

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                                |                                                  |                                                           |                                  |
|------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------|----------------------------------|
| <sup>1</sup> Operator name and Address<br>DJR Operating, LLC<br>1 Road 3263<br>Aztec, NM 87410 |                                                  | <sup>2</sup> OGRID Number<br>371838                       |                                  |
|                                                                                                |                                                  | <sup>3</sup> Reason for Filing Code/ Effective Date<br>RT |                                  |
| <sup>4</sup> API Number<br>30-043-21405                                                        | <sup>5</sup> Pool Name<br>Lybrook Gallup         |                                                           | <sup>6</sup> Pool Code<br>42289  |
| <sup>7</sup> Property Code<br>325271                                                           | <sup>8</sup> Property Name<br>Venado Canyon Unit |                                                           | <sup>9</sup> Well Number<br>503H |

II. <sup>10</sup> Surface Location

|                    |               |                 |              |         |                        |                           |                       |                        |                    |
|--------------------|---------------|-----------------|--------------|---------|------------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or lot no.<br>H | Section<br>14 | Township<br>22N | Range<br>06W | Lot Idn | Feet from the<br>2268' | North/South Line<br>North | Feet from the<br>752' | East/West line<br>East | County<br>Sandoval |
|--------------------|---------------|-----------------|--------------|---------|------------------------|---------------------------|-----------------------|------------------------|--------------------|

<sup>11</sup> Bottom Hole Location

|                             |                                        |                 |                                             |         |                                   |                                    |                       |                                     |                    |
|-----------------------------|----------------------------------------|-----------------|---------------------------------------------|---------|-----------------------------------|------------------------------------|-----------------------|-------------------------------------|--------------------|
| UL or lot no.<br>I          | Section<br>10                          | Township<br>22N | Range<br>06W                                | Lot Idn | Feet from the<br>1418'            | North/South line<br>South          | Feet from the<br>108' | East/West line<br>East              | County<br>Sandoval |
| <sup>12</sup> Lse Code<br>F | <sup>13</sup> Producing Method<br>Code |                 | <sup>14</sup> Gas Connection<br>Date<br>TBD |         | <sup>15</sup> C-129 Permit Number | <sup>16</sup> C-129 Effective Date |                       | <sup>17</sup> C-129 Expiration Date |                    |

III. Oil and Gas Transporters

|                                    |                                                                                   |                     |
|------------------------------------|-----------------------------------------------------------------------------------|---------------------|
| <sup>18</sup> Transporter<br>OGRID | <sup>19</sup> Transporter Name<br>and Address                                     | <sup>20</sup> O/G/W |
| 248440                             | Western Refining Company, LP<br><br>6500 Townbridge Drive, El Paso, TX 79905      | O                   |
| 151618                             | Enterprise Field Services, LLC<br><br>Post Office Box 4503, Houston, TX 77001     | G                   |
|                                    | ~Gas will be flared during flowback & until N2 & O2 is cleaned from the wellbore~ |                     |
|                                    |                                                                                   |                     |
|                                    |                                                                                   |                     |

IV. Well Completion Data

|                                     |                                      |                                              |                                                |                                                                                                |                       |                            |
|-------------------------------------|--------------------------------------|----------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------|----------------------------|
| <sup>21</sup> Spud Date<br>04/21/22 | <sup>22</sup> Ready Date<br>11/04/22 | <sup>23</sup> TD<br>11,227' MD<br>4,981' TVD | <sup>24</sup> PBDT<br>11,209' MD<br>4,981' TVD | <sup>25</sup> Perforations<br>5,584'-11,150' MD<br>4,957'- 4,981' TVD<br>Frac Sleeve @ 11,179' | <sup>26</sup> DHC, MC |                            |
| <sup>27</sup> Hole Size             |                                      | <sup>28</sup> Casing & Tubing Size           |                                                | <sup>29</sup> Depth Set                                                                        |                       | <sup>30</sup> Sacks Cement |
| 12.25                               |                                      | 9.625" 36# J55                               |                                                | 379'                                                                                           |                       | 109                        |
| 8.75                                |                                      | 7" 26# J55                                   |                                                | 5,272'                                                                                         |                       | 625                        |
| 6.125                               |                                      | 4.5" 11.6# P110                              |                                                | TOL: 5,023'<br>BOL: 11,222'                                                                    |                       | 665                        |
|                                     |                                      |                                              |                                                |                                                                                                |                       |                            |

V. Well Test Data

|                                                                                                                                                                                                                                                  |                                 |                         |                                                           |                             |                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------------------------|-----------------------------------------------------------|-----------------------------|-----------------------------|
| <sup>31</sup> Date New Oil                                                                                                                                                                                                                       | <sup>32</sup> Gas Delivery Date | <sup>33</sup> Test Date | <sup>34</sup> Test Length                                 | <sup>35</sup> Tbg. Pressure | <sup>36</sup> Csg. Pressure |
| <sup>37</sup> Choke Size                                                                                                                                                                                                                         | <sup>38</sup> Oil               | <sup>39</sup> Water     | <sup>40</sup> Gas                                         |                             | <sup>41</sup> Test Method   |
| <sup>42</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.<br>Signature:<br><i>Shaw-Marie Ford</i> |                                 |                         | OIL CONSERVATION DIVISION<br><br>Approved by: John Garcia |                             |                             |
| Printed name:<br>Shaw-Marie Ford                                                                                                                                                                                                                 |                                 |                         | Title:<br>Engineer                                        |                             |                             |
| Title:<br>Regulatory Specialist                                                                                                                                                                                                                  |                                 |                         | Approval Date: 10/26/2022                                 |                             |                             |
| E-mail Address:<br><a href="mailto:sford@djrlc.com">sford@djrlc.com</a>                                                                                                                                                                          |                                 |                         | RT expires 90 days from ready date                        |                             |                             |
| Date:<br>09/21/22                                                                                                                                                                                                                                |                                 | Phone:<br>505-716-3297  |                                                           |                             |                             |

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

DISTRICT II  
811 S. First St., Artesia, N.M. 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 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

☒ AS-DRILLED

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                         |                                                  |                                          |
|-----------------------------------------|--------------------------------------------------|------------------------------------------|
| <sup>1</sup> API Number<br>30-043-21405 | <sup>2</sup> Pool Code<br>42289                  | <sup>3</sup> Pool Name<br>LYBROOK GALLUP |
| <sup>4</sup> Property Code<br>325271    | <sup>5</sup> Property Name<br>VENADO CANYON UNIT | <sup>6</sup> Well Number<br>503H         |
| <sup>7</sup> OGRID No.<br>371838        | <sup>8</sup> Operator Name<br>DJR OPERATING, LLC | <sup>9</sup> Elevation<br>7122           |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| H             | 14      | 22-N     | 6-W   |         | 2268          | NORTH            | 752           | EAST           | SANDOVAL |

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

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County   |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| I             | 10      | 22-N     | 6-W   |         | 1418          | SOUTH            | 108           | EAST           | SANDOVAL |

|                                                   |                               |                                  |                                             |
|---------------------------------------------------|-------------------------------|----------------------------------|---------------------------------------------|
| <sup>12</sup> Dedicated Acres<br>SEE DETAIL BELOW | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No.<br>R-14067 R-14067A |
|---------------------------------------------------|-------------------------------|----------------------------------|---------------------------------------------|

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

16

DETAIL:  
DEDICATED ACRES

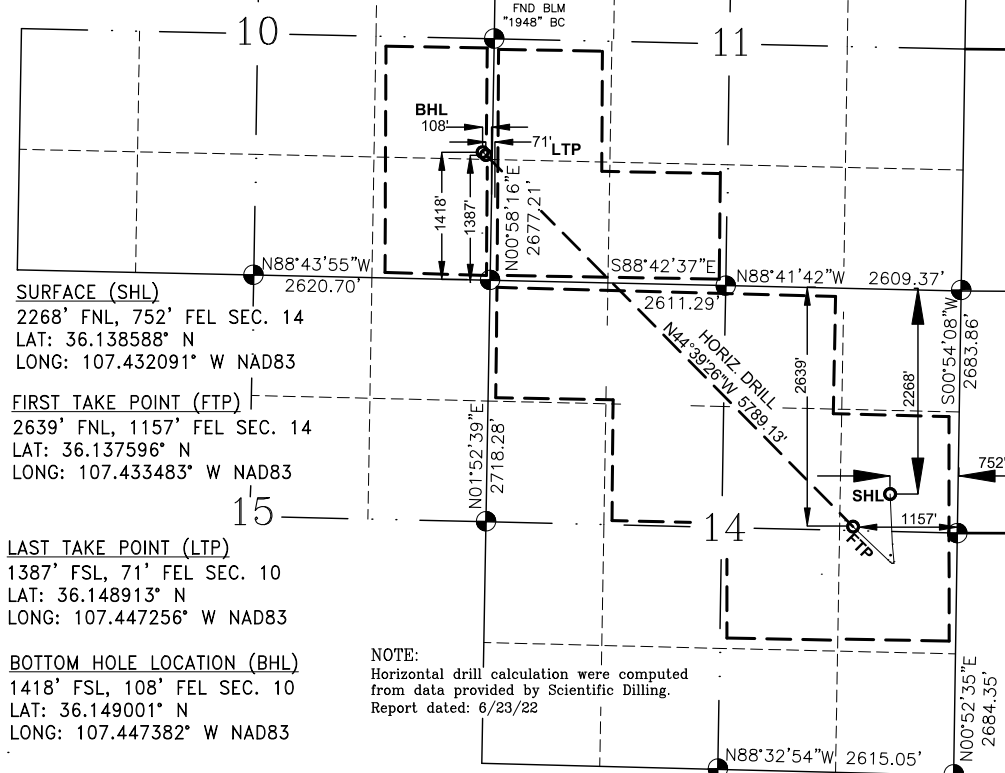
SEC. 14: N2/SE, S2/NE, NW/NE, SE/NW,  
N2/NW (320 ACRES)

SEC. 11: S2/SW, NW/SW (120 ACRES)

SEC. 10: E2/SE (80 ACRES)

TOTAL = 520 ACRES

● = FND BLM  
"1948" BC



## 17 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 a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Shaw-Marie Ford 07/05/22

Signature Date

Shaw-Marie Ford

Printed Name

sford@djrlc.com

E-mail Address

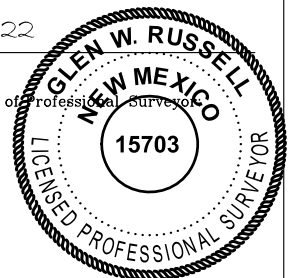
## 18 SURVEYOR CERTIFICATION

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.

JUNE 29, 2022

Date of Survey

Signature and Seal of Professional Surveyor



GLEN W. RUSSELL

Certificate Number

15703



**DJR**

**Venado Canyon**

**H14 2206**

**503H**

## **End of Well Report**



[www.scientificdrilling.com](http://www.scientificdrilling.com)

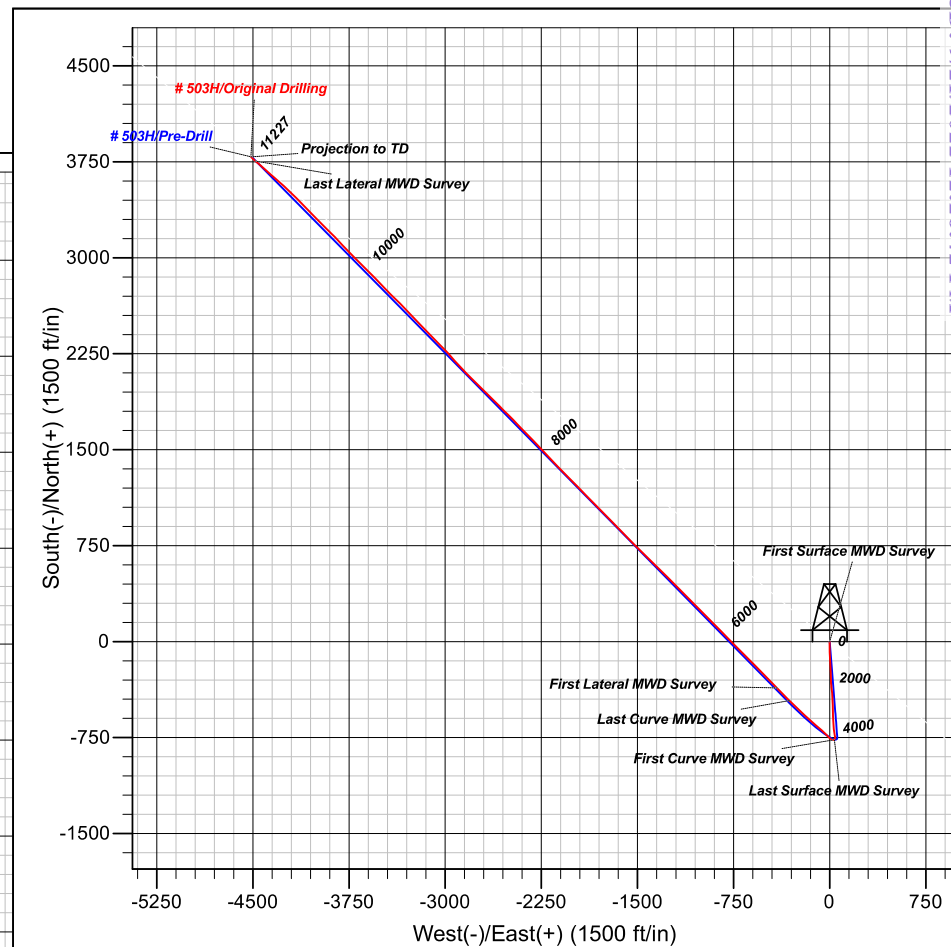
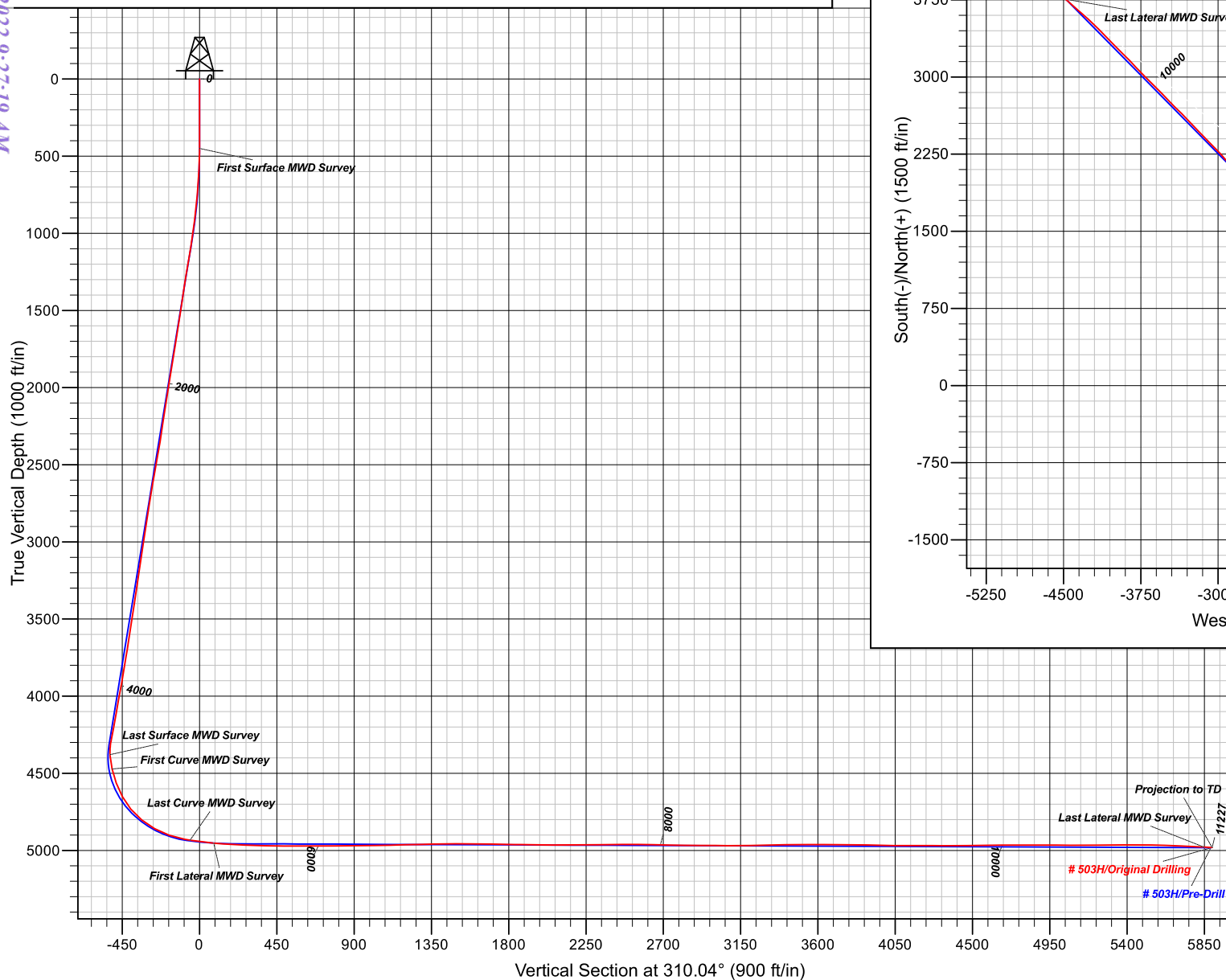


Company Name: DJR Operating  
 Project: Venado Canyon Unit  
 Site: H14 2206 Pad  
 Well: # 503H  
 Wellbore: Original Drilling



## WELL DETAILS: # 503H

|       |       | GL 7122' & RKB 26' @ 7148ft (H&P 443) 7122 |            |             |               |   |
|-------|-------|--------------------------------------------|------------|-------------|---------------|---|
| +N/-S | +E/-W | Northing                                   | Easting    | Latitude    | Longitude     |   |
| 0     | 0     | 1869987.09                                 | 2841566.25 | 36.13858818 | -107.43209145 | 2 |



Design: Original Drilling (# 503H/Original Drilling)

Created By: Janie Collins Date: 16:26, June 23 2022

## PROJECT DETAILS: Venado Canyon Unit

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

System Datum: Mean Sea Level  
 Local North: True



## **DJR Operating**

**Venado Canyon Unit**

**H14 2206 Pad**

**# 503H - Slot 2**

**Original Drilling**

**Design: Original Drilling**

## **Standard Survey Report**

**23 June, 2022**



[www.scientificdrilling.com](http://www.scientificdrilling.com)



# Scientific Drilling Survey Report



|                  |                    |                                     |                                       |
|------------------|--------------------|-------------------------------------|---------------------------------------|
| <b>Company:</b>  | DJR Operating      | <b>Local Co-ordinate Reference:</b> | Well # 503H - Slot 2                  |
| <b>Project:</b>  | Venado Canyon Unit | <b>TVD Reference:</b>               | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Site:</b>     | H14 2206 Pad       | <b>MD Reference:</b>                | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Well:</b>     | # 503H             | <b>North Reference:</b>             | True                                  |
| <b>Wellbore:</b> | Original Drilling  | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Design:</b>   | Original Drilling  | <b>Database:</b>                    | Grand Junction                        |

|                    |                           |                      |                |
|--------------------|---------------------------|----------------------|----------------|
| <b>Project</b>     | Venado Canyon Unit        |                      |                |
| <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 Western Zone   |                      |                |

|                              |              |                          |                   |
|------------------------------|--------------|--------------------------|-------------------|
| <b>Site</b>                  | H14 2206 Pad |                          |                   |
| <b>Site Position:</b>        |              | <b>Northing:</b>         | 1,870,046.75 usft |
| <b>From:</b>                 | Lat/Long     | <b>Easting:</b>          | 2,841,573.62 usft |
| <b>Position Uncertainty:</b> | 0 ft         | <b>Slot Radius:</b>      | 13.20 in          |
|                              |              | <b>Latitude:</b>         | 36.13875198       |
|                              |              | <b>Longitude:</b>        | -107.43206567     |
|                              |              | <b>Grid Convergence:</b> | 0.24 °            |

|                             |                 |                            |                  |
|-----------------------------|-----------------|----------------------------|------------------|
| <b>Well</b>                 | # 503H - Slot 2 |                            |                  |
| <b>Well Position</b>        | <b>+N/-S</b>    | 0 ft                       | <b>Northing:</b> |
|                             | <b>+E/-W</b>    | 0 ft                       | <b>Easting:</b>  |
| <b>Position Uncertainty</b> | 0 ft            | <b>Wellhead Elevation:</b> | ft               |
|                             |                 | <b>Latitude:</b>           | 36.13858818      |
|                             |                 | <b>Longitude:</b>          | -107.43209145    |
|                             |                 | <b>Ground Level:</b>       | 7122 ft          |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | Original Drilling |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | HDGM2022          | 6/19/2022          | 8.53                   | 62.67                | 48,957.90000000            |

|                          |                              |                   |                   |                      |
|--------------------------|------------------------------|-------------------|-------------------|----------------------|
| <b>Design</b>            | Original Drilling            |                   |                   |                      |
| <b>Audit Notes:</b>      |                              |                   |                   |                      |
| <b>Version:</b>          | 1.0                          | <b>Phase:</b>     | ACTUAL            | <b>Tie On Depth:</b> |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b> | <b>Direction (°)</b> |
|                          | 0                            | 0                 | 0                 | 310.04               |

|                       |                |                                           |                  |                    |
|-----------------------|----------------|-------------------------------------------|------------------|--------------------|
| <b>Survey Program</b> | <b>Date</b>    | 6/23/2022                                 |                  |                    |
| <b>From (ft)</b>      | <b>To (ft)</b> | <b>Survey (Wellbore)</b>                  | <b>Tool Name</b> | <b>Description</b> |
| 450                   | 4457           | Survey #1 - Surface MWD Survey (Original) | MWD+HDGM         | OWSG MWD + HDGM    |
| 4552                  | 5247           | Survey #2 - Curve MWD Survey (Original)   | MWD+HDGM         | OWSG MWD + HDGM    |
| 5386                  | 11,227         | Survey #3 - Lateral MWD Survey (Original) | MWD+HDGM         | OWSG MWD + HDGM    |

|                            |                        |                    |                            |                   |                   |                              |                                |                               |                              |  |
|----------------------------|------------------------|--------------------|----------------------------|-------------------|-------------------|------------------------------|--------------------------------|-------------------------------|------------------------------|--|
| <b>Survey</b>              |                        |                    |                            |                   |                   |                              |                                |                               |                              |  |
| <b>Measured Depth (ft)</b> | <b>Inclination (°)</b> | <b>Azimuth (°)</b> | <b>Vertical Depth (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b> | <b>Vertical Section (ft)</b> | <b>Dogleg Rate (°/100usft)</b> | <b>Build Rate (°/100usft)</b> | <b>Turn Rate (°/100usft)</b> |  |
| 0                          | 0.00                   | 0.00               | 0                          | 0                 | 0                 | 0                            | 0.00                           | 0.00                          | 0.00                         |  |
| 450                        | 0.33                   | 223.94             | 450                        | -1                | -1                | 0                            | 0.07                           | 0.07                          | 0.00                         |  |
| 543                        | 3.48                   | 184.33             | 543                        | -4                | -1                | -2                           | 3.48                           | 3.39                          | -42.59                       |  |
| 633                        | 4.68                   | 177.09             | 633                        | -10               | -1                | -6                           | 1.45                           | 1.33                          | -8.04                        |  |
| 725                        | 5.55                   | 175.60             | 724                        | -19               | -1                | -11                          | 0.96                           | 0.95                          | -1.62                        |  |
| 817                        | 8.52                   | 180.05             | 816                        | -30               | 0                 | -19                          | 3.28                           | 3.23                          | 4.84                         |  |
| 908                        | 9.73                   | 182.55             | 905                        | -44               | -1                | -28                          | 1.40                           | 1.33                          | 2.75                         |  |
| 1002                       | 11.27                  | 179.65             | 998                        | -61               | -1                | -39                          | 1.73                           | 1.64                          | -3.09                        |  |
| 1092                       | 12.30                  | 177.52             | 1086                       | -80               | -1                | -51                          | 1.24                           | 1.14                          | -2.37                        |  |



## Scientific Drilling

## Survey Report



|                  |                    |                                     |                                       |
|------------------|--------------------|-------------------------------------|---------------------------------------|
| <b>Company:</b>  | DJR Operating      | <b>Local Co-ordinate Reference:</b> | Well # 503H - Slot 2                  |
| <b>Project:</b>  | Venado Canyon Unit | <b>TVD Reference:</b>               | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Site:</b>     | H14 2206 Pad       | <b>MD Reference:</b>                | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Well:</b>     | # 503H             | <b>North Reference:</b>             | True                                  |
| <b>Wellbore:</b> | Original Drilling  | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Design:</b>   | Original Drilling  | <b>Database:</b>                    | Grand Junction                        |

| Survey              |                 |             |                     |            |            |                       |                         |                        |                       |  |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-------------------------|------------------------|-----------------------|--|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |  |
| 1182                | 12.42           | 176.15      | 1174                | -99        | 0          | -64                   | 0.35                    | 0.13                   | -1.52                 |  |
| 1271                | 11.54           | 175.08      | 1261                | -117       | 2          | -77                   | 1.02                    | -0.99                  | -1.20                 |  |
| 1362                | 11.29           | 176.27      | 1350                | -135       | 3          | -89                   | 0.38                    | -0.27                  | 1.31                  |  |
| 1452                | 11.10           | 179.78      | 1438                | -153       | 4          | -101                  | 0.79                    | -0.21                  | 3.90                  |  |
| 1543                | 12.78           | 178.94      | 1528                | -172       | 4          | -113                  | 1.86                    | 1.85                   | -0.92                 |  |
| 1634                | 11.70           | 179.22      | 1616                | -191       | 4          | -126                  | 1.19                    | -1.19                  | 0.31                  |  |
| 1726                | 11.73           | 175.36      | 1707                | -210       | 5          | -139                  | 0.85                    | 0.03                   | -4.20                 |  |
| 1816                | 11.84           | 174.88      | 1795                | -228       | 7          | -152                  | 0.16                    | 0.12                   | -0.53                 |  |
| 1911                | 11.33           | 174.31      | 1888                | -247       | 9          | -165                  | 0.55                    | -0.54                  | -0.60                 |  |
| 2006                | 13.20           | 182.10      | 1981                | -267       | 9          | -179                  | 2.62                    | 1.97                   | 8.20                  |  |
| 2100                | 11.47           | 176.39      | 2072                | -287       | 9          | -192                  | 2.25                    | -1.84                  | -6.07                 |  |
| 2195                | 11.71           | 180.93      | 2165                | -306       | 10         | -204                  | 0.99                    | 0.25                   | 4.78                  |  |
| 2290                | 11.37           | 176.00      | 2258                | -325       | 10         | -217                  | 1.10                    | -0.36                  | -5.19                 |  |
| 2385                | 11.49           | 175.89      | 2352                | -344       | 12         | -230                  | 0.13                    | 0.13                   | -0.12                 |  |
| 2480                | 12.79           | 173.54      | 2444                | -364       | 13         | -244                  | 1.46                    | 1.37                   | -2.47                 |  |
| 2574                | 12.50           | 173.67      | 2536                | -384       | 16         | -259                  | 0.31                    | -0.31                  | 0.14                  |  |
| 2669                | 12.24           | 174.48      | 2629                | -404       | 18         | -274                  | 0.33                    | -0.27                  | 0.85                  |  |
| 2764                | 10.74           | 172.88      | 2722                | -423       | 20         | -287                  | 1.61                    | -1.58                  | -1.68                 |  |
| 2859                | 11.39           | 175.50      | 2815                | -441       | 22         | -301                  | 0.86                    | 0.68                   | 2.76                  |  |
| 2954                | 11.88           | 176.69      | 2908                | -460       | 23         | -314                  | 0.57                    | 0.52                   | 1.25                  |  |
| 3049                | 10.80           | 177.26      | 3002                | -479       | 24         | -327                  | 1.14                    | -1.14                  | 0.60                  |  |
| 3144                | 12.06           | 179.24      | 3095                | -498       | 25         | -339                  | 1.39                    | 1.33                   | 2.08                  |  |
| 3239                | 10.66           | 175.73      | 3188                | -517       | 25         | -352                  | 1.64                    | -1.47                  | -3.69                 |  |
| 3333                | 12.36           | 179.10      | 3280                | -535       | 26         | -364                  | 1.94                    | 1.81                   | 3.59                  |  |
| 3428                | 12.01           | 185.81      | 3373                | -555       | 25         | -377                  | 1.53                    | -0.37                  | 7.06                  |  |
| 3523                | 11.50           | 184.67      | 3466                | -575       | 24         | -388                  | 0.59                    | -0.54                  | -1.20                 |  |
| 3618                | 12.42           | 175.86      | 3559                | -594       | 24         | -400                  | 2.15                    | 0.97                   | -9.27                 |  |
| 3713                | 11.54           | 174.39      | 3652                | -614       | 25         | -414                  | 0.98                    | -0.93                  | -1.55                 |  |
| 3808                | 12.57           | 173.44      | 3745                | -634       | 27         | -429                  | 1.10                    | 1.08                   | -1.00                 |  |
| 3903                | 10.65           | 175.97      | 3838                | -653       | 29         | -442                  | 2.09                    | -2.02                  | 2.66                  |  |
| 3998                | 13.08           | 172.02      | 3931                | -672       | 31         | -456                  | 2.70                    | 2.56                   | -4.16                 |  |
| 4093                | 11.87           | 171.83      | 4023                | -692       | 34         | -472                  | 1.27                    | -1.27                  | -0.20                 |  |
| 4187                | 11.91           | 172.35      | 4115                | -712       | 37         | -486                  | 0.12                    | 0.04                   | 0.55                  |  |
| 4282                | 12.63           | 171.36      | 4208                | -732       | 40         | -501                  | 0.79                    | 0.76                   | -1.04                 |  |
| 4362                | 13.33           | 169.93      | 4286                | -749       | 43         | -515                  | 0.96                    | 0.88                   | -1.79                 |  |
| 4457                | 11.88           | 230.22      | 4379                | -766       | 37         | -521                  | 13.31                   | -1.53                  | 63.46                 |  |
| 4552                | 13.17           | 292.22      | 4472                | -769       | 19         | -509                  | 13.55                   | 1.36                   | 65.26                 |  |
| 4646                | 17.86           | 314.71      | 4563                | -754       | -1         | -485                  | 8.03                    | 4.99                   | 23.93                 |  |
| 4741                | 26.24           | 316.93      | 4651                | -729       | -26        | -449                  | 8.86                    | 8.82                   | 2.34                  |  |
| 4836                | 36.54           | 313.35      | 4732                | -694       | -61        | -400                  | 11.01                   | 10.84                  | -3.77                 |  |
| 4931                | 47.28           | 308.49      | 4802                | -653       | -109       | -337                  | 11.80                   | 11.31                  | -5.12                 |  |
| 5025                | 58.22           | 310.56      | 4859                | -605       | -166       | -262                  | 11.77                   | 11.64                  | 2.20                  |  |
| 5120                | 69.60           | 314.54      | 4901                | -547       | -229       | -177                  | 12.55                   | 11.98                  | 4.19                  |  |



## Scientific Drilling

## Survey Report



|                  |                    |                                     |                                       |
|------------------|--------------------|-------------------------------------|---------------------------------------|
| <b>Company:</b>  | DJR Operating      | <b>Local Co-ordinate Reference:</b> | Well # 503H - Slot 2                  |
| <b>Project:</b>  | Venado Canyon Unit | <b>TVD Reference:</b>               | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Site:</b>     | H14 2206 Pad       | <b>MD Reference:</b>                | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Well:</b>     | # 503H             | <b>North Reference:</b>             | True                                  |
| <b>Wellbore:</b> | Original Drilling  | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Design:</b>   | Original Drilling  | <b>Database:</b>                    | Grand Junction                        |

| Survey              |                 |             |                     |            |            |                       |                         |                        |                       |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 5215                | 76.95           | 316.65      | 4928                | -482       | -292       | -86                   | 8.02                    | 7.74                   | 2.22                  |
| 5247                | 81.44           | 316.09      | 4934                | -460       | -314       | -55                   | 14.14                   | 14.03                  | -1.75                 |
| 5386                | 83.24           | 314.86      | 4953                | -361       | -411       | 82                    | 1.56                    | 1.29                   | -0.88                 |
| 5481                | 87.75           | 315.19      | 4960                | -294       | -478       | 176                   | 4.76                    | 4.75                   | 0.35                  |
| 5575                | 87.01           | 314.49      | 4965                | -228       | -544       | 270                   | 1.08                    | -0.79                  | -0.74                 |
| 5669                | 88.32           | 315.55      | 4968                | -162       | -611       | 363                   | 1.79                    | 1.39                   | 1.13                  |
| 5763                | 87.85           | 315.28      | 4972                | -95        | -677       | 457                   | 0.58                    | -0.50                  | -0.29                 |
| 5858                | 91.18           | 316.32      | 4972                | -27        | -743       | 551                   | 3.67                    | 3.51                   | 1.09                  |
| 5952                | 90.94           | 316.08      | 4971                | 41         | -808       | 645                   | 0.36                    | -0.26                  | -0.26                 |
| 6046                | 89.93           | 314.85      | 4970                | 108        | -874       | 738                   | 1.69                    | -1.07                  | -1.31                 |
| 6140                | 90.54           | 315.60      | 4970                | 175        | -940       | 832                   | 1.03                    | 0.65                   | 0.80                  |
| 6235                | 89.70           | 314.54      | 4969                | 242        | -1007      | 927                   | 1.42                    | -0.88                  | -1.12                 |
| 6329                | 91.81           | 316.38      | 4968                | 309        | -1073      | 1020                  | 2.98                    | 2.24                   | 1.96                  |
| 6420                | 91.41           | 315.12      | 4966                | 374        | -1136      | 1111                  | 1.45                    | -0.44                  | -1.38                 |
| 6509                | 91.31           | 314.98      | 4963                | 437        | -1199      | 1199                  | 0.19                    | -0.11                  | -0.16                 |
| 6601                | 91.44           | 314.92      | 4961                | 502        | -1264      | 1291                  | 0.16                    | 0.14                   | -0.07                 |
| 6692                | 91.64           | 314.06      | 4959                | 566        | -1329      | 1382                  | 0.97                    | 0.22                   | -0.95                 |
| 6781                | 90.34           | 314.95      | 4957                | 628        | -1393      | 1470                  | 1.77                    | -1.46                  | 1.00                  |
| 6871                | 89.70           | 314.34      | 4957                | 692        | -1457      | 1560                  | 0.98                    | -0.71                  | -0.68                 |
| 6961                | 89.16           | 314.04      | 4958                | 754        | -1521      | 1650                  | 0.69                    | -0.60                  | -0.33                 |
| 7051                | 88.83           | 316.80      | 4960                | 818        | -1584      | 1740                  | 3.09                    | -0.37                  | 3.07                  |
| 7142                | 88.76           | 316.76      | 4962                | 885        | -1647      | 1830                  | 0.09                    | -0.08                  | -0.04                 |
| 7233                | 89.93           | 315.40      | 4963                | 950        | -1710      | 1920                  | 1.97                    | 1.29                   | -1.49                 |
| 7324                | 89.33           | 315.29      | 4963                | 1015       | -1774      | 2011                  | 0.67                    | -0.66                  | -0.12                 |
| 7416                | 89.03           | 314.36      | 4965                | 1080       | -1839      | 2103                  | 1.06                    | -0.33                  | -1.01                 |
| 7507                | 90.81           | 316.18      | 4965                | 1144       | -1903      | 2193                  | 2.80                    | 1.96                   | 2.00                  |
| 7597                | 90.84           | 316.09      | 4963                | 1209       | -1965      | 2283                  | 0.11                    | 0.03                   | -0.10                 |
| 7688                | 90.60           | 315.49      | 4962                | 1275       | -2029      | 2373                  | 0.71                    | -0.26                  | -0.66                 |
| 7778                | 90.64           | 314.74      | 4961                | 1338       | -2092      | 2463                  | 0.83                    | 0.04                   | -0.83                 |
| 7869                | 89.33           | 317.53      | 4961                | 1404       | -2155      | 2553                  | 3.39                    | -1.44                  | 3.07                  |
| 7961                | 88.89           | 316.92      | 4963                | 1471       | -2218      | 2645                  | 0.82                    | -0.48                  | -0.66                 |
| 8052                | 88.66           | 316.03      | 4965                | 1537       | -2281      | 2735                  | 1.01                    | -0.25                  | -0.98                 |
| 8142                | 88.29           | 315.44      | 4967                | 1602       | -2343      | 2825                  | 0.77                    | -0.41                  | -0.66                 |
| 8232                | 90.87           | 316.68      | 4968                | 1667       | -2406      | 2914                  | 3.18                    | 2.87                   | 1.38                  |
| 8323                | 89.30           | 315.67      | 4968                | 1732       | -2469      | 3005                  | 2.05                    | -1.73                  | -1.11                 |
| 8414                | 88.92           | 314.24      | 4969                | 1797       | -2533      | 3095                  | 1.63                    | -0.42                  | -1.57                 |
| 8504                | 91.44           | 315.53      | 4969                | 1860       | -2597      | 3185                  | 3.15                    | 2.80                   | 1.43                  |
| 8594                | 91.31           | 315.34      | 4967                | 1924       | -2660      | 3274                  | 0.26                    | -0.14                  | -0.21                 |
| 8684                | 91.37           | 314.48      | 4964                | 1988       | -2724      | 3364                  | 0.96                    | 0.07                   | -0.96                 |
| 8775                | 90.87           | 313.66      | 4963                | 2051       | -2789      | 3455                  | 1.06                    | -0.55                  | -0.90                 |
| 8865                | 89.90           | 318.31      | 4962                | 2116       | -2852      | 3544                  | 5.28                    | -1.08                  | 5.17                  |
| 8956                | 89.87           | 317.45      | 4962                | 2183       | -2913      | 3634                  | 0.95                    | -0.03                  | -0.95                 |
| 9047                | 89.73           | 317.42      | 4963                | 2250       | -2974      | 3725                  | 0.16                    | -0.15                  | -0.03                 |



## Scientific Drilling

Survey Report



|                  |                    |                                     |                                       |
|------------------|--------------------|-------------------------------------|---------------------------------------|
| <b>Company:</b>  | DJR Operating      | <b>Local Co-ordinate Reference:</b> | Well # 503H - Slot 2                  |
| <b>Project:</b>  | Venado Canyon Unit | <b>TVD Reference:</b>               | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Site:</b>     | H14 2206 Pad       | <b>MD Reference:</b>                | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Well:</b>     | # 503H             | <b>North Reference:</b>             | True                                  |
| <b>Wellbore:</b> | Original Drilling  | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Design:</b>   | Original Drilling  | <b>Database:</b>                    | Grand Junction                        |

| Survey              |                 |             |                     |            |            |                       |                         |                        |                       |  |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-------------------------|------------------------|-----------------------|--|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |  |
| 9138                | 88.96           | 315.82      | 4964                | 2316       | -3037      | 3815                  | 1.95                    | -0.85                  | -1.76                 |  |
| 9229                | 89.06           | 315.82      | 4965                | 2382       | -3100      | 3906                  | 0.11                    | 0.11                   | 0.00                  |  |
| 9318                | 87.82           | 314.53      | 4968                | 2445       | -3163      | 3994                  | 2.01                    | -1.39                  | -1.45                 |  |
| 9408                | 90.07           | 317.73      | 4969                | 2510       | -3225      | 4084                  | 4.35                    | 2.50                   | 3.56                  |  |
| 9501                | 89.97           | 316.40      | 4969                | 2578       | -3289      | 4176                  | 1.43                    | -0.11                  | -1.43                 |  |
| 9591                | 89.87           | 314.94      | 4969                | 2642       | -3352      | 4266                  | 1.63                    | -0.11                  | -1.62                 |  |
| 9683                | 89.50           | 314.14      | 4970                | 2707       | -3417      | 4357                  | 0.96                    | -0.40                  | -0.87                 |  |
| 9774                | 91.34           | 316.74      | 4969                | 2771       | -3481      | 4448                  | 3.50                    | 2.02                   | 2.86                  |  |
| 9865                | 91.07           | 316.09      | 4967                | 2837       | -3544      | 4538                  | 0.77                    | -0.30                  | -0.71                 |  |
| 9955                | 90.81           | 315.54      | 4966                | 2902       | -3606      | 4628                  | 0.68                    | -0.29                  | -0.61                 |  |
| 10,046              | 89.40           | 313.56      | 4966                | 2966       | -3671      | 4719                  | 2.67                    | -1.55                  | -2.18                 |  |
| 10,137              | 90.84           | 316.61      | 4965                | 3030       | -3735      | 4809                  | 3.71                    | 1.58                   | 3.35                  |  |
| 10,227              | 90.27           | 316.38      | 4965                | 3095       | -3797      | 4899                  | 0.68                    | -0.63                  | -0.26                 |  |
| 10,317              | 89.87           | 315.67      | 4964                | 3160       | -3860      | 4988                  | 0.91                    | -0.44                  | -0.79                 |  |
| 10,407              | 89.23           | 315.37      | 4965                | 3224       | -3923      | 5078                  | 0.79                    | -0.71                  | -0.33                 |  |
| 10,497              | 88.76           | 314.48      | 4967                | 3288       | -3987      | 5167                  | 1.12                    | -0.52                  | -0.99                 |  |
| 10,588              | 91.64           | 316.79      | 4966                | 3353       | -4050      | 5258                  | 4.06                    | 3.16                   | 2.54                  |  |
| 10,678              | 91.24           | 316.31      | 4964                | 3418       | -4112      | 5347                  | 0.69                    | -0.44                  | -0.53                 |  |
| 10,770              | 89.46           | 313.50      | 4964                | 3483       | -4177      | 5439                  | 3.62                    | -1.93                  | -3.05                 |  |
| 10,861              | 88.86           | 312.68      | 4965                | 3545       | -4244      | 5530                  | 1.12                    | -0.66                  | -0.90                 |  |
| 10,951              | 88.22           | 312.43      | 4967                | 3606       | -4310      | 5620                  | 0.76                    | -0.71                  | -0.28                 |  |
| 11,046              | 87.45           | 311.48      | 4971                | 3670       | -4381      | 5715                  | 1.29                    | -0.81                  | -1.00                 |  |
| 11,140              | 86.68           | 311.25      | 4976                | 3732       | -4451      | 5808                  | 0.85                    | -0.82                  | -0.24                 |  |
| 11,178              | 86.17           | 310.95      | 4978                | 3757       | -4480      | 5846                  | 1.56                    | -1.34                  | -0.79                 |  |
| 11,227              | 86.17           | 310.95      | 4981                | 3789       | -4517      | 5895                  | 0.00                    | 0.00                   | 0.00                  |  |

| Design Targets                                                                          |               |              |          |            |            |                 |                |             |  |               |
|-----------------------------------------------------------------------------------------|---------------|--------------|----------|------------|------------|-----------------|----------------|-------------|--|---------------|
| Target Name                                                                             | Dip Angle (°) | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude    |  | Longitude     |
| 503H 85° Casing                                                                         | 0.00          | 0.00         | 4942     | -453       | -341       | 1,869,532.96    | 2,841,227.37   | 36.13734449 |  | -107.43324546 |
| - actual wellpath misses target center by 15ft at 5271ft MD (4938 TVD, -442 N, -331 E)  |               |              |          |            |            |                 |                |             |  |               |
| - Point                                                                                 |               |              |          |            |            |                 |                |             |  |               |
| 503H Heel Rev 1                                                                         | 0.00          | 0.00         | 4957     | -295       | -504       | 1,869,689.58    | 2,841,063.37   | 36.13777660 |  | -107.43379870 |
| - actual wellpath misses target center by 20ft at 5499ft MD (4961 TVD, -282 N, -490 E)  |               |              |          |            |            |                 |                |             |  |               |
| - Circle (radius 50)                                                                    |               |              |          |            |            |                 |                |             |  |               |
| 503H Toe                                                                                | 0.00          | 0.00         | 4982     | 3788       | -4508      | 1,873,756.16    | 2,837,042.90   | 36.14899240 |  | -107.44735980 |
| - actual wellpath misses target center by 5ft at 11220ft MD (4981 TVD, 3784 N, -4511 E) |               |              |          |            |            |                 |                |             |  |               |
| - Circle (radius 100)                                                                   |               |              |          |            |            |                 |                |             |  |               |



**Scientific Drilling**  
Survey Report



|                  |                    |                                     |                                       |
|------------------|--------------------|-------------------------------------|---------------------------------------|
| <b>Company:</b>  | DJR Operating      | <b>Local Co-ordinate Reference:</b> | Well # 503H - Slot 2                  |
| <b>Project:</b>  | Venado Canyon Unit | <b>TVD Reference:</b>               | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Site:</b>     | H14 2206 Pad       | <b>MD Reference:</b>                | GL 7122' & RKB 26' @ 7148ft (H&P 443) |
| <b>Well:</b>     | # 503H             | <b>North Reference:</b>             | True                                  |
| <b>Wellbore:</b> | Original Drilling  | <b>Survey Calculation Method:</b>   | Minimum Curvature                     |
| <b>Design:</b>   | Original Drilling  | <b>Database:</b>                    | Grand Junction                        |

## Design Annotations

| Measured<br>Depth<br>(ft) | Vertical<br>Depth<br>(ft) | Local Coordinates |               | Comment                  |
|---------------------------|---------------------------|-------------------|---------------|--------------------------|
|                           |                           | +N/-S<br>(ft)     | +E/-W<br>(ft) |                          |
| 450                       | 450                       | -1                | -1            | First Surface MWD Survey |
| 4457                      | 4379                      | -766              | 37            | Last Surface MWD Survey  |
| 4552                      | 4472                      | -769              | 19            | First Curve MWD Survey   |
| 5247                      | 4934                      | -460              | -314          | Last Curve MWD Survey    |
| 5386                      | 4953                      | -361              | -411          | First Lateral MWD Survey |
| 11,178                    | 4978                      | 3757              | -4480         | Last Lateral MWD Survey  |
| 11,227                    | 4981                      | 3789              | -4517         | Projection to TD         |

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**Directional Survey Certification**

7237 Barton Drive  
Casper, WY 82604  
(307) 472-6621

|                            |                             |
|----------------------------|-----------------------------|
| <b>Operator</b>            | DJR Operating               |
| <b>Well Name &amp; No.</b> | Venado Canyon H14 2206 503H |
| <b>County &amp; State</b>  | San Juan, NM                |
| <b>SDI Job No.</b>         | OP.034362                   |
| <b>Rig</b>                 | H&P 443                     |

I, Janie Collins, having personal knowledge of all the facts, hereby certify that the attached directional survey run from a measured depth of 450 feet to a measured depth of 11,227 feet is true and correct as determined from all available records.

A handwritten signature in blue ink, appearing to read 'Janie Collins', written over a horizontal line.

Signature

23-Jun-22

Date

**Janie Collins**

Colorado District Well Planner  
Scientific Drilling International

**District I**

1625 N. French Dr., Hobbs, NM 88240  
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**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**

ACKNOWLEDGMENTS

Action 145330

**ACKNOWLEDGMENTS**

|                                                                   |                                                    |
|-------------------------------------------------------------------|----------------------------------------------------|
| Operator:<br>DJR OPERATING, LLC<br>1 Road 3263<br>Aztec, NM 87410 | OGRID:<br>371838                                   |
|                                                                   | Action Number:<br>145330                           |
|                                                                   | Action Type:<br>[C-104] Completion Packet (C-104C) |

**ACKNOWLEDGMENTS**

|                                     |                                                                                                                    |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | I hereby certify that the required Water Use Report has been, or will be, submitted for this wells completion.     |
| <input checked="" type="checkbox"/> | I hereby certify that the required FracFocus disclosure has been, or will be, submitted for this wells completion. |

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 145330

CONDITIONS

|                                                                   |                                                    |
|-------------------------------------------------------------------|----------------------------------------------------|
| Operator:<br>DJR OPERATING, LLC<br>1 Road 3263<br>Aztec, NM 87410 | OGRID:<br>371838                                   |
|                                                                   | Action Number:<br>145330                           |
|                                                                   | Action Type:<br>[C-104] Completion Packet (C-104C) |

CONDITIONS

| Created By | Condition                          | Condition Date |
|------------|------------------------------------|----------------|
| jagarcia   | RT expires 90 days from ready date | 10/26/2022     |