

Form 3160-5
(June 2019)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.5. Lease Serial No. **NOG13121857**6. If Indian, Allottee or Tribe Name
NAVAJO NATION**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
ENDURING RESOURCES LLC3a. Address **200 ENERGY COURT, FARMINGTON, NM 87401**
3b. Phone No. (include area code)
(505) 497-85744. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC 23/T23N/R9W/NMP7. If Unit of CA/Agreement, Name and/or No.
Greater Lybrook/NMNM144419X8. Well Name and No. **GREATER LYBROOK UNIT/054H**9. API Well No. **3004538308**10. Field and Pool or Exploratory Area
LYBROOK MANCOS W11. Country or Parish, State
SAN JUAN/NM**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

Enduring Resources respectfully requests to change the previously approved APD, amending the mud program and the cement program. These changes will effect the production section mud program and the production cement design. Please see the attached revised drilling plan and WBD for details that will include:

Change to the proposed production section mud program from water base mud to oil base mud

Change to the proposed production section cementing program cement type due to type of cement availability from service provider

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
DANIELLE GAVITO / Ph: (303) 524-4651

Permit Agent
Title

(Electronic Submission)
Signature

Date **11/30/2023**

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

KENNETH G RENNICK / Ph: (505) 564-7742 / Approved

Petroleum Engineer
Title

11/30/2023
Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office **FARMINGTON**

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.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law 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, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. 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 the 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., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

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

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

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 Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: NWSE / 1386 FSL / 2041 FEL / TWSP: 23N / RANGE: 9W / SECTION: 23 / LAT: 36.208974 / LONG: -107.756182 (TVD: 0 feet, MD: 0 feet)

PPP: NWNW / 833 FNL / 0 FEL / TWSP: 23N / RANGE: 9W / SECTION: 25 / LAT: 36.202752 / LONG: -107.749341 (TVD: 4760 feet, MD: 8800 feet)

PPP: NENE / 0 FNL / 870 FEL / TWSP: 23N / RANGE: 9W / SECTION: 26 / LAT: 36.205172 / LONG: -107.752273 (TVD: 4767 feet, MD: 7600 feet)

PPP: NWSE / 1571 FSL / 2430 FEL / TWSP: 23N / RANGE: 9W / SECTION: 23 / LAT: 36.209478 / LONG: -107.757491 (TVD: 4780 feet, MD: 5362 feet)

BHL: SESE / 232 FSL / 1160 FEL / TWSP: 23N / RANGE: 9W / SECTION: 25 / LAT: 36.191278 / LONG: -107.735443 (TVD: 4727 feet, MD: 14685 feet)

CONFIDENTIAL



ENDURING RESOURCES IV, LLC
6300 S SYRACUSE WAY, SUITE 525
CENTENNIAL, COLORADO 80211

DRILLING PLAN: *Drill, complete, and equip single lateral in the Mancos-I formation*

WELL INFORMATION:

Name: GREATER LYBROOK UNIT 054H
API Number: 30-045-38308
AFE Number: DV03076
ER Well Number: NM08271.01
State: New Mexico
County: San Juan
Surface Elevation: 6,802 ft ASL (GL) 6,827 ft ASL (KB)
Surface Location: 23-23N-09W Sec-Twn-Rng 1,386 ft FSL 2,041 ft FEL
 36.208974 ° N latitude 107.756182 ° W longitude (NAD 83)
BH Location: 25-23N-09W Sec-Twn-Rng 232 ft FSL 1,160 ft FEL
 36.191278 ° N latitude 107.735443 ° W longitude (NAD 83)

Driving Directions: FROM THE INTERSECTION OF US HWY 550 & US HWY 64 IN BLOOMFIELD, NM:

South on US Hwy 550 for 38.3 miles to MM 113.4, Right (Southwest) on CR #7890 for 0.8 miles to fork, Left (South) remaining on CR #7890 for 1.3 miles to 4-way intersection, Left (Southeast) remaining on CR #7890 for 1.2 miles to 4-way intersection; Right (West) exiting CR #7890 along existing roadway for 0.6 mile to fork; Right (Northwest) for 0.3 miles to new access road; Left on access road for 0.2 miles to W LYBROOK UNIT 772H PAD (772H, 773H, 774H, 775H, 776H wells).

GEOLOGIC AND RESERVOIR INFORMATION:

Prognosis:	Formation Tops	TVD (ft ASL)	TVD (ft KB)	MD (ft KB)	O / G / W	Pressure
	Ojo Alamo	6,410	417	417	W	normal
	Kirtland	6,307	520	520	W	normal
	Fruitland	6,107	720	720	G, W	sub
	Pictured Cliffs	5,727	1,100	1,100	G, W	sub
	Lewis	5,605	1,222	1,223	G, W	normal
	Chacra	5,336	1,491	1,496	G, W	normal
	Cliff House	4,279	2,548	2,660	G, W	sub
	Menefee	4,254	2,573	2,688	G, W	normal
	Point Lookout	3,297	3,530	3,745	G, W	normal
	Mancos	3,152	3,675	3,895	O,G	sub (~0.38)
	Gallup (MNCS_A)	2,792	4,035	4,258	O,G	sub (~0.38)
	MNCS_B	2,681	4,146	4,369	O,G	sub (~0.38)
	MNCS_C	2,591	4,236	4,459	O,G	sub (~0.38)
	MNCS_Cms	2,551	4,276	4,499	O,G	sub (~0.38)
	MNCS_D	2,402	4,425	4,657	O,G	sub (~0.38)
	MNCS_E	2,287	4,540	4,793	O,G	sub (~0.38)
	MNCS_F	2,224	4,603	4,880	O,G	sub (~0.38)
	MNCS_G	2,153	4,674	5,002	O,G	sub (~0.38)
	MNCS_H	2,108	4,719	5,097	O,G	sub (~0.38)
	MNCS_I	2,064	4,763	5,221	O,G	sub (~0.38)
	FTP TARGET	2,047	4,780	5,363	O,G	sub (~0.38)
	PROJECTED TD	2,100	4,727	14,685	O,G	sub (~0.38)

Surface: Nacimiento

Oil & Gas Zones: Several gas bearing zones will be encountered; target formation is the Gallup

Pressure: Normal (0.43 psi/ft) or sub-normal pressure gradients anticipated in all formations

Max. pressure gradient: 0.43 psi/ft Evacuated hole gradient: 0.22 psi/ft

Maximum anticipated BH pressure, assuming maximum pressure gradient: 2,060 psi

Maximum anticipated surface pressure, assuming partially evacuated hole: 1,010 psi

Temperature: Maximum anticipated BHT is 125° F or less

H₂S INFORMATION:

H₂S Zones: Encountering hydrogen-sulfide bearing zones is **NOT** anticipated.

Safety: Sensors and alarms will be placed in the substructure, on the rig floor, above the pits, and at the shakers.

LOGGING, CORING, AND TESTING:

Mud Logs: None planned; remote geo-steering from drill out of 9-5/8" casing to TD; gas detection from drillout of 13-3/8" casing to TD.

MWD / LWD: Gamma Ray from drillout of 13-3/8" casing to TD

Open Hole Logs: None planned

Testing: None planned

Coring: None planned

Cased Hole Logs: CBL on 5-1/2" casing from deepest free-fall depth to surface

DRILLING RIG INFORMATION:

Contractor: Aztec

Rig No.: 1000

Draw Works: E80 AC 1,500 hp

Mast: Hyduke Triple (136 ft, 600,000 lbs, 10 lines)

Top Drive: NOV IDS-350PE (350 ton)

Prime Movers: 4 - GE Jenbacher Natural Gas Generator

Pumps: 2 - RS F-1600 (7,500 psi)

BOPE 1: Cameron single & double gate rams (13-5/8", 3,000 psi)

BOPE 2: Cameron annular (13-5/8", 5,000 psi)

Choke 3", 5,000 psi

KB-GL (ft): 25

Note: Actual drilling rig may vary depending on availability at time the well is scheduled to be drilled.

STATE AND FEDERAL NOTIFICATIONS

	BLM	State
Construction and Reclamation:	BLM is to be notified minimum of 48 hours prior to start of construction or reclamation. Grazing permittee is to be notified 10 days in advance.	(505) 564-7600
Spud	BLM and state are to be notified minimum of 24 hours prior to spud.	(505) 564-7750 (505) 334-6178
BOP	BLM is to be notified minimum of 24 hours prior to BOPE testing.	(505) 564-7750 see note
Casing / cementing	BLM and state are to be notified minimum of 24 hours prior to running casing and cementing.	(505) 564-7750 (505) 334-6178
Plugging	BLM and state are to be notified minimum of 24 hours prior to plugging ops.	(505) 564-7750 see note
<u>All notifications are to be recorded in the WellView report with time, date, name or number that notifications were made to.</u>		
<u>Note:</u> Monica Keuhling with the OCD requests state notifications 24 hrs in advance for spud, BOP tests, casing & cementing and any plugging be given to her in both phone message and email: (505) 320-0243, monica.keuhling@emnrd.nm.gov		

BOPE REQUIREMENTS:

See attached diagram for details regarding BOPE specifications and configuration.

- 1) Rig will be equipped with upper and lower kelly cocks with handles available.
- 2) Inside BOP and TIW valves will be available to use on all sizes and threads of drill pipe used while drilling the well.
- 2) BOP accumulator will have enough capacity to open the HCR valve, close all rams and annular preventer, and retain minimum of 200 psi above precharge on the closing manifold without the use of closing pumps. The fluid reservoir capacity shall be at least double the usable fluid volume of the accumulator system capacity, and the fluid level shall be maintained at manufacturer's recommendation. There will be two additional sources of power for the closing pumps (electric and air). Sufficient nitrogen bottles will be available and will be recharged when pressure falls below manufacturer's recommended minimum.
- 3) BOP testing shall be conducted (a) when initially installed, (b) whenever any seal is broken or repaired, (c) if the time since the previous test exceeds 30 days. Tests will be conducted using a test plug. BOP ram preventers will be tested to 3,000 psig for 10 minutes, and the annular preventer will be tested to 1,500 psi for 10 minutes. Ram and annular preventers will be tested to 250 psi for 5 minutes. Additionally, BOP and casing strings will be tested to .22 psi/ft or 1,500 psi, whichever is greater but not exceeding 70% of yield strength of the casing, for 30 minutes, prior to drilling out 13-3/8" and 9-5/8" casing. Rams and hydraulically operated remote choke line valve will be function tested daily at a minimum.
- 4) Remote valve for BOP rams, HCR, and choke shall be placed in a location that is readily available to the driller. The remote BOP valve shall be capable of closing and opening the rams.
- 5) Manual locking devices (hand wheels) shall be intalled on rams. A valve will be installed on the annular preventer's closing line as close as possible to the preventer to act as a locking device. The valve will be maintained in the open position and shall only be closed when there is no power to the accumulator.

FLUIDS AND SOLIDS CONTROL PROGRAM:

Fluid Measurement: Pumps shall be equipped with stroke counters with displays in the dog-house. Slow pump speed shall be recorded daily and after mudding up, at a minimum, on the drilling report. A Pit Volume Totalizer will be installed and the readout will be displayed in the dog-house. Gas-detecting equipment will be installed at the shakers, and readouts will be available in the dog-house and the in the geologist's work-station (if geologist or mud-logger is on-site).

Closed-Loop System: A fully, closed-loop system will be utilized. The system will consist of above-ground piping and above-ground storage tanks and bins. The system will not entail any earthen pits, below-grade storage, or drying pads. All equipment will be disassembled and removed from the site when drilling operations cease. The system will be capable of storing all fluids and generated cuttings and of preventing uncontrolled releases of the same. The system will be operated in an efficient manner to allow the recycling and reuse of as much fluid as possible and to minimize the amount of fluids and solids that require disposal.

Fluid Disposal: Fluids that cannot be reused, recycled, or returned to the supplier will be hauled to and disposed of at an approved disposal site (Industrial Ecosystem, Inc. or Envirotech, Inc.).

Solids Disposal: Drilling solids will be stored (until haul-off) on-site in separate containers with no other waste, debris, or garbage products. Waste solids will be hauled to and disposed of at an approved disposal site (Industrial Ecosystem, Inc. or Envirotech, Inc.).

Fluid Program: See "Detailed Drilling Plan" section and attached Newpark mud program for additional details.

DETAILED DRILLING PLAN:

SURFACE: *Drill vertically to casing setting depth (plus necessary rathole), run casing, cement casing to surface.*

0 ft (MD)	to	350 ft (MD)	Hole Section Length:	350 ft
0 ft (TVD)	to	350 ft (TVD)	Casing Required:	350 ft

Note: Surface hole may be drilled, cased, and cemented with a smaller rig in advance of the drilling rig.

Fluid:	Type	MW (ppg)	FL (mL/30 min)	PV (cp)	YP (lb/100 sqft)	pH	Comments
	Fresh Water	8.4	N/C	2 - 8	2 - 12	9.0	Spud mud

Hole Size: 17-1/2"

Bit / Motor: Mill Tooth or PDC, no motor

MWD / Survey: No MWD, deviation survey

Logging: None

Procedure: Drill to TD. After reaching TD, run gyro survey in 100' stations from TD to surface. Wiper trip. Condition hole and fluid for casing running. TOH. Run casing. Pump cement as detailed below. Monitor returns during cement job and note cement volume to surface. Install cellar and wellhead.

Casing Specs:	Wt (lb/ft)	Grade	Conn.	Collapse (psi)	Burst (psi)	Tens. Body (lbs)	Tens. Conn (lbs)
Specs	13.375	54.5	J-55	BTC	1,130	2,730	853,000
Loading				153	581	116,634	116,634
Min. S.F.				7.39	4.70	7.31	7.79

Assumptions: Collapse: fully evacuated casing with 8.4 ppg equivalent external pressure gradient

Burst: maximum anticipated surface pressure with 9.5 ppg fluid inside casing while drilling

intermediate hole and 8.4 ppg equivalent external pressure gradient

Tension: buoyed weight in 8.4 ppg fluid with 100,000 lbs over-pull

MU Torque (ft lbs): Minimum: N/A Optimum: N/A Maximum: N/A

Make-up as per API Buttress Connection running procedure.

Casing Summary: Float shoe, 1 jt casing, float collar, casing to surface

Centralizers: 2 centralizers per jt stop-banded 10' from each collar on bottom 3 jts, 1 centralizer per 2 jts to surface

Cement:	Type	Weight (ppg)	Yield (cuft/sk)	Water (gal/sk)	Hole Cap. (cuft/ft)	% Excess	Planned TOC (ft MD)	Total Cmt (sx)
	TYPE III	14.6	1.39	6.686	0.6946	100%	0	350

Calculated cement volumes assume gauge hole and the excess noted in table

Drake Cementing Surface Blend

Notify NMOCD & BLM if cement is not circulated to surface. Cement must achieve 500 psi compressive strength before drilling out.

INTERMEDIATE: *Drill as per directional plan to casing setting depth, run casing, cement casing to surface.*

350 ft (MD)	to	2,797 ft (MD)	Hole Section Length:	2,447 ft
350 ft (TVD)	to	2,673 ft (TVD)	Casing Required:	2,797 ft

Fluid:	Type	MW (ppg)	FL (mL/30 min)	PV (cp)	YP (lb/100 sqft)	pH	Comments
	LSND (KCI)	8.8 - 9.5	20	8 - 14	8 - 14	9.0 - 9.5	No OBM

Hole Size: 12-1/4"

Bit / Motor: 12-1/4" PDC bit w/mud motor

Bit / Motor: MOTOR: NOV 087840 - 7/8, 4.0, stage, 0.16 rev/gal, 1.83 DEG, 900 GPM, 950 DIFF PSIG

BIT: 6-BLADE PDC w/16 mm or 19 mm cutters, TFA = 0.67 sq-in (range 0.65 - 0.90 max), **jet with 6 - 12s**

MWD / Survey: MWD Survey with inclination and azimuth survey (every 100' at a minimum), GR optional

Logging: None

Pressure Test: NU BOPE and test (as noted above); pressure test 13-3/8" casing to **1,500** psi for 30 minutes.

Procedure: Drill to TD following directional plan (**20' rat-hole past casing setting depth**). Steer as needed to keep well on plan. Keep DLS < 3 deg/100' and keep slide length < 10', when possible. Take surveys every stand, at a minimum. Target flow-rates of 750 GPM (higher if able to control return rates). Minimum desired flow-rate is 650 GPM. At TD, condition hole and fluid for casing running. TOOH. Run casing using a CRT and washing / circulating as required. Land casing. ND BOPE. Walk rig to next well. Perform off-line cement job. Pump cement as detailed below. Monitor returns during cement job and note cement volume to surface.

Casing Specs:	Wt (lb/ft)	Grade	Conn.	Collapse (psi)	Burst (psi)	Tens. Body (lbs)	Tens. Conn (lbs)
Specs	9.625	36.0	J-55	LTC	2,020	3,520	564,000

Loading		1,168	1,163	187,808	187,808
Min. S.F.		1.73	3.03	3.00	2.41

Assumptions: Collapse: fully evacuated casing with 8.4 ppg equivalent external pressure gradient

Burst: maximum anticipated surface pressure with 9.5 ppg fluid inside casing while drilling production hole and 8.4 ppg equivalent external pressure gradient

Tension: buoyed weight in 8.4 ppg fluid with 100,000 lbs over-pull

MU Torque (ft lbs): Minimum: 3,400 Optimum: 4,530 Maximum: 5,660

Casing Summary: Float shoe, 1 jt casing, float collar, casing to surface (FLOAT EQUIPMENT FROM WEATHERFORD)

Centralizers: 1 per joint in non-vertical hole; 1 per 2-joints in vertical hole

Centralizers: 1 centralizers jt stop-banded 10' from float shoe on bottom 1 jt & 1 centralizer floating on bottom joint, 1 centralizer per jt (floating) to KOP; 1 centralizer per 3 jts to surface (Centralizers from Scepter Supply - SLIP'N'SLIDE 9-5/8" x 12" SOLID BODY POLYMER)

Cement:	Type	Weight (ppg)	Yield (cuft/sk)	Water (gal/sk)	% Excess	Planned TOC (ft MD)	Total Cmt (sx)
Lead	III:POZ Blend	12.5	2.140	12.05	70%	0	544
Tail	Type III	14.6	1.380	6.64	20%	2,297	136

Annular Capacity 0.3627 cuft/ft 9-5/8" casing x 13-3/8" casing annulus

0.3132 cuft/ft 9-5/8" casing x 12-1/4" hole annulus

Calculated cement volumes assume gauge hole and the excess noted in table

Drake Intermediate Cementing Program

Notify NMOCD & BLM if cement is not circulated to surface. Cement must achieve 500 psi compressive strength before drilling out.

PRODUCTION: Drill to TD following directional plan, run casing, cement casing to surface.

2,797 ft (MD)	to	14,685 ft (MD)	Hole Section Length:	11,888 ft
2,673 ft (TVD)	to	4,727 ft (TVD)	Casing Required:	14,685 ft

Estimated KOP:	4,399 ft (MD)	4,177 ft (TVD)
Estimated Landing Point (FTP):	5,363 ft (MD)	4,780 ft (TVD)
Estimated Lateral Length:	9,322 ft (MD)	

Fluid:	Type	MW (ppg)	FL (mL/30')	PV (cp)	YP (lb/100 sqft)	ES	OWR
	OBM	8.7 - 9.0	10 - 15	10 - 20	6 - 10	500+	80:20

Fluids / Solids Notes: Newpark OptiDrill OBM system. Ensure that drying shakers are rigged up after the rig (2nd set) of shakers. Solids control will burn retorts on cuttings samples one per tour to check % ROC. Add diesel and products as required to maintain mud in program specs. Reference Newpark's mud program for additional details. No asphalt products are to be added to the OBM system. **Any changes to the mud systems are to be discussed with engineering prior to application.**

Hole Size: 8-1/2"

Bit / Motor: 8-1/2" PDC bit w/mud motor

Bit / Motor (Detail): MOTOR: NOV 077857 - 7/8, 5.7, stage, 0.23 rev/gal, 1.83 - 2.12 DEG, 750 GPM, 1,580 DIFF PSIG (or similar); on demand friction breaking device(s) as required, bottom tool spaced ~3,000' behind the bit.

BIT: 5-BLADE PDC w/16 mm - 19 mm cutters, matrix body, target TFA = 1.0 - 1.5 sq-in

MWD / Survey: MWD with GR, inclination, and azimuth (survey every joint from KOP to Landing Point and survey every 100' minimum before KOP and after Landing Point)

Logging: GR MWD for entire section, no mud-log or cuttings sampling, no OH WL logs

Pressure Test: NU BOPE and test (as noted above); pressure test 9-5/8" casing to 1,500 psi for 30 minutes.

Procedure: Drill to KOP following directional plan. Target flow-rate is 650 - 700 GPM. Target differential pressure is 700 - 1,000 psig. Target ROP 500 - 600 ft/hr. Steer as needed to keep well on plan. Keep DLS < 3 deg/100' and keep slide length < 10' until KOP, when feasible. Take surveys every stand, at a minimum. Confirm landing target, planned BUR for curve, and KOP with Geology and Engineering. Drill curve following directional plan and updated landing target. Take survey every joint during curve. Land curve. Continue drilling in lateral section, steering as needed to keep well on plan and in the target window. Keep DLS < 2 deg/100' and keep slide length < 20', when feasible. Take surveys every stand, at a minimum. **Target rotating parameters / performance: flow-rate is 650 - 700 GPM, differential is pressure is 700 - 1,000 psig, ROP 500 - 600 ft/hr, torque 38K ft-lbs (MAX drill pipe MUT).** After reaching TD, perform clean-up cycle to condition hole for casing running. Spot lube as required and TOO (ROOH, if required; should NOT be required with OBM system). Run casing as described below. Use CRT for casing running only if necessary (should NOT be required with OBM). Verify make up torque when running casing. Space out casing getting the toe sleeve as close to LTP as possible. Land casing and test pack-off. Open floatation sub, fill casing, and circulate as required. Nipple down BOPE, walk rig to next well, and perform off-line cement job. Pump cement as detailed below. Note cement volume circulated to surface.

Casing Specs:	Size (in)	Wt (lb/ft)	Grade	Conn.	Collapse (psi)	Burst (psi)	Tens. Body (lbs)	Tens. Conn (lbs)
Specs	5.500	17.0	P-110	LTC	7,460	10,640	546,000	445,000
Loading					2,335	8,942	315,421	315,421

Min. S.F.		3.19	1.19	1.73	1.41
-----------	--	------	------	------	------

Assumptions: Collapse: fully evacuated casing with 9.5 ppg fluid in the annulus (floating casing during running)
 Burst: 8,500 psi maximum surface treating pressure with 10.2 ppg equivalent mud weight sand laden fluid with 8.4 ppg equivalent external pressure gradient
 Tension: buoyed weight in 9.0 ppg fluid with 100,000 lbs over-pull

MU Torque (ft lbs): Minimum: 3,470 Optimum: 4,620 Maximum: 5,780

Casing Summary: Float shoe, 1 jt casing, double float -float collar (Summit Casing float equipment), 1 joint csg, toe-initiation sleeve (Weatherford (WFT) RD 8,500 psi), casing to KOP with 20' marker joints spaced evenly in lateral every ~2,000', floatation sub (NCS Air-Lock 2,500 psi from WFT), casing to surface. The toe-initiation sleeve shall be placed no closer to the unit boundary than 300' measured perpendicular to the East or West lease lines for a East-West azimuth drilled wellbore. Wellbore path must be no closer than 600' from the parallel lease lines. **Note: the LTP is the maximum depth of the toe sleeve and is noted on the Well Plan. Drill past the LTP as required for necessary rat-hole and shoe-track length to place the toe sleeve as close to (but not past) the planned LTP as possible.**

Centralizers: Centralizer count and placement may be adjusted based on well conditions and as-drilled surveys.

Lateral: 1 centralizer per 3 joints (purchase centralizers from Scepter Supply)

Top of curve to 9-5/8" shoe: 1 centralizer per 5 joints

9-5/8" shoe to surface: 1 centralizer per 5 joints

Cement:	Type	Weight (ppg)	Yield (cuft/sk)	Water (gal/sk)	% Excess	Planned TOC (ft MD)	Total Cmt (sx)	Total Cmt (cu ft)
Spacer	IntegraGuard Star	11		31.6		0	60 bbls	
Lead	Type III	12.4	2.360	13.40	65%	0	495	1,168
Tail	G:POZ blend	13.3	1.560	7.70	10%	3,895	1,751	2,732

Displacement 339 est bbls

Annular Capacity 0.2691 cuft/ft 5-1/2" casing x 9-5/8" casing annulus
 0.2291 cuft/ft 5-1/2" casing x 8-1/2" hole annulus
 0.1305 cuft/ft 5-1/2" casing vol est shoe jt ft 100

Calculated cement volumes assume gauge hole and the excess noted in table

American Cementing Liner & Production Blend

Spacer	5-8 Silica Flour 163.7 lbs/bbl	Avis 616 viscosifier 11.6 lb/bbl	FP24 Defoamer .5 lb/bbl	IntegraGuard Star Plus 3K LCM 15 lb/bbl	SS201 Surfactant 1 gal/bbl			
Lead	ASTM Type I/II	BA90 Bonding Agent 5.0 lb/sx	Bentonite Viscosifier 8% BWOB	FL24 Fluid Loss .5% BWOB	IntegraGuard GW86 Viscosifier .1% BWOB	R7C Retarder .2% BWOB	FP24 Defoamer 0.3% BWOB, Anti- Static .01 lb/sx	
Tail	Type G 50%	Pozzolan Fly Ash Extender 50%	BA90 Bonding Agent 3.0 lb/sx	Bentonite Viscosifier 4% BWOB	FL24 Fluid Loss .4% BWOB	IntegraGuard GW86 Viscosifier .1% BWOB	R3 Retarder .5% BWOB	FP24 Defoamer .3% BWOB, IntegraSeal 0.25 lb/sx

LCM will be added to spacer. LCM may be added lead slurry and tail slurry depending on drilling observations and observations during cementing on initial wells on pad.

Notify NMOCD & BLM if cement is not circulated to surface.

Note: This well will not be considered an unorthodox well location as defined by NMAC 19.15.16.15.C.5. As defined in NMAC 19.15.16.15.C.1.a and 19.15.16.15.C.1.b, no point in the completed interval shall be closer to the unit boundary than 100' measured along the azimuth of the well or 330' measured perpendicular to the azimuth well. The boundaries of the completed interval, as defined by NMAC 19.15.16.7.B, are the last take point and first take point, as defined by NMAC 19.15.16.7.E and NMAC 19.15.16.7.J, respectively. In the case of this well, the last take point will be the bottom toe-initiation sleeve, and the first take point will be the top perforation. **Neither the toe-initiation sleeve nor the top perforation shall be closer to the unit boundary than 100' measured along the azimuth of the well or 330' measured perpendicular to the azimuth of the well.**

FINISH WELL: ND BOP, cap well, RDMO.

Procedure: After off-line cement job, cap and cover well. Continue drilling operations on subsequent wells on pad.

COMPLETION AND PRODUCTION PLAN:

Est Lateral Length: 9,222

Est Frac Inform: 38 Frac Stages 148,000 bbls slick water 11,990,000 lbs proppant

Frac: 39 plug-and-perf stages with 150,000 bbls slickwater fluid and 12,100,000 lbs of proppant (estimated)

Flowback: Flow back through production tubing as pressures allow

Production: Produce through production tubing via gas-lift into permanent production and storage facilities

ESTIMATED START DATES:

Drilling: 11/1/2023

Completion: 12/31/2023

Production: 2/14/2024

Prepared by: Greg Olson 10/5/2023

Updated: Greg Olson 11/29/2023

WELL NAME: GREATER LYBROOK UNIT 054H**OBJECTIVE:** Drill, complete, and equip single lateral in the Mancos-I formation**API Number:** 30-045-38308**AFE Number:** DV03076**ER Well Number:** NM08271.01**State:** New Mexico**County:** San Juan**Surface Elev.:** 6,802 ft ASL (GL) 6,827 ft ASL (KB)**Surface Location:** 23-23N-09W Sec-Twn- Rng 1,386 ft FSL 2,041 ft FEL**BH Location:** 25-23N-09W Sec-Twn- Rng 232 ft FSL 1160 ft FEL**Driving Directions:** **FROM THE INTERSECTION OF US HWY 550 & US HWY 64 IN BLOOMFIELD, NM:**

South on US Hwy 550 for 38.3 miles to MM 113.4, Right (Southwest) on CR #7890 for 0.8 miles to fork, Left (South) remaining on CR #7890 for 1.3 miles to 4-way intersection, Left (Southeast) remaining on CR #7890 for 1.2 miles to 4-way intersection; Right (West) exiting CR #7890 along existing roadway for 0.6 mile to fork; Right (Northwest) for 0.3 miles to new access road; Left on access road for 0.2 miles to W LYBROOK UNIT 772H PAD (772H, 773H, 774H, 775H, 776H wells).

QUICK REFERENCE	
Sur TD (MD)	350 ft
Int TD (MD)	2,797 ft
KOP (MD)	4,399 ft
KOP (TVD)	4,177 ft
Target (TVD)	4,780 ft
Curve BUR	10 °/100 ft
POE (MD)	5,363 ft
TD (MD)	14,685 ft
Lat Len (ft)	9,322 ft

WELL CONSTRUCTION SUMMARY:

	Hole (in)	TD MD (ft)	Csg (in)	Csg (lb/ft)	Csg (grade)	Csg (conn)	Csg Top (ft)	Csg Bot (ft)
Surface	17.500	350	13.375	54.5	J-55	BTC	0	350
Intermediate	12.250	2,797	9.625	36.0	J-55	LTC	0	2,797
Production	8.500	14,685	5.500	17.0	P-110	LTC	0	14,685

CEMENT PROPERTIES SUMMARY:

	Type	Wt (ppg)	Yd (cuft/sk)	Wtr (gal/sk)	Hole Cap. (cuft/ft)	% Excess	TOC (ft MD)	Total (sx)
Surface	TYPE III	14.6	1.39	6.686	0.6946	100%	0	350
Inter. (Lead)	III:POZ Blend	12.5	2.14	12.05	0.3627	70%	0	544
Inter. (Tail)	Type III	14.6	1.38	6.64	0.3132	20%	2,297	136
Prod. (Lead)	Type III	12.4	2.360	13.4	0.2691	65%	0	495
Prod. (Tail)	G:POZ blend	13.3	1.560	7.7	0.13052916	10%	3,895	1,751

COMPLETION / PRODUCTION SUMMARY:**Frac:** 39 plug-and-perf stages with 150,000 bbls slickwater fluid and 12,100,000 lbs of proppant (estimated)**Flowback:** Flow back through production tubing as pressures allow**Production:** Produce through production tubing via gas-lift into permanent production and storage facilities

Tops	TVD (ft KB)	MD (ft KB)
Ojo Alamo	417	417
Kirtland	520	520
Fruitland	720	720
Pictured Cliffs	1,100	1,100
Lewis	1,222	1,223
Chacra	1,491	1,496
Cliff House	2,548	2,660
Menefee	2,573	2,688
Point Lookout	3,530	3,745
Mancos	3,675	3,895
Gallup (MNCS_A)	4,035	4,258
MNCS_B	4,146	4,369
MNCS_C	4,236	4,459
MNCS_Cms	4,276	4,499
MNCS_D	4,425	4,657
MNCS_E	4,540	4,793
MNCS_F	4,603	4,880
MNCS_G	4,674	5,002
MNCS_H	4,719	5,097
MNCS_I	4,763	5,221
FTP TARGET	4,780	5,363
PROJECTED TD	4,727	14,685

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 290478

CONDITIONS

Operator: ENDURING RESOURCES, LLC 6300 S Syracuse Way, Suite 525 Centennial, CO 80111	OGRID: 372286
	Action Number: 290478
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	All original COA's still apply. OBM can only be used after all of the fresh water bearing zones have been cased and cemented off correctly.	12/19/2023