOP, and related equipment will be tested to 10,000/250 psig.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Cactus Multi-Bowl WH system has been sent to the BLM office in Carlsbad.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing strings. After installation of the first intermediate string the pack-off and lower flanges will be pressure tested to 5000 psi. After installation of the second intermediate string, the pack-off and upper flange will be pressure tested to 10,000 psi.

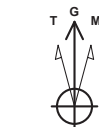
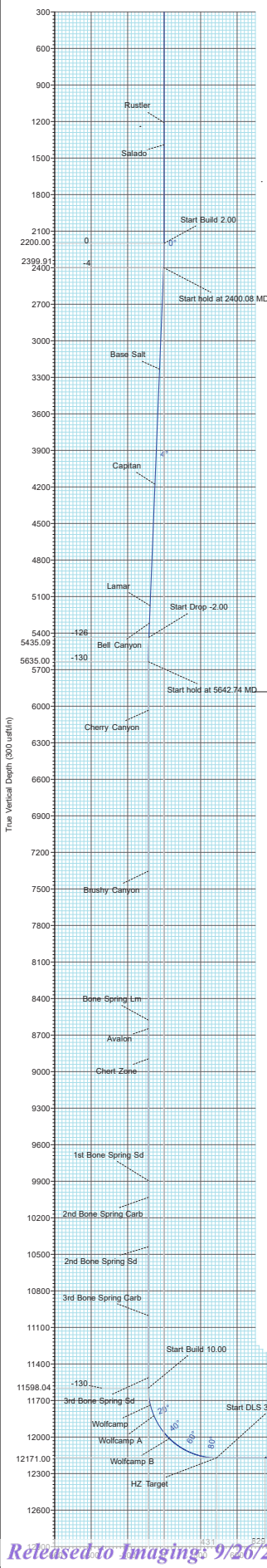
Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

**14. Additional variance requests****A. Casing.**

In order to minimize potential environmental and technical hazards, this well is planned with two intermediate strings of casing.

1. Variance is requested to wave the centralizer requirements for the 7 5/8" casing due to the tight clearance with 9 5/8" string.
2. Variance is requested to wave/reduce the centralizer requirements for the 5 1/2" casing due to the tight clearance with 6 3/4" hole and 5 1/2" casing due to tight clearances.

Project: Lea County, NM (NAD83)  
 Site: Green Light Fed Com  
 Well: 803H  
 Wellbore: OH  
 Design: Plan #1  
 Rig:



Azimuths to Grid North  
 True North: -0.54°  
 Magnetic North: 5.86°  
 Magnetic Field  
 Strength: 47575.4nT  
 Dip Angle: 59.73°  
 Date: 9/14/2021  
 Model: HDGM\_FILE

Total Magnetic Correction: 5.86°

PROJECT DETAILS: Lea County, NM (NAD83)

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

Reference Datum: GE 3304' + KB 30' @ 3334.00usft

#### FORMATION TOP DETAILS

| TVDPATH  | MDPATH   | FORMATION            |
|----------|----------|----------------------|
| 30.00    | 30.00    | Cenozoic Alluvium    |
| 1209.00  | 1209.00  | Rustler              |
| 1391.00  | 1391.00  | Salado               |
| 3233.00  | 3235.20  | Base Salt            |
| 4178.00  | 4182.51  | Capitan              |
| 5175.00  | 5181.94  | Lamar                |
| 5318.00  | 5325.29  | Bell Canyon          |
| 6034.00  | 6041.74  | Cherry Canyon        |
| 7354.00  | 7361.74  | Brushy Canyon        |
| 8577.00  | 8584.74  | Bone Spring Lm       |
| 8648.00  | 8655.74  | Avalon               |
| 8995.00  | 8992.74  | Chert Zone           |
| 9895.00  | 9902.74  | 1st Bone Spring Sd   |
| 10032.00 | 10039.74 | 2nd Bone Spring Carb |
| 10438.00 | 10445.74 | 2nd Bone Spring Sd   |
| 11003.00 | 11010.74 | 3rd Bone Spring Carb |
| 11513.00 | 11520.74 | 3rd Bone Spring Sd   |
| 11737.00 | 11746.14 | Wolfcamp             |
| 11825.00 | 11839.14 | Wolfcamp A           |
| 12012.00 | 12068.39 | Wolfcamp B           |
| 12171.00 | 12505.78 | HZ Target            |

#### SHL

RKB Elevation: GE 3304' + KB 30' @ 3334.00usft

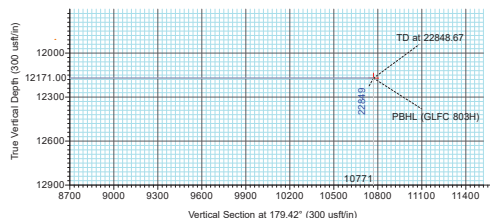
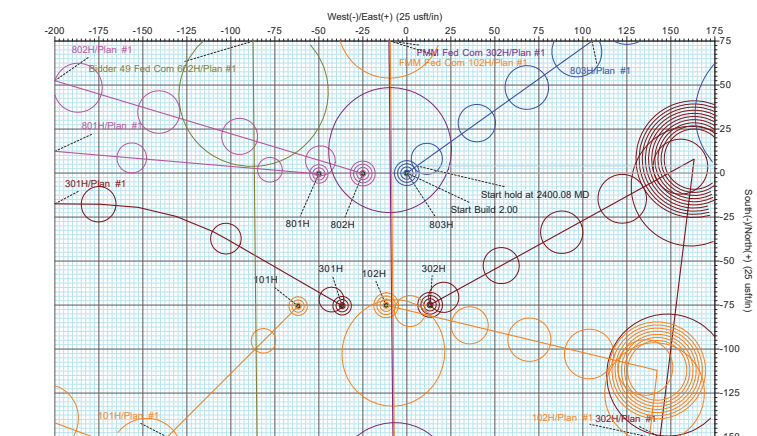
| +N/-S | +E/-W | Northing  | Easting   | Latitude  | Longitude   | Slot |
|-------|-------|-----------|-----------|-----------|-------------|------|
| 0.00  | 0.00  | 426198.51 | 853750.13 | 32.167669 | -103.323693 |      |

#### SECTION DETAILS

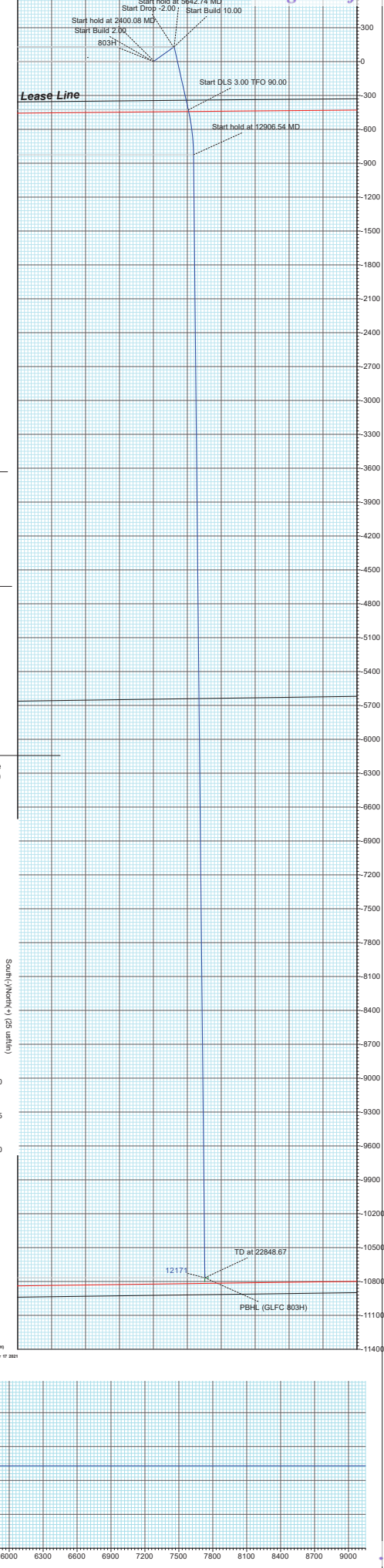
| MD       | Inc   | Azi    | TVD      | +N/-S     | +E/-W  | Dleg  | TFace  | Vsect    | Target           |
|----------|-------|--------|----------|-----------|--------|-------|--------|----------|------------------|
| 0.00     | 0.00  | 0.00   | 0.00     | 0.00      | 0.00   | 0.00  | 0.00   | 0.00     |                  |
| 2200.00  | 0.00  | 0.00   | 2200.00  | 0.00      | 0.00   | 0.00  | 0.00   | 0.00     |                  |
| 2400.08  | 4.00  | 54.50  | 2399.91  | 4.06      | 5.69   | 2.00  | 54.50  | -4.00    |                  |
| 5442.67  | 4.00  | 54.50  | 5435.09  | 127.34    | 178.54 | 0.00  | 0.00   | -125.53  |                  |
| 5642.74  | 0.00  | 0.00   | 5635.00  | 131.40    | 184.23 | 2.00  | 180.00 | -129.53  |                  |
| 11605.78 | 0.00  | 0.00   | 11598.04 | 131.40    | 184.23 | 0.00  | 0.00   | -129.53  |                  |
| 12505.78 | 90.00 | 167.40 | 12171.00 | -427.76   | 309.22 | 10.00 | 167.40 | 430.87   |                  |
| 12906.54 | 90.00 | 179.42 | 12171.00 | -825.14   | 355.12 | 3.00  | 90.00  | 828.70   |                  |
| 22848.67 | 90.00 | 179.42 | 12171.00 | -10766.77 | 455.27 | 0.00  | 0.00   | 10770.83 | PBHL (GLFC 803H) |

#### WELLBORE TARGET DETAILS

| Name             | TVD      | +N/-S     | +E/-W  | Northing  | Easting   | Latitude  | Longitude   |
|------------------|----------|-----------|--------|-----------|-----------|-----------|-------------|
| PBHL (GLFC 803H) | 12171.00 | -10766.77 | 455.27 | 415431.74 | 854205.40 | 32.138065 | -103.322549 |



Green Light Fed Com 803H Plan #1 (803H01)  
 Created By: Mike Morris Date: 10/07/September 17 2021  
 Checked: Date:



# **Franklin Mountain Energy**

**Lea County, NM (NAD83)  
Green Light Fed Com  
803H**

**OH**

**Plan: Plan #1**

## **Standard Planning Report - Geographic**

**17 September, 2021**

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

|                    |                           |                      |                |
|--------------------|---------------------------|----------------------|----------------|
| <b>Project</b>     | Lea County, NM (NAD83)    |                      |                |
| <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   |                      |                |

| Site                  |           | Green Light Fed Com |                 |            |             |
|-----------------------|-----------|---------------------|-----------------|------------|-------------|
| Site Position:        |           | Northing:           | 426,140.12 usft | Latitude:  | 32.167459   |
| From:                 | Map       | Easting:            | 855,654.34 usft | Longitude: | -103.317542 |
| Position Uncertainty: | 0.00 usft | Slot Radius:        | 13-3/16 "       |            |             |

|                      |       |           |                     |                 |               |               |
|----------------------|-------|-----------|---------------------|-----------------|---------------|---------------|
| Well                 | 803H  |           |                     |                 |               |               |
| Well Position        | +N/-S | 0.00 usft | Northing:           | 426,198.51 usft | Latitude:     | 32.167669     |
|                      | +E/-W | 0.00 usft | Easting:            | 853,750.13 usft | Longitude:    | -103.323693   |
| Position Uncertainty |       | 0.00 usft | Wellhead Elevation: | usft            | Ground Level: | 3,304.00 usft |
| Grid Convergence:    |       | 0.54 °    |                     |                 |               |               |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | OH                |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | HDGM_FILE         | 9/14/2021          | 6.40                   | 59.73                | 47,575.40000000            |

|                          |                                |                     |                      |                      |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|
| <b>Design</b>            | Plan #1                        |                     |                      |                      |
| <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) (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b>  | <b>Direction (°)</b> |
|                          | 0.00                           | 0.00                | 0.00                 | 179.42               |

|                                 |                        |                          |                             |                |
|---------------------------------|------------------------|--------------------------|-----------------------------|----------------|
| <b>Plan Survey Tool Program</b> | <b>Date</b>            | 9/17/2021                |                             |                |
| <b>Depth From (usft)</b>        | <b>Depth To (usft)</b> | <b>Survey (Wellbore)</b> | <b>Tool Name</b>            | <b>Remarks</b> |
| 1                               | 0.00                   | 22,848.68 Plan #1 (OH)   | MWD+HDGM<br>OWSG MWD + HDGM |                |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Plan Sections         |                 |             |                       |              |              |                         |                        |                       |         |                  |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|------------------------|-----------------------|---------|------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target           |
| 0.00                  | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.00                    | 0.00                   | 0.00                  | 0.00    |                  |
| 2,200.00              | 0.00            | 0.00        | 2,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                   | 0.00                  | 0.00    |                  |
| 2,400.08              | 4.00            | 54.50       | 2,399.91              | 4.06         | 5.69         | 2.00                    | 2.00                   | 0.00                  | 54.50   |                  |
| 5,442.67              | 4.00            | 54.50       | 5,435.09              | 127.34       | 178.54       | 0.00                    | 0.00                   | 0.00                  | 0.00    |                  |
| 5,642.74              | 0.00            | 0.00        | 5,635.00              | 131.40       | 184.23       | 2.00                    | -2.00                  | 0.00                  | 180.00  |                  |
| 11,605.78             | 0.00            | 0.00        | 11,598.04             | 131.40       | 184.23       | 0.00                    | 0.00                   | 0.00                  | 0.00    |                  |
| 12,505.78             | 90.00           | 167.40      | 12,171.00             | -427.76      | 309.22       | 10.00                   | 10.00                  | 0.00                  | 167.40  |                  |
| 12,906.54             | 90.00           | 179.42      | 12,171.00             | -825.14      | 355.12       | 3.00                    | 0.00                   | 3.00                  | 90.00   |                  |
| 22,848.68             | 90.00           | 179.42      | 12,171.00             | -10,766.77   | 455.27       | 0.00                    | 0.00                   | 0.00                  | 0.00    | PBHL (GLFC 803H) |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Planned Survey              |                    |                |                             |                 |                 |                           |                          |           |             |  |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|---------------------------|--------------------------|-----------|-------------|--|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Map<br>Northing<br>(usft) | Map<br>Easting<br>(usft) | Latitude  | Longitude   |  |
| 0.00                        | 0.00               | 0.00           | 0.00                        | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 30.00                       | 0.00               | 0.00           | 30.00                       | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| Cenezoic Alluvium           |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 100.00                      | 0.00               | 0.00           | 100.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 200.00                      | 0.00               | 0.00           | 200.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 300.00                      | 0.00               | 0.00           | 300.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 400.00                      | 0.00               | 0.00           | 400.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 500.00                      | 0.00               | 0.00           | 500.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 600.00                      | 0.00               | 0.00           | 600.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 700.00                      | 0.00               | 0.00           | 700.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 800.00                      | 0.00               | 0.00           | 800.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 900.00                      | 0.00               | 0.00           | 900.00                      | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,000.00                    | 0.00               | 0.00           | 1,000.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,100.00                    | 0.00               | 0.00           | 1,100.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,200.00                    | 0.00               | 0.00           | 1,200.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,209.00                    | 0.00               | 0.00           | 1,209.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| Rustler                     |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 1,300.00                    | 0.00               | 0.00           | 1,300.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,391.00                    | 0.00               | 0.00           | 1,391.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| Salado                      |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 1,400.00                    | 0.00               | 0.00           | 1,400.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,500.00                    | 0.00               | 0.00           | 1,500.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,600.00                    | 0.00               | 0.00           | 1,600.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,700.00                    | 0.00               | 0.00           | 1,700.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,800.00                    | 0.00               | 0.00           | 1,800.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 1,900.00                    | 0.00               | 0.00           | 1,900.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 2,000.00                    | 0.00               | 0.00           | 2,000.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 2,100.00                    | 0.00               | 0.00           | 2,100.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| 2,200.00                    | 0.00               | 0.00           | 2,200.00                    | 0.00            | 0.00            | 426,198.51                | 853,750.13               | 32.167669 | -103.323693 |  |
| Start Build 2.00            |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 2,300.00                    | 2.00               | 54.50          | 2,299.98                    | 1.01            | 1.42            | 426,199.52                | 853,751.55               | 32.167672 | -103.323689 |  |
| 2,400.08                    | 4.00               | 54.50          | 2,399.91                    | 4.06            | 5.69            | 426,202.56                | 853,755.81               | 32.167680 | -103.323675 |  |
| Start hold at 2400.08 MD    |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 2,500.00                    | 4.00               | 54.50          | 2,499.59                    | 8.10            | 11.36           | 426,206.61                | 853,761.49               | 32.167691 | -103.323656 |  |
| 2,600.00                    | 4.00               | 54.50          | 2,599.35                    | 12.16           | 17.04           | 426,210.67                | 853,767.17               | 32.167702 | -103.323638 |  |
| 2,700.00                    | 4.00               | 54.50          | 2,699.11                    | 16.21           | 22.73           | 426,214.72                | 853,772.85               | 32.167713 | -103.323619 |  |
| 2,800.00                    | 4.00               | 54.50          | 2,798.86                    | 20.26           | 28.41           | 426,218.77                | 853,778.54               | 32.167724 | -103.323601 |  |
| 2,900.00                    | 4.00               | 54.50          | 2,898.62                    | 24.31           | 34.09           | 426,222.82                | 853,784.22               | 32.167735 | -103.323582 |  |
| 3,000.00                    | 4.00               | 54.50          | 2,998.37                    | 28.36           | 39.77           | 426,226.87                | 853,789.90               | 32.167746 | -103.323564 |  |
| 3,100.00                    | 4.00               | 54.50          | 3,098.13                    | 32.42           | 45.45           | 426,230.93                | 853,795.58               | 32.167757 | -103.323545 |  |
| 3,200.00                    | 4.00               | 54.50          | 3,197.89                    | 36.47           | 51.13           | 426,234.98                | 853,801.26               | 32.167768 | -103.323527 |  |
| 3,235.20                    | 4.00               | 54.50          | 3,233.00                    | 37.90           | 53.13           | 426,236.40                | 853,803.26               | 32.167772 | -103.323520 |  |
| Base Salt                   |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 3,300.00                    | 4.00               | 54.50          | 3,297.64                    | 40.52           | 56.81           | 426,239.03                | 853,806.94               | 32.167779 | -103.323508 |  |
| 3,400.00                    | 4.00               | 54.50          | 3,397.40                    | 44.57           | 62.49           | 426,243.08                | 853,812.62               | 32.167790 | -103.323490 |  |
| 3,500.00                    | 4.00               | 54.50          | 3,497.16                    | 48.63           | 68.18           | 426,247.14                | 853,818.30               | 32.167801 | -103.323471 |  |
| 3,600.00                    | 4.00               | 54.50          | 3,596.91                    | 52.68           | 73.86           | 426,251.19                | 853,823.99               | 32.167812 | -103.323453 |  |
| 3,700.00                    | 4.00               | 54.50          | 3,696.67                    | 56.73           | 79.54           | 426,255.24                | 853,829.67               | 32.167823 | -103.323435 |  |
| 3,800.00                    | 4.00               | 54.50          | 3,796.42                    | 60.78           | 85.22           | 426,259.29                | 853,835.35               | 32.167834 | -103.323416 |  |
| 3,900.00                    | 4.00               | 54.50          | 3,896.18                    | 64.83           | 90.90           | 426,263.34                | 853,841.03               | 32.167845 | -103.323398 |  |
| 4,000.00                    | 4.00               | 54.50          | 3,995.94                    | 68.89           | 96.58           | 426,267.40                | 853,846.71               | 32.167856 | -103.323379 |  |
| 4,100.00                    | 4.00               | 54.50          | 4,095.69                    | 72.94           | 102.26          | 426,271.45                | 853,852.39               | 32.167867 | -103.323361 |  |
| 4,182.51                    | 4.00               | 54.50          | 4,178.00                    | 76.28           | 106.95          | 426,274.79                | 853,857.08               | 32.167876 | -103.323345 |  |
| Capitan                     |                    |                |                             |                 |                 |                           |                          |           |             |  |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Planned Survey              |                    |                |                             |                 |                 |                           |                          |           |             |  |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|---------------------------|--------------------------|-----------|-------------|--|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Map<br>Northing<br>(usft) | Map<br>Easting<br>(usft) | Latitude  | Longitude   |  |
| 4,200.00                    | 4.00               | 54.50          | 4,195.45                    | 76.99           | 107.94          | 426,275.50                | 853,858.07               | 32.167878 | -103.323342 |  |
| 4,300.00                    | 4.00               | 54.50          | 4,295.21                    | 81.04           | 113.63          | 426,279.55                | 853,863.76               | 32.167889 | -103.323324 |  |
| 4,400.00                    | 4.00               | 54.50          | 4,394.96                    | 85.09           | 119.31          | 426,283.60                | 853,869.44               | 32.167900 | -103.323305 |  |
| 4,500.00                    | 4.00               | 54.50          | 4,494.72                    | 89.15           | 124.99          | 426,287.66                | 853,875.12               | 32.167911 | -103.323287 |  |
| 4,600.00                    | 4.00               | 54.50          | 4,594.47                    | 93.20           | 130.67          | 426,291.71                | 853,880.80               | 32.167922 | -103.323268 |  |
| 4,700.00                    | 4.00               | 54.50          | 4,694.23                    | 97.25           | 136.35          | 426,295.76                | 853,886.48               | 32.167933 | -103.323250 |  |
| 4,800.00                    | 4.00               | 54.50          | 4,793.99                    | 101.30          | 142.03          | 426,299.81                | 853,892.16               | 32.167944 | -103.323231 |  |
| 4,900.00                    | 4.00               | 54.50          | 4,893.74                    | 105.36          | 147.71          | 426,303.86                | 853,897.84               | 32.167955 | -103.323213 |  |
| 5,000.00                    | 4.00               | 54.50          | 4,993.50                    | 109.41          | 153.40          | 426,307.92                | 853,903.52               | 32.167966 | -103.323194 |  |
| 5,100.00                    | 4.00               | 54.50          | 5,093.26                    | 113.46          | 159.08          | 426,311.97                | 853,909.21               | 32.167977 | -103.323176 |  |
| 5,181.94                    | 4.00               | 54.50          | 5,175.00                    | 116.78          | 163.73          | 426,315.29                | 853,913.86               | 32.167986 | -103.323161 |  |
| Lamar                       |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 5,200.00                    | 4.00               | 54.50          | 5,193.01                    | 117.51          | 164.76          | 426,316.02                | 853,914.89               | 32.167988 | -103.323157 |  |
| 5,300.00                    | 4.00               | 54.50          | 5,292.77                    | 121.56          | 170.44          | 426,320.07                | 853,920.57               | 32.167999 | -103.323139 |  |
| 5,325.29                    | 4.00               | 54.50          | 5,318.00                    | 122.59          | 171.88          | 426,321.10                | 853,922.01               | 32.168002 | -103.323134 |  |
| Bell Canyon                 |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 5,400.00                    | 4.00               | 54.50          | 5,392.52                    | 125.62          | 176.12          | 426,324.13                | 853,926.25               | 32.168010 | -103.323120 |  |
| 5,442.67                    | 4.00               | 54.50          | 5,435.09                    | 127.34          | 178.54          | 426,325.85                | 853,928.67               | 32.168014 | -103.323112 |  |
| Start Drop -2.00            |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 5,500.00                    | 2.85               | 54.50          | 5,492.32                    | 129.34          | 181.34          | 426,327.84                | 853,931.46               | 32.168020 | -103.323103 |  |
| 5,600.00                    | 0.85               | 54.50          | 5,592.26                    | 131.21          | 183.97          | 426,329.72                | 853,934.10               | 32.168025 | -103.323095 |  |
| 5,642.74                    | 0.00               | 0.00           | 5,635.00                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| Start hold at 5642.74 MD    |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 5,700.00                    | 0.00               | 0.00           | 5,692.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 5,800.00                    | 0.00               | 0.00           | 5,792.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 5,900.00                    | 0.00               | 0.00           | 5,892.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,000.00                    | 0.00               | 0.00           | 5,992.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,041.74                    | 0.00               | 0.00           | 6,034.00                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| Cherry Canyon               |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 6,100.00                    | 0.00               | 0.00           | 6,092.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,200.00                    | 0.00               | 0.00           | 6,192.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,300.00                    | 0.00               | 0.00           | 6,292.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,400.00                    | 0.00               | 0.00           | 6,392.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,500.00                    | 0.00               | 0.00           | 6,492.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,600.00                    | 0.00               | 0.00           | 6,592.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,700.00                    | 0.00               | 0.00           | 6,692.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,800.00                    | 0.00               | 0.00           | 6,792.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 6,900.00                    | 0.00               | 0.00           | 6,892.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,000.00                    | 0.00               | 0.00           | 6,992.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,100.00                    | 0.00               | 0.00           | 7,092.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,200.00                    | 0.00               | 0.00           | 7,192.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,300.00                    | 0.00               | 0.00           | 7,292.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,361.74                    | 0.00               | 0.00           | 7,354.00                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| Brushy Canyon               |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 7,400.00                    | 0.00               | 0.00           | 7,392.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,500.00                    | 0.00               | 0.00           | 7,492.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,600.00                    | 0.00               | 0.00           | 7,592.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,700.00                    | 0.00               | 0.00           | 7,692.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,800.00                    | 0.00               | 0.00           | 7,792.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 7,900.00                    | 0.00               | 0.00           | 7,892.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 8,000.00                    | 0.00               | 0.00           | 7,992.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 8,100.00                    | 0.00               | 0.00           | 8,092.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 8,200.00                    | 0.00               | 0.00           | 8,192.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |
| 8,300.00                    | 0.00               | 0.00           | 8,292.26                    | 131.40          | 184.23          | 426,329.91                | 853,934.36               | 32.168025 | -103.323094 |  |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Planned Survey              |                 |             |                       |              |              |                     |                    |           |             |
|-----------------------------|-----------------|-------------|-----------------------|--------------|--------------|---------------------|--------------------|-----------|-------------|
| Measured Depth (usft)       | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Map Northing (usft) | Map Easting (usft) | Latitude  | Longitude   |
| 8,400.00                    | 0.00            | 0.00        | 8,392.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 8,500.00                    | 0.00            | 0.00        | 8,492.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 8,584.74                    | 0.00            | 0.00        | 8,577.00              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>Bone Spring Lm</b>       |                 |             |                       |              |              |                     |                    |           |             |
| 8,600.00                    | 0.00            | 0.00        | 8,592.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 8,655.74                    | 0.00            | 0.00        | 8,648.00              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>Avalon</b>               |                 |             |                       |              |              |                     |                    |           |             |
| 8,700.00                    | 0.00            | 0.00        | 8,692.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 8,800.00                    | 0.00            | 0.00        | 8,792.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 8,900.00                    | 0.00            | 0.00        | 8,892.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 8,902.74                    | 0.00            | 0.00        | 8,895.00              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>Chert Zone</b>           |                 |             |                       |              |              |                     |                    |           |             |
| 9,000.00                    | 0.00            | 0.00        | 8,992.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,100.00                    | 0.00            | 0.00        | 9,092.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,200.00                    | 0.00            | 0.00        | 9,192.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,300.00                    | 0.00            | 0.00        | 9,292.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,400.00                    | 0.00            | 0.00        | 9,392.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,500.00                    | 0.00            | 0.00        | 9,492.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,600.00                    | 0.00            | 0.00        | 9,592.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,700.00                    | 0.00            | 0.00        | 9,692.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,800.00                    | 0.00            | 0.00        | 9,792.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,900.00                    | 0.00            | 0.00        | 9,892.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 9,902.74                    | 0.00            | 0.00        | 9,895.00              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>1st Bone Spring Sd</b>   |                 |             |                       |              |              |                     |                    |           |             |
| 10,000.00                   | 0.00            | 0.00        | 9,992.26              | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,039.74                   | 0.00            | 0.00        | 10,032.00             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>2nd Bone Spring Carb</b> |                 |             |                       |              |              |                     |                    |           |             |
| 10,100.00                   | 0.00            | 0.00        | 10,092.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,200.00                   | 0.00            | 0.00        | 10,192.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,300.00                   | 0.00            | 0.00        | 10,292.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,400.00                   | 0.00            | 0.00        | 10,392.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,445.74                   | 0.00            | 0.00        | 10,438.00             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>2nd Bone Spring Sd</b>   |                 |             |                       |              |              |                     |                    |           |             |
| 10,500.00                   | 0.00            | 0.00        | 10,492.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,600.00                   | 0.00            | 0.00        | 10,592.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,700.00                   | 0.00            | 0.00        | 10,692.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,800.00                   | 0.00            | 0.00        | 10,792.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 10,900.00                   | 0.00            | 0.00        | 10,892.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,000.00                   | 0.00            | 0.00        | 10,992.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,010.74                   | 0.00            | 0.00        | 11,003.00             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>3rd Bone Spring Carb</b> |                 |             |                       |              |              |                     |                    |           |             |
| 11,100.00                   | 0.00            | 0.00        | 11,092.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,200.00                   | 0.00            | 0.00        | 11,192.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,300.00                   | 0.00            | 0.00        | 11,292.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,400.00                   | 0.00            | 0.00        | 11,392.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,500.00                   | 0.00            | 0.00        | 11,492.26             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| 11,520.74                   | 0.00            | 0.00        | 11,513.00             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>3rd Bone Spring Sd</b>   |                 |             |                       |              |              |                     |                    |           |             |
| 11,605.78                   | 0.00            | 0.00        | 11,598.04             | 131.40       | 184.23       | 426,329.91          | 853,934.36         | 32.168025 | -103.323094 |
| <b>Start Build 10.00</b>    |                 |             |                       |              |              |                     |                    |           |             |
| 11,650.00                   | 4.42            | 167.40      | 11,642.21             | 129.74       | 184.60       | 426,328.25          | 853,934.73         | 32.168021 | -103.323093 |
| 11,700.00                   | 9.42            | 167.40      | 11,691.83             | 123.86       | 185.92       | 426,322.37          | 853,936.05         | 32.168005 | -103.323089 |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Planned Survey                        |                    |                |                             |                 |                 |                           |                          |           |             |  |
|---------------------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|---------------------------|--------------------------|-----------|-------------|--|
| Measured<br>Depth<br>(usft)           | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Map<br>Northing<br>(usft) | Map<br>Easting<br>(usft) | Latitude  | Longitude   |  |
| 11,746.14                             | 14.04              | 167.40         | 11,737.00                   | 114.71          | 187.96          | 426,313.22                | 853,938.09               | 32.167979 | -103.323082 |  |
| Wolfcamp                              |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 11,750.00                             | 14.42              | 167.40         | 11,740.74                   | 113.78          | 188.17          | 426,312.29                | 853,938.30               | 32.167977 | -103.323082 |  |
| 11,800.00                             | 19.42              | 167.40         | 11,788.56                   | 99.58           | 191.34          | 426,298.09                | 853,941.47               | 32.167938 | -103.323072 |  |
| 11,839.14                             | 23.34              | 167.40         | 11,825.00                   | 85.66           | 194.45          | 426,284.17                | 853,944.58               | 32.167899 | -103.323062 |  |
| Wolfcamp A                            |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 11,850.00                             | 24.42              | 167.40         | 11,834.93                   | 81.37           | 195.41          | 426,279.88                | 853,945.54               | 32.167888 | -103.323059 |  |
| 11,900.00                             | 29.42              | 167.40         | 11,879.50                   | 59.28           | 200.35          | 426,257.79                | 853,950.48               | 32.167827 | -103.323044 |  |
| 11,950.00                             | 34.42              | 167.40         | 11,921.92                   | 33.49           | 206.12          | 426,232.00                | 853,956.24               | 32.167756 | -103.323026 |  |
| 12,000.00                             | 39.42              | 167.40         | 11,961.88                   | 4.19            | 212.67          | 426,202.70                | 853,962.79               | 32.167675 | -103.323006 |  |
| 12,050.00                             | 44.42              | 167.40         | 11,999.07                   | -28.40          | 219.95          | 426,170.11                | 853,970.08               | 32.167585 | -103.322983 |  |
| 12,068.39                             | 46.26              | 167.40         | 12,012.00                   | -41.17          | 222.80          | 426,157.34                | 853,972.93               | 32.167550 | -103.322975 |  |
| Wolfcamp B                            |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 12,100.00                             | 49.42              | 167.40         | 12,033.21                   | -64.03          | 227.91          | 426,134.48                | 853,978.04               | 32.167487 | -103.322959 |  |
| 12,150.00                             | 54.42              | 167.40         | 12,064.04                   | -102.43         | 236.50          | 426,096.08                | 853,986.63               | 32.167381 | -103.322932 |  |
| 12,200.00                             | 59.42              | 167.40         | 12,091.32                   | -143.31         | 245.63          | 426,055.20                | 853,995.76               | 32.167269 | -103.322904 |  |
| 12,250.00                             | 64.42              | 167.40         | 12,114.85                   | -186.35         | 255.25          | 426,012.16                | 854,005.38               | 32.167150 | -103.322874 |  |
| 12,300.00                             | 69.42              | 167.40         | 12,134.44                   | -231.22         | 265.29          | 425,967.29                | 854,015.41               | 32.167027 | -103.322843 |  |
| 12,350.00                             | 74.42              | 167.40         | 12,149.95                   | -277.59         | 275.65          | 425,920.91                | 854,025.78               | 32.166899 | -103.322811 |  |
| 12,400.00                             | 79.42              | 167.40         | 12,161.26                   | -325.11         | 286.27          | 425,873.40                | 854,036.40               | 32.166768 | -103.322778 |  |
| 12,417.70                             | 81.19              | 167.40         | 12,164.24                   | -342.14         | 290.08          | 425,856.37                | 854,040.21               | 32.166721 | -103.322766 |  |
| Section Line Crossing - 2172.6' FWL   |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 12,450.00                             | 84.42              | 167.40         | 12,168.28                   | -373.41         | 297.07          | 425,825.10                | 854,047.20               | 32.166635 | -103.322745 |  |
| 12,500.00                             | 89.42              | 167.40         | 12,170.97                   | -422.12         | 307.96          | 425,776.39                | 854,058.08               | 32.166501 | -103.322711 |  |
| 12,505.78                             | 90.00              | 167.40         | 12,171.00                   | -427.76         | 309.22          | 425,770.75                | 854,059.35               | 32.166485 | -103.322707 |  |
| Start DLS 3.00 TFO 90.00 - HZ Target  |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 12,520.20                             | 90.00              | 167.83         | 12,171.00                   | -441.84         | 312.31          | 425,756.67                | 854,062.44               | 32.166447 | -103.322697 |  |
| 100' Hard Line Crossing - 2193.6' FWL |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 12,600.00                             | 90.00              | 170.23         | 12,171.00                   | -520.18         | 327.49          | 425,678.33                | 854,077.62               | 32.166231 | -103.322651 |  |
| 12,700.00                             | 90.00              | 173.23         | 12,171.00                   | -619.13         | 341.88          | 425,579.38                | 854,092.01               | 32.165959 | -103.322607 |  |
| 12,800.00                             | 90.00              | 176.23         | 12,171.00                   | -718.69         | 351.07          | 425,479.82                | 854,101.20               | 32.165685 | -103.322581 |  |
| 12,906.54                             | 90.00              | 179.42         | 12,171.00                   | -825.14         | 355.12          | 425,373.37                | 854,105.24               | 32.165392 | -103.322571 |  |
| Start hold at 12906.54 MD             |                    |                |                             |                 |                 |                           |                          |           |             |  |
| 13,000.00                             | 90.00              | 179.42         | 12,171.00                   | -918.60         | 356.06          | 425,279.91                | 854,106.19               | 32.165135 | -103.322571 |  |
| 13,100.00                             | 90.00              | 179.42         | 12,171.00                   | -1,018.59       | 357.06          | 425,179.92                | 854,107.19               | 32.164860 | -103.322570 |  |
| 13,200.00                             | 90.00              | 179.42         | 12,171.00                   | -1,118.58       | 358.07          | 425,079.92                | 854,108.20               | 32.164585 | -103.322570 |  |
| 13,300.00                             | 90.00              | 179.42         | 12,171.00                   | -1,218.58       | 359.08          | 424,979.93                | 854,109.21               | 32.164310 | -103.322570 |  |
| 13,400.00                             | 90.00              | 179.42         | 12,171.00                   | -1,318.57       | 360.09          | 424,879.93                | 854,110.22               | 32.164036 | -103.322570 |  |
| 13,500.00                             | 90.00              | 179.42         | 12,171.00                   | -1,418.57       | 361.09          | 424,779.94                | 854,111.22               | 32.163761 | -103.322569 |  |
| 13,600.00                             | 90.00              | 179.42         | 12,171.00                   | -1,518.56       | 362.10          | 424,679.94                | 854,112.23               | 32.163486 | -103.322569 |  |
| 13,700.00                             | 90.00              | 179.42         | 12,171.00                   | -1,618.56       | 363.11          | 424,579.95                | 854,113.24               | 32.163211 | -103.322569 |  |
| 13,800.00                             | 90.00              | 179.42         | 12,171.00                   | -1,718.55       | 364.12          | 424,479.95                | 854,114.25               | 32.162936 | -103.322569 |  |
| 13,900.00                             | 90.00              | 179.42         | 12,171.00                   | -1,818.55       | 365.12          | 424,379.96                | 854,115.25               | 32.162661 | -103.322569 |  |
| 14,000.00                             | 90.00              | 179.42         | 12,171.00                   | -1,918.54       | 366.13          | 424,279.97                | 854,116.26               | 32.162386 | -103.322568 |  |
| 14,100.00                             | 90.00              | 179.42         | 12,171.00                   | -2,018.54       | 367.14          | 424,179.97                | 854,117.27               | 32.162112 | -103.322568 |  |
| 14,200.00                             | 90.00              | 179.42         | 12,171.00                   | -2,118.53       | 368.15          | 424,079.98                | 854,118.27               | 32.161837 | -103.322568 |  |
| 14,300.00                             | 90.00              | 179.42         | 12,171.00                   | -2,218.53       | 369.15          | 423,979.98                | 854,119.28               | 32.161562 | -103.322568 |  |
| 14,400.00                             | 90.00              | 179.42         | 12,171.00                   | -2,318.52       | 370.16          | 423,879.99                | 854,120.29               | 32.161287 | -103.322567 |  |
| 14,500.00                             | 90.00              | 179.42         | 12,171.00                   | -2,418.52       | 371.17          | 423,779.99                | 854,121.30               | 32.161012 | -103.322567 |  |
| 14,600.00                             | 90.00              | 179.42         | 12,171.00                   | -2,518.51       | 372.18          | 423,680.00                | 854,122.30               | 32.160737 | -103.322567 |  |
| 14,700.00                             | 90.00              | 179.42         | 12,171.00                   | -2,618.51       | 373.18          | 423,580.00                | 854,123.31               | 32.160462 | -103.322567 |  |
| 14,800.00                             | 90.00              | 179.42         | 12,171.00                   | -2,718.50       | 374.19          | 423,480.01                | 854,124.32               | 32.160188 | -103.322567 |  |
| 14,900.00                             | 90.00              | 179.42         | 12,171.00                   | -2,818.50       | 375.20          | 423,380.01                | 854,125.33               | 32.159913 | -103.322566 |  |
| 15,000.00                             | 90.00              | 179.42         | 12,171.00                   | -2,918.49       | 376.20          | 423,280.02                | 854,126.33               | 32.159638 | -103.322566 |  |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Planned Survey        |                 |             |                       |              |              |                     |                    |           |             |  |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|---------------------|--------------------|-----------|-------------|--|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Map Northing (usft) | Map Easting (usft) | Latitude  | Longitude   |  |
| 15,100.00             | 90.00           | 179.42      | 12,171.00             | -3,018.49    | 377.21       | 423,180.02          | 854,127.34         | 32.159363 | -103.322566 |  |
| 15,200.00             | 90.00           | 179.42      | 12,171.00             | -3,118.48    | 378.22       | 423,080.03          | 854,128.35         | 32.159088 | -103.322566 |  |
| 15,300.00             | 90.00           | 179.42      | 12,171.00             | -3,218.48    | 379.23       | 422,980.03          | 854,129.36         | 32.158813 | -103.322566 |  |
| 15,400.00             | 90.00           | 179.42      | 12,171.00             | -3,318.47    | 380.23       | 422,880.04          | 854,130.36         | 32.158538 | -103.322565 |  |
| 15,500.00             | 90.00           | 179.42      | 12,171.00             | -3,418.47    | 381.24       | 422,780.04          | 854,131.37         | 32.158263 | -103.322565 |  |
| 15,600.00             | 90.00           | 179.42      | 12,171.00             | -3,518.46    | 382.25       | 422,680.05          | 854,132.38         | 32.157989 | -103.322565 |  |
| 15,700.00             | 90.00           | 179.42      | 12,171.00             | -3,618.46    | 383.26       | 422,580.05          | 854,133.39         | 32.157714 | -103.322565 |  |
| 15,800.00             | 90.00           | 179.42      | 12,171.00             | -3,718.45    | 384.26       | 422,480.06          | 854,134.39         | 32.157439 | -103.322564 |  |
| 15,900.00             | 90.00           | 179.42      | 12,171.00             | -3,818.45    | 385.27       | 422,380.06          | 854,135.40         | 32.157164 | -103.322564 |  |
| 16,000.00             | 90.00           | 179.42      | 12,171.00             | -3,918.44    | 386.28       | 422,280.07          | 854,136.41         | 32.156889 | -103.322564 |  |
| 16,100.00             | 90.00           | 179.42      | 12,171.00             | -4,018.44    | 387.29       | 422,180.07          | 854,137.41         | 32.156614 | -103.322564 |  |
| 16,200.00             | 90.00           | 179.42      | 12,171.00             | -4,118.43    | 388.29       | 422,080.08          | 854,138.42         | 32.156339 | -103.322564 |  |
| 16,300.00             | 90.00           | 179.42      | 12,171.00             | -4,218.43    | 389.30       | 421,980.08          | 854,139.43         | 32.156065 | -103.322563 |  |
| 16,400.00             | 90.00           | 179.42      | 12,171.00             | -4,318.42    | 390.31       | 421,880.09          | 854,140.44         | 32.155790 | -103.322563 |  |
| 16,500.00             | 90.00           | 179.42      | 12,171.00             | -4,418.42    | 391.32       | 421,780.09          | 854,141.44         | 32.155515 | -103.322563 |  |
| 16,600.00             | 90.00           | 179.42      | 12,171.00             | -4,518.41    | 392.32       | 421,680.10          | 854,142.45         | 32.155240 | -103.322563 |  |
| 16,700.00             | 90.00           | 179.42      | 12,171.00             | -4,618.41    | 393.33       | 421,580.10          | 854,143.46         | 32.154965 | -103.322562 |  |
| 16,800.00             | 90.00           | 179.42      | 12,171.00             | -4,718.40    | 394.34       | 421,480.11          | 854,144.47         | 32.154690 | -103.322562 |  |
| 16,900.00             | 90.00           | 179.42      | 12,171.00             | -4,818.40    | 395.34       | 421,380.11          | 854,145.47         | 32.154415 | -103.322562 |  |
| 17,000.00             | 90.00           | 179.42      | 12,171.00             | -4,918.39    | 396.35       | 421,280.12          | 854,146.48         | 32.154141 | -103.322562 |  |
| 17,100.00             | 90.00           | 179.42      | 12,171.00             | -5,018.39    | 397.36       | 421,180.12          | 854,147.49         | 32.153866 | -103.322562 |  |
| 17,200.00             | 90.00           | 179.42      | 12,171.00             | -5,118.38    | 398.37       | 421,080.13          | 854,148.50         | 32.153591 | -103.322561 |  |
| 17,300.00             | 90.00           | 179.42      | 12,171.00             | -5,218.38    | 399.37       | 420,980.13          | 854,149.50         | 32.153316 | -103.322561 |  |
| 17,400.00             | 90.00           | 179.42      | 12,171.00             | -5,318.37    | 400.38       | 420,880.14          | 854,150.51         | 32.153041 | -103.322561 |  |
| 17,500.00             | 90.00           | 179.42      | 12,171.00             | -5,418.37    | 401.39       | 420,780.14          | 854,151.52         | 32.152766 | -103.322561 |  |
| 17,600.00             | 90.00           | 179.42      | 12,171.00             | -5,518.36    | 402.40       | 420,680.15          | 854,152.53         | 32.152491 | -103.322560 |  |
| 17,700.00             | 90.00           | 179.42      | 12,171.00             | -5,618.36    | 403.40       | 420,580.15          | 854,153.53         | 32.152217 | -103.322560 |  |
| 17,800.00             | 90.00           | 179.42      | 12,171.00             | -5,718.35    | 404.41       | 420,480.16          | 854,154.54         | 32.151942 | -103.322560 |  |
| 17,900.00             | 90.00           | 179.42      | 12,171.00             | -5,818.35    | 405.42       | 420,380.16          | 854,155.55         | 32.151667 | -103.322560 |  |
| 18,000.00             | 90.00           | 179.42      | 12,171.00             | -5,918.34    | 406.43       | 420,280.17          | 854,156.55         | 32.151392 | -103.322560 |  |
| 18,100.00             | 90.00           | 179.42      | 12,171.00             | -6,018.34    | 407.43       | 420,180.17          | 854,157.56         | 32.151117 | -103.322559 |  |
| 18,200.00             | 90.00           | 179.42      | 12,171.00             | -6,118.33    | 408.44       | 420,080.18          | 854,158.57         | 32.150842 | -103.322559 |  |
| 18,300.00             | 90.00           | 179.42      | 12,171.00             | -6,218.33    | 409.45       | 419,980.18          | 854,159.58         | 32.150567 | -103.322559 |  |
| 18,400.00             | 90.00           | 179.42      | 12,171.00             | -6,318.32    | 410.46       | 419,880.19          | 854,160.58         | 32.150292 | -103.322559 |  |
| 18,500.00             | 90.00           | 179.42      | 12,171.00             | -6,418.32    | 411.46       | 419,780.19          | 854,161.59         | 32.150018 | -103.322558 |  |
| 18,600.00             | 90.00           | 179.42      | 12,171.00             | -6,518.31    | 412.47       | 419,680.20          | 854,162.60         | 32.149743 | -103.322558 |  |
| 18,700.00             | 90.00           | 179.42      | 12,171.00             | -6,618.31    | 413.48       | 419,580.20          | 854,163.61         | 32.149468 | -103.322558 |  |
| 18,800.00             | 90.00           | 179.42      | 12,171.00             | -6,718.30    | 414.48       | 419,480.21          | 854,164.61         | 32.149193 | -103.322558 |  |
| 18,900.00             | 90.00           | 179.42      | 12,171.00             | -6,818.30    | 415.49       | 419,380.21          | 854,165.62         | 32.148918 | -103.322558 |  |
| 19,000.00             | 90.00           | 179.42      | 12,171.00             | -6,918.29    | 416.50       | 419,280.22          | 854,166.63         | 32.148643 | -103.322557 |  |
| 19,100.00             | 90.00           | 179.42      | 12,171.00             | -7,018.29    | 417.51       | 419,180.22          | 854,167.64         | 32.148368 | -103.322557 |  |
| 19,200.00             | 90.00           | 179.42      | 12,171.00             | -7,118.28    | 418.51       | 419,080.23          | 854,168.64         | 32.148094 | -103.322557 |  |
| 19,300.00             | 90.00           | 179.42      | 12,171.00             | -7,218.28    | 419.52       | 418,980.23          | 854,169.65         | 32.147819 | -103.322557 |  |
| 19,400.00             | 90.00           | 179.42      | 12,171.00             | -7,318.27    | 420.53       | 418,880.24          | 854,170.66         | 32.147544 | -103.322556 |  |
| 19,500.00             | 90.00           | 179.42      | 12,171.00             | -7,418.27    | 421.54       | 418,780.24          | 854,171.67         | 32.147269 | -103.322556 |  |
| 19,600.00             | 90.00           | 179.42      | 12,171.00             | -7,518.26    | 422.54       | 418,680.25          | 854,172.67         | 32.146994 | -103.322556 |  |
| 19,700.00             | 90.00           | 179.42      | 12,171.00             | -7,618.26    | 423.55       | 418,580.25          | 854,173.68         | 32.146719 | -103.322556 |  |
| 19,800.00             | 90.00           | 179.42      | 12,171.00             | -7,718.25    | 424.56       | 418,480.26          | 854,174.69         | 32.146444 | -103.322556 |  |
| 19,900.00             | 90.00           | 179.42      | 12,171.00             | -7,818.25    | 425.57       | 418,380.26          | 854,175.69         | 32.146170 | -103.322555 |  |
| 20,000.00             | 90.00           | 179.42      | 12,171.00             | -7,918.24    | 426.57       | 418,280.27          | 854,176.70         | 32.145895 | -103.322555 |  |
| 20,100.00             | 90.00           | 179.42      | 12,171.00             | -8,018.24    | 427.58       | 418,180.27          | 854,177.71         | 32.145620 | -103.322555 |  |
| 20,200.00             | 90.00           | 179.42      | 12,171.00             | -8,118.23    | 428.59       | 418,080.28          | 854,178.72         | 32.145345 | -103.322555 |  |
| 20,300.00             | 90.00           | 179.42      | 12,171.00             | -8,218.22    | 429.60       | 417,980.28          | 854,179.72         | 32.145070 | -103.322554 |  |
| 20,400.00             | 90.00           | 179.42      | 12,171.00             | -8,318.22    | 430.60       | 417,880.29          | 854,180.73         | 32.144795 | -103.322554 |  |
| 20,500.00             | 90.00           | 179.42      | 12,171.00             | -8,418.21    | 431.61       | 417,780.29          | 854,181.74         | 32.144520 | -103.322554 |  |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

| Planned Survey                                 |                    |                |                             |                 |                 |                           |                          |           |             |  |
|------------------------------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|---------------------------|--------------------------|-----------|-------------|--|
| Measured<br>Depth<br>(usft)                    | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Map<br>Northing<br>(usft) | Map<br>Easting<br>(usft) | Latitude  | Longitude   |  |
| 20,600.00                                      | 90.00              | 179.42         | 12,171.00                   | -8,518.21       | 432.62          | 417,680.30                | 854,182.75               | 32.144245 | -103.322554 |  |
| 20,700.00                                      | 90.00              | 179.42         | 12,171.00                   | -8,618.20       | 433.62          | 417,580.30                | 854,183.75               | 32.143971 | -103.322554 |  |
| 20,800.00                                      | 90.00              | 179.42         | 12,171.00                   | -8,718.20       | 434.63          | 417,480.31                | 854,184.76               | 32.143696 | -103.322553 |  |
| 20,900.00                                      | 90.00              | 179.42         | 12,171.00                   | -8,818.19       | 435.64          | 417,380.32                | 854,185.77               | 32.143421 | -103.322553 |  |
| 21,000.00                                      | 90.00              | 179.42         | 12,171.00                   | -8,918.19       | 436.65          | 417,280.32                | 854,186.78               | 32.143146 | -103.322553 |  |
| 21,100.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,018.18       | 437.65          | 417,180.33                | 854,187.78               | 32.142871 | -103.322553 |  |
| 21,200.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,118.18       | 438.66          | 417,080.33                | 854,188.79               | 32.142596 | -103.322552 |  |
| 21,300.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,218.17       | 439.67          | 416,980.34                | 854,189.80               | 32.142321 | -103.322552 |  |
| 21,400.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,318.17       | 440.68          | 416,880.34                | 854,190.81               | 32.142047 | -103.322552 |  |
| 21,500.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,418.16       | 441.68          | 416,780.35                | 854,191.81               | 32.141772 | -103.322552 |  |
| 21,600.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,518.16       | 442.69          | 416,680.35                | 854,192.82               | 32.141497 | -103.322552 |  |
| 21,700.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,618.15       | 443.70          | 416,580.36                | 854,193.83               | 32.141222 | -103.322551 |  |
| 21,800.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,718.15       | 444.71          | 416,480.36                | 854,194.84               | 32.140947 | -103.322551 |  |
| 21,900.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,818.14       | 445.71          | 416,380.37                | 854,195.84               | 32.140672 | -103.322551 |  |
| 22,000.00                                      | 90.00              | 179.42         | 12,171.00                   | -9,918.14       | 446.72          | 416,280.37                | 854,196.85               | 32.140397 | -103.322551 |  |
| 22,100.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,018.13      | 447.73          | 416,180.38                | 854,197.86               | 32.140123 | -103.322550 |  |
| 22,200.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,118.13      | 448.74          | 416,080.38                | 854,198.86               | 32.139848 | -103.322550 |  |
| 22,300.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,218.12      | 449.74          | 415,980.39                | 854,199.87               | 32.139573 | -103.322550 |  |
| 22,400.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,318.12      | 450.75          | 415,880.39                | 854,200.88               | 32.139298 | -103.322550 |  |
| 22,500.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,418.11      | 451.76          | 415,780.40                | 854,201.89               | 32.139023 | -103.322550 |  |
| 22,600.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,518.11      | 452.76          | 415,680.40                | 854,202.89               | 32.138748 | -103.322549 |  |
| 22,700.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,618.10      | 453.77          | 415,580.41                | 854,203.90               | 32.138473 | -103.322549 |  |
| 22,800.00                                      | 90.00              | 179.42         | 12,171.00                   | -10,718.10      | 454.78          | 415,480.41                | 854,204.91               | 32.138198 | -103.322549 |  |
| 22,848.67                                      | 90.00              | 179.42         | 12,171.00                   | -10,766.77      | 455.27          | 415,431.74                | 854,205.40               | 32.138065 | -103.322549 |  |
| TD - 2231.68' FWL, 150' FSL - PBHL (GLFC 803H) |                    |                |                             |                 |                 |                           |                          |           |             |  |

| Design Targets            |               |              |            |              |              |                 |                |           |             |  |
|---------------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|-----------|-------------|--|
| Target Name               | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude  | Longitude   |  |
| PBHL (GLFC 803H)          | 0.00          | 0.00         | 12,171.00  | -10,766.77   | 455.27       | 415,431.74      | 854,205.40     | 32.138065 | -103.322549 |  |
| - hit/miss target         |               |              |            |              |              |                 |                |           |             |  |
| - Shape                   |               |              |            |              |              |                 |                |           |             |  |
| - plan hits target center |               |              |            |              |              |                 |                |           |             |  |
| - Point                   |               |              |            |              |              |                 |                |           |             |  |

## Total Directional Services, LLC

## Planning Report - Geographic

|                  |                            |                                     |                                 |
|------------------|----------------------------|-------------------------------------|---------------------------------|
| <b>Database:</b> | EDM 5000.16 Single User Db | <b>Local Co-ordinate Reference:</b> | Well 803H                       |
| <b>Company:</b>  | Franklin Mountain Energy   | <b>TVD Reference:</b>               | GE 3304' + KB 30' @ 3334.00usft |
| <b>Project:</b>  | Lea County, NM (NAD83)     | <b>MD Reference:</b>                | GE 3304' + KB 30' @ 3334.00usft |
| <b>Site:</b>     | Green Light Fed Com        | <b>North Reference:</b>             | Grid                            |
| <b>Well:</b>     | 803H                       | <b>Survey Calculation Method:</b>   | Minimum Curvature               |
| <b>Wellbore:</b> | OH                         |                                     |                                 |
| <b>Design:</b>   | Plan #1                    |                                     |                                 |

## Formations

| Measured Depth (usft) | Vertical Depth (usft) | Name                 | Lithology | Dip (°) | Dip Direction (°) |
|-----------------------|-----------------------|----------------------|-----------|---------|-------------------|
| 30.00                 | 30.00                 | Cenezoic Alluvium    |           | 0.00    |                   |
| 1,209.00              | 1,209.00              | Rustler              |           | 0.00    |                   |
| 1,391.00              | 1,391.00              | Salado               |           | 0.00    |                   |
| 3,235.20              | 3,233.00              | Base Salt            |           | 0.00    |                   |
| 4,182.51              | 4,178.00              | Capitan              |           | 0.00    |                   |
| 5,181.94              | 5,175.00              | Lamar                |           | 0.00    |                   |
| 5,325.29              | 5,318.00              | Bell Canyon          |           | 0.00    |                   |
| 6,041.74              | 6,034.00              | Cherry Canyon        |           | 0.00    |                   |
| 7,361.74              | 7,354.00              | Brushy Canyon        |           | 0.00    |                   |
| 8,584.74              | 8,577.00              | Bone Spring Lm       |           | 0.00    |                   |
| 8,655.74              | 8,648.00              | Avalon               |           | 0.00    |                   |
| 8,902.74              | 8,895.00              | Chert Zone           |           | 0.00    |                   |
| 9,902.74              | 9,895.00              | 1st Bone Spring Sd   |           | 0.00    |                   |
| 10,039.74             | 10,032.00             | 2nd Bone Spring Carb |           | 0.00    |                   |
| 10,445.74             | 10,438.00             | 2nd Bone Spring Sd   |           | 0.00    |                   |
| 11,010.74             | 11,003.00             | 3rd Bone Spring Carb |           | 0.00    |                   |
| 11,520.74             | 11,513.00             | 3rd Bone Spring Sd   |           | 0.00    |                   |
| 11,746.14             | 11,737.00             | Wolfcamp             |           | 0.00    |                   |
| 11,839.14             | 11,825.00             | Wolfcamp A           |           | 0.00    |                   |
| 12,068.39             | 12,012.00             | Wolfcamp B           |           | 0.00    |                   |
| 12,505.78             | 12,171.00             | HZ Target            |           | 0.00    |                   |

## Plan Annotations

| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates |              | Comment                               |
|-----------------------|-----------------------|-------------------|--------------|---------------------------------------|
|                       |                       | +N/-S (usft)      | +E/-W (usft) |                                       |
| 2,200.00              | 2,200.00              | 0.00              | 0.00         | Start Build 2.00                      |
| 2,400.08              | 2,399.91              | 4.06              | 5.69         | Start hold at 2400.08 MD              |
| 5,442.67              | 5,435.09              | 127.34            | 178.54       | Start Drop -2.00                      |
| 5,642.74              | 5,635.00              | 131.40            | 184.23       | Start hold at 5642.74 MD              |
| 11,605.78             | 11,598.04             | 131.40            | 184.23       | Start Build 10.00                     |
| 12,417.70             | 12,164.24             | -342.14           | 290.08       | Section Line Crossing - 2172.6' FWL   |
| 12,505.78             | 12,171.00             | -427.76           | 309.22       | Start DLS 3.00 TFO 90.00              |
| 12,520.20             | 12,171.00             | -441.84           | 312.31       | 100' Hard Line Crossing - 2193.6' FWL |
| 12,906.54             | 12,171.00             | -825.14           | 355.12       | Start hold at 12906.54 MD             |
| 22,848.67             | 12,171.00             | -10,766.77        | 455.27       | TD - 2231.68' FWL, 150' FSL           |
| 22,848.68             | 12,171.00             | -10,766.77        | 455.27       | TD at 22848.67                        |

**PECOS DISTRICT  
DRILLING CONDITIONS OF APPROVAL**

|                         |                                     |
|-------------------------|-------------------------------------|
| <b>OPERATOR'S NAME:</b> | <b>Franklin Mountain Energy LLC</b> |
| <b>LEASE NO.:</b>       | <b>NMNM138897</b>                   |
| <b>LOCATION:</b>        | Section 36, T.24 S., R.35 E., NMPM  |
| <b>COUNTY:</b>          | Lea County, New Mexico              |
| <b>Sundry ID:</b>       | N/A                                 |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 101H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 270'S & 1824'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 380'/W                  |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 102H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 270'S & 1874'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 1877'/W                 |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 301H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 270'S & 1849'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 380'/W                  |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 302H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 270'S & 1899'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 1877'/W                 |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 801H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 345'S & 1837'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 380'/W                  |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 802H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 345'S & 1862'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 1306'/W                 |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Green Light Fed Com 803H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 345'S & 1887'/W                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 150'S & 2232'/W                 |

COA

|                               |                                                   |                                                  |                                          |
|-------------------------------|---------------------------------------------------|--------------------------------------------------|------------------------------------------|
| H2S                           | <input type="checkbox"/> Yes                      | <input checked="" type="checkbox"/> No           |                                          |
| Potash                        | <input checked="" type="checkbox"/> None          | <input type="checkbox"/> Secretary               | <input type="checkbox"/> R-111-P         |
| Cave/Karst Potential          | <input checked="" type="checkbox"/> Low           | <input type="checkbox"/> Medium                  | <input type="checkbox"/> High            |
| Cave/Karst Potential          | <input type="checkbox"/> Critical                 |                                                  |                                          |
| Variance                      | <input checked="" type="checkbox"/> None          | <input type="checkbox"/> Flex Hose               | <input type="checkbox"/> Other           |
| Wellhead                      | <input type="checkbox"/> Conventional             | <input type="checkbox"/> Multibowl               | <input checked="" type="checkbox"/> Both |
| Wellhead Variance             | <input type="checkbox"/> Diverter                 |                                                  |                                          |
| Other                         | <input checked="" type="checkbox"/> 4 String Area | <input checked="" type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP            |
| Other                         | <input checked="" type="checkbox"/> Fluid Filled  | <input type="checkbox"/> Pilot Hole              | <input type="checkbox"/> Open Annulus    |
| Cementing                     | <input type="checkbox"/> Cement Squeeze           | <input type="checkbox"/> EchoMeter               |                                          |
| Special Requirements          | <input type="checkbox"/> Water Disposal           | <input checked="" type="checkbox"/> COM          | <input type="checkbox"/> Unit            |
| Special Requirements Variance | <input type="checkbox"/> Break Testing            | <input type="checkbox"/> Offline Cementing       |                                          |

### A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

### B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **1800 feet** (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing shall be set at approximately **5400 feet** is:

**Option 1 (Single Stage):**

- Cement to surface. If cement does not circulate see B.1.a, c-d above.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**

**Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
  - b. Second stage above DV tool:
    - Cement to surface. If cement does not circulate, contact the appropriate BLM office.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**
- ❖ In Capitan Reef Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- ❖ **Special Capitan Reef requirements.** If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
- Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
  - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

**Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.**

3. The minimum required fill of cement behind the **7-5/8** inch intermediate casing is:
  - Cement should tie-back at least **50 feet** on top of Capitan Reef top **or 200 feet** into the previous casing, whichever is greater. If cement does not circulate see B.1.a, c-d above.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef. Cement excess is less than 25%, more cement might be required.**
4. The minimum required fill of cement behind the **5-1/2** inch production casing is:
  - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

#### **C. PRESSURE CONTROL**

1.

##### **Option 1:**

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** intermediate casing shoe shall be **5000 (5M)** psi.
- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **7-5/8** inch intermediate casing shoe shall be **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**

##### **Option 2:**

- a. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the **13-3/8** inch surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**

- i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- ii. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- iii. Manufacturer representative shall install the test plug for the initial BOP test.
- iv. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- v. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

#### **D. SPECIAL REQUIREMENT (S)**

##### **Communitization Agreement**

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

## GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)  
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

## A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

## B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
  - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

**District I**

1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**

811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 142844

**CONDITIONS**

|                                                                                 |                                                                       |
|---------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Operator:<br>Franklin Mountain Energy LLC<br>44 Cook Street<br>Denver, CO 80206 | OGRID:<br>373910                                                      |
|                                                                                 | Action Number:<br>142844                                              |
|                                                                                 | Action Type:<br>[C-101] BLM - Federal/Indian Land Lease (Form 3160-3) |

**CONDITIONS**

| Created By | Condition                                                                                                                                                                                                                                                            | Condition Date |
|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| pkautz     | Will require a File As Drilled C-102 and a Directional Survey with the C-104                                                                                                                                                                                         | 9/26/2022      |
| pkautz     | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string | 9/26/2022      |
| pkautz     | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system                  | 9/26/2022      |
| pkautz     | Cement is required to circulate on both surface and intermediate1 strings of casing                                                                                                                                                                                  | 9/26/2022      |