STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF RILEY PERMIAN OPERATING COMPANY, LLC FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24093

NOTICE OF SUPPLEMENT TO PRE-HEARING STATEMENT

Riley Permian Operating Company, LLC ("Riley"), the Applicant herein, provides notice that it is supplementing the evidentiary record in this case by submitting the attached Exhibits to Riley's Pre-Hearing Statement in the above-referenced case. Good cause exists to allow Riley to include the Exhibits since it relied on the language of the Pre-Hearing Order which requested a narrative of the testimony and exhibits. Supplementing the Pre-Hearing Statement to include the Exhibits will afford the Hearing Examiner the opportunity to review the materials prior to the contested hearing and make determinations that will promote development, avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

Dated this 26th day of January, 2024.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

 $\mathbf{R}\mathbf{v}$

Miguel Suazo James P. Parrot Sophia Graham 500 Don Gaspar Ave., Santa Fe, NM 87505 (505) 946-2090

msuazo@bwenergylaw.com jparrot@bwenergylaw.com sgraham@bwenergylaw.com

Attorneys for Riley Permian Operating Company, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing was served to counsel of record by electronic mail this 26th day of January 2024, as follows:

New Mexico Oil Conservation Division Hearings ocd.hearings@state.nm.us

Dana S. Hardy (dhardy@hinklelawfirm.com)
Jaclyn M. McLean (jmclean@hinklelawfirm.com)
Hinkle Law Firm

Attorneys for Spur Energy Partners LLC

Tracy L. Peterson

BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING FEBRUARY 1, 2024

Case No. 24093

Walter 182710111 #11H

Walter 182710111 #13H

Walter 182710111 #15H

Walter 182710111 #22H

Walter 182710111 #24H

Eddy County, New Mexico



STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF RILEY PERMIAN OPERATING COMPANY, LLC FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24093

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Riley Exhibit B: Filed Amended Application

Riley Exhibit C: Prepared by Mark Smith, Senior Landman

• Riley Exhibit C-1: General Location Map(s)

• Riley Exhibit C-2: Tract and Spacing Unit Depictions

• Riley Exhibit C-3: Interest Calculation for Spacing Units

• Riley Exhibit C-4: C-102(s)

• Riley Exhibit C-5: Proposal Letters

• Riley Exhibit C-6: AFEs

• Riley Exhibit C-7: Chronology of Contact

Riley Exhibit D: Prepared by Joe Stone, Operations Geologist

• Riley Exhibit D-1: Base Map

• Riley Exhibit D-2: Yeso Structure Map

• Riley Exhibit D-3: Yeso Cross Section

• Riley Exhibit D-4: Reservoir Structure Edge Map

Riley Exhibit E: Prepared by Wes McAlister, Reservoir Engineer

• Riley Exhibit E: Project Recoverable Reserves Table

Riley Exhibit F: Prepared by Dan Doherty, Senior Vice President of Operations and

Engineering

• Riley Exhibit F: Infrastructure Map

Riley Exhibit G: Notice Affidavit

Notice Letter

Certified Mail Receipts

Riley Exhibit H: Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

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Case:	APPLICANT'S RESPONSE
Date	
Applicant:	Riley Permian Operating Company, LLC
Designated Operator & OGRID (affiliation if applicable):	372290
Applicant's Counsel:	Miguel Suazo, Beatty & Wozniak, P.C.
Case Title:	Application of Riley Permian Operating Company, LLC for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family:	Hawk 9 Federal Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Yeso
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Formation
Pool Name and Pool Code:	Red Lake; Glorieta-Yeso [51120]
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	400 acres, more or less
Building Blocks:	Quarter-Quarter sections
Orientation:	East-West
Description: TRS/County	N/2 of Section 10 and W/2NW/4 of Section 11, T-18-S, R-27-E, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	Walter 182719111 #24H Well
Applicant's Ownership in Each Tract	Exhibit C
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

WRUC#Wed by OCD: 1/26/2024 1:05:02 PM	Walter 182710111 #11H Well (API No. Pending) Page 6 of
-Received by OCD. 1/20/2024 1.03.02 1 M	SHL: NE/4NE/4 (Lot A) of Section 9, Township 18 South,
	Range 27 East, N.M.P.M.
	BHL: NW/4NW/4 (Lot D) of Section 11, Township 18 South,
	Range 27 East, N.M.P.M.
	Completion Target: Yeso Formation
	Well Orientation: East to West
	Completion Location: Standard
Well #2	Walter 182710111 #22H Well (API No. Pending)
	SHL: NE/4NE/4 (Lot A) of Section 9, Township 18 South,
	Range 27 East, N.M.P.M.
	BHL: NW/4NW/4 (Lot D) of Section 11, Township 18 South,
	Range 27 East, N.M.P.M.
	Completion Target: Yeso Formation
	Well Orientation: East to West
	Completion Location: Standard
Well #3	Walter 182710111 #13H Well (API No. Pending)
	SHL: NE/4NE/4 (Lot A) of Section 9, Township 18 South,
	Range 27 East, N.M.P.M.
	BHL: SW/4NW/4 (Lot E) of Section 11, Township 18 South,
	Range 27 East, N.M.P.M.
	Completion Target: Yeso Formation
	Well Orientation: East to West
	Completion Location: Standard
Well #4	Walter 182710111 #15H Well (API No. Pending)
	SHL: NE/4NE/4 (Lot A) of Section 9, Township 18 South,
	Range 27 East, N.M.P.M.
	BHL: SW/4NW/4 (Lot E) of Section 11, Township 18 South,
	Range 27 East, N.M.P.M.
	Completion Target: Yeso Formation
	Well Orientation: East to West
	Completion Location: Standard
Well #5	Walter 182710111 #24H Well (API No. Pending)
	SHL: NE/4NE/4 (Lot A) of Section 9, Township 18 South,
	Range 27 East, N.M.P.M.
	BHL: SW/4NW/4 (Lot E) of Section 11, Township 18 South,
	Range 27 East, N.M.P.M.
	Completion Target: Yeso Formation
	Well Orientation: East to West
	Completion Location: Standard
Horizontal Well First and Last Take Points	Exhibit C-4
Completion Target (Formation, TVD and MD)	Exhibits C-5, C-6, and D-2
,	
	Constitution of the consti
AFE Capex and Operating Costs	Case No. 24093 Riley Permian Operating Company, LLC - Exhibit A
	Kiley Fermian Operating Company, ELC - Exhibit A

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	70,000	<i>-J U</i>
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit C	
Requested Risk Charge	\$200	
Notice of Hearing		
Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits B and G Exhibit G	
Proof of Published Notice of Hearing (20 days before hearing)	Exhibit H	
Ownership Determination		
Land Ownership Schematic of the Spacing Unit	Exhibits C-2 and C-3	
Tract List (including lease numbers and owners)	Exhibits C-4 and C-5	
If approval of Non-Standard Spacing Unit is requested, Tract List		
(including lease numbers and owners) of Tracts subject to notice requirements.	N/A	
	Exhibits C-3 and C-5	
Pooled Parties (including ownership type)		
Unlocatable Parties to be Pooled Ownership Depth Severance (including percentage above &	Exhibits C-3	
below)	None	
Joinder		
Sample Copy of Proposal Letter	Exhibit C-5	
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-3 and C-5	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7	
Overhead Rates In Proposal Letter	Exhibits C-5 and C-6	
Cost Estimate to Drill and Complete	Exhibit C-6	
Cost Estimate to Equip Well	Exhibit C-6	
Cost Estimate for Production Facilities	Exhibit C-6	
Geology		
Summary (including special considerations)	Exhibit D	
Spacing Unit Schematic	Exhibits C-2, C-3, C-4 and D-1	
Gunbarrel/Lateral Trajectory Schematic	Exhibits D-1, and D-3	
Well Orientation (with rationale)	Exhibit D	
Target Formation	Exhibit D	
HSU Cross Section	Exhibit D-2, D-3	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit C-4	
Tracts	Exhibit C-2	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3	
General Location Map (including basin)	Exhibit C-1	
Well Bore Location Map	Exhibit C-4 and D-1	
Structure Contour Map - Subsea Depth	Exhibit D-2	
Cross Section Location Map (including wells)	Exhibit D-1	
Cross Section (including Landing Zone)	Exhibit D-3 Case No. 24093 Riley Permian Operating Company, LLC - Exhibit A	

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Additional information/2024 1:05:02 PM	Page 8 of 5
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Miguel Suazo
Signed Name (Attorney or Party Representative):	
Date:	January 25, 2024

STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

AMENDED APPLICATION OF RILEY PERMIAN OPERATING COMPANY, LLC FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24093

AMENDED APPLICATION

Riley Permian Operating Company, LLC, OGRID No. 372290 ("Riley" or "Applicant"), through its undersigned attorneys, hereby files this Amended Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) creating a standard 400-acre, more or less, horizontal well spacing and unit ("HSU") composed of the N/2 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and (2) an order pooling all uncommitted mineral interests in the Yeso Formation, designated as an oil pool, underlying said HSU.

In support of its Amended Application, Riley states the following:

- 1. Riley is a working interest owner in the subject lands and has a right to drill wells thereon.
- 2. Riley seeks to dedicate the N/2 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 400-acre, more or less, spacing unit.
 - 3. Riley seeks to dedicate the above-referenced HSU to the following proposed wells:
 - A. Walter 182710111 #11H and Walter 182710111 #22H Wells, which are oil wells that will be horizontally drilled from a surface location in the NE½NE½ of Section 9 to a bottom hole location in the Yeso Formation in the NW½NW¼ of Section 11; and

- B. Walter 182710111 #13H, Walter 182710111 #15H, and Walter 182710111 #24H, which are oil wells that will be horizontally drilled from a surface location in the NE¼NE¼ of Section 9 to a bottom hole location in the Yeso Formation in the SW¼NW¼ of Section 11.
- 4. The wells are orthodox in their location, and the take points and laterals comply with Statewide Rules for setbacks.
- 5. The completed interval for the Walter 182710111 #24H well is less than 330' from the adjoining tracts and the Division's rules allow for the inclusion of proximity tracts within the proposed standard spacing unit for the wells.
- 6. Riley has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners in the Yeso formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 7. The pooling of all interests in the Yeso formation within the proposed unit will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Riley requests that all uncommitted interests in this HSU be pooled and that Riley be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, Riley requests this Amended Application be set for hearing on February 1, 2024, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Approving the creation of a standard 400-acre, more or less, spacing and proration unit comprised of the N/2 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, Eddy County, New Mexico;

- B. Pooling all uncommitted interests in the Yeso formation underlying a horizontal spacing unit within the N/2 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico;
- C. Approving the Walter 182710111 #11H, Walter 182710111 #22H, Walter 182710111 #13H, Walter 182710111 #15H, and Walter 182710111 #24H, as the wells for the HSU.
- D. Designating Riley as operator of the HSU and the horizontal wells to be drilled thereon;
- E. Authorizing Riley to recover its costs of drilling, equipping, and completing the wells;
- F. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Setting a 200% charge for the risk assumed by Riley in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Miguel Suazo

James P. Parrot

Sophia Graham

500 Don Gaspar Ave.,

Santa Fe, NM 87505

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 $\underline{jparrot@bwenergylaw.com}$

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Attorneys for Riley Permian Operating Company, LLC

Application of Riley Permian Operating Company, LLC for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 400-acre, more or less, spacing and proration unit comprised of the N/2 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, N.M.P.M, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Yeso formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Walter 182710111 #11H and Walter 182710111 #22H Wells, which are oil wells that will be horizontally drilled from a surface location in the NE¹/₄NE¹/₄ of Section 9 to a bottom hole location in the Yeso Formation in the NW¹/₄NW¹/₄ of Section 11, and the Walter 182710111 #13H, Walter 182710111 #15H, and Walter 182710111 #24H, which are oil wells that will be horizontally drilled from a surface location in the NE¹/₄NE¹/₄ of Section 9 to a bottom hole location in the Yeso Formation in the SW1/4NW1/4 of Section 11. The wells are orthodox in location and the take points and laterals comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 10 miles from Artesia, New Mexico.

Before the Oil Conservation Division Examiner Hearing Case No. 24093

Walter 182710111 #11H
Walter 182710111 #13H
Walter 182710111 #15H
Walter 182710111 #22H
Walter 182710111 #24H





Locator Map: Exhibit C-1



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Lease Tract Map: Exhibit C-2

N2 of Section 10 and W2NW4 Section 11-18S-27E as Tracts 1, 2, 3, 4 and 5. (Red Lake, Glorieta-Yeso Pool); Walter 182710111 #11H, #13H, #15H, #22H, #24H

SEC -18S-27E	SEC 10-1	8S-27E	SEC 1	1-18S-27E	
N2SW	TRACT 1: NENW	TRACT 2: N2NE	TRACTE	N2SW	
N2SW	TRACT 3: NWNW, 52NW	TRACT 4; S2NE	TRACT 5: E2NW	N2SW	—
N2SW	N2SW	N2SE	N2SW	N2SW	
N2SW	S2SW	S2SE	N2SW	N2SW	

RILEY DSU

TRACT	ACRES
TRACT 1	40
TRACT 2	80
TRACT 3	120
TRACT 4	80
TRACT 5	80
TOTAL FED ACRES:	

Walter 182710111 #11H, #13H, #15H, #22H, #24H

N/2 Section 10 and W/2NW/4 Section 11, T18S-27E, Eddy County, NM (Yeso Pool)

Tract 1: NMNM-0025604

Owner	Net Acres	Tract WI	Status
SEP Permian Holding Corp.	40.000000	1.00000000	Uncommitted

Tract 2: NMLC-0065478B

Owner	Net Acres	Tract WI	Status
Riley Exploration Permian, Inc.	40.00000	0.50000000	Committed
SEP Permian Holding Corp.	40.000000	0.50000000	Uncommitted

Tract 3: NMNM-0025604

Owner	Net Acres	Tract WI	Status
Riley Exploration Permian, Inc.	60.000000	0.50000000	Committed
SEP Permian Holding Corp.	60.000000	0.50000000	Uncommitted

Tract 4: NMLC-0065478B

Owner	Net Acres	Tract WI	Status
Riley Exploration Permian, Inc.	40.00000	0.50000000	Committed
SEP Permian Holding Corp.	40.000000	0.50000000	Uncommitted

Tract 5: NMLC-0067858

Owner	Net Acres	Tract WI	Status
Riley Permian	80.000000	1.00000000	Committed

MAJORITY WORKING INTEREST OWNER IN THE WALTER 400-ACRE HSU			
Riley 55.00% working interest 220 net acres			
Spur	45.00% working interest	180 net acres	

MAJORITY WORKING INTEREST OWNER IN THE RED SKIES 320-ACRE HSU						
Riley	43.75% working interest	140 net acres				
Spur	56.25% working interest	180 net acres				

DISTRICT I DISTRICT III 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, New Mexico 87505

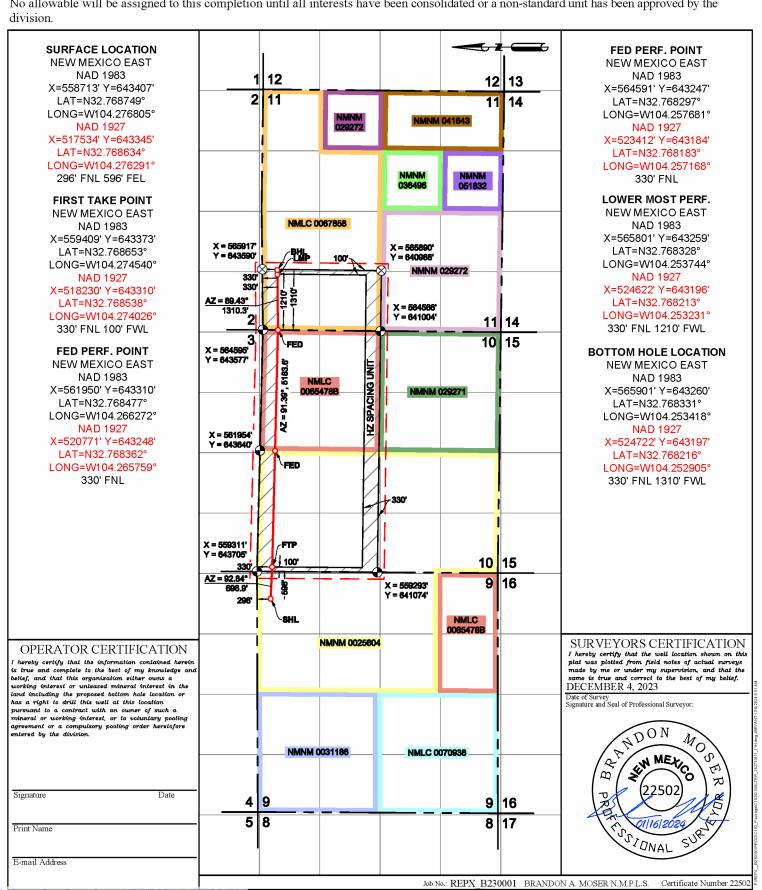
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

A	API Number			Pool Code			Pool Name				
30-015-			5112	20		RED LAKE; GLORIETA-YESO					
Property C	ode		Property Name Well Number						nber		
				,	WALTER 1827	10111		11⊦	ł		
OGRID N					Operator Name			Elevati	on		
7377			RILEY EXPLORATION PERMIAN, INC. 3532'						2'		
Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
Α	9	18 S	27 E		296	NORTH	596	EAST	EDDY		
			Botto	om Hole	Location If Diff	erent From Surfac	e				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
D	11	18 S	27 E 330 NORTH 1310			WEST	EDDY				
Dedicated Acres	Joint or	Infill	Consolidated Cod	le Ord	er No.				-		
400			PENDING COM AGREEMENT								

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



DISTRICT I DISTRICT II DISTRICT III DISTRICT IV

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

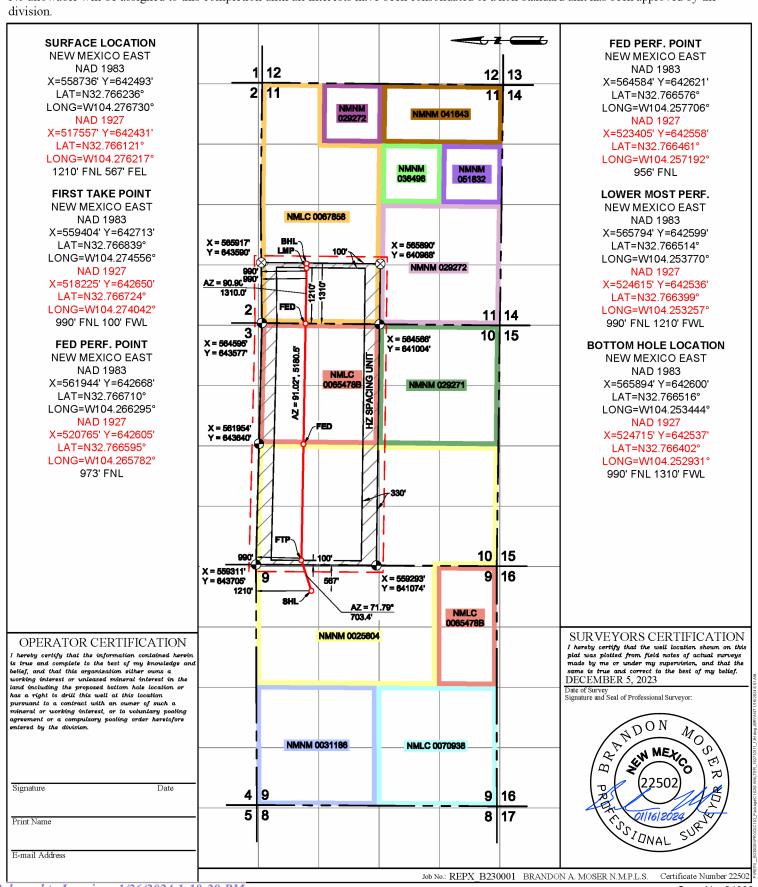
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WELL LOCATION AND ACREAGE DEDICATION PLAT

	PI Number		5440	Pool Code		Pool Name				
30-015-			5112	U		RED LAKE; GLORIETA-YESO				
Property C	ode				Property Name			Well Nur	Well Number	
				1	NALTER 18271	0111		13H		
OGRID N	o.				Operator Name			Elevati	Elevation	
7377			RILEY EXPLORATION PERMIAN, INC. 3518'						3'	
Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Α	9	18 S	27 E		1210	NORTH	567	EAST	EDDY	
			Botte	om Hole	Location If Diffe	erent From Surfac	e			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	11	18 S	27 E	27 E 990 NORTH 1310				WEST	EDDY	
Dedicated Acres	Joint or	Infill	Consolidated Coo	le Orde	r No.					
400			PENDING COM AGREEMENT							

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



DISTRICT I
1623 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (375) 748-1235 Fax: (575) 748-9720
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

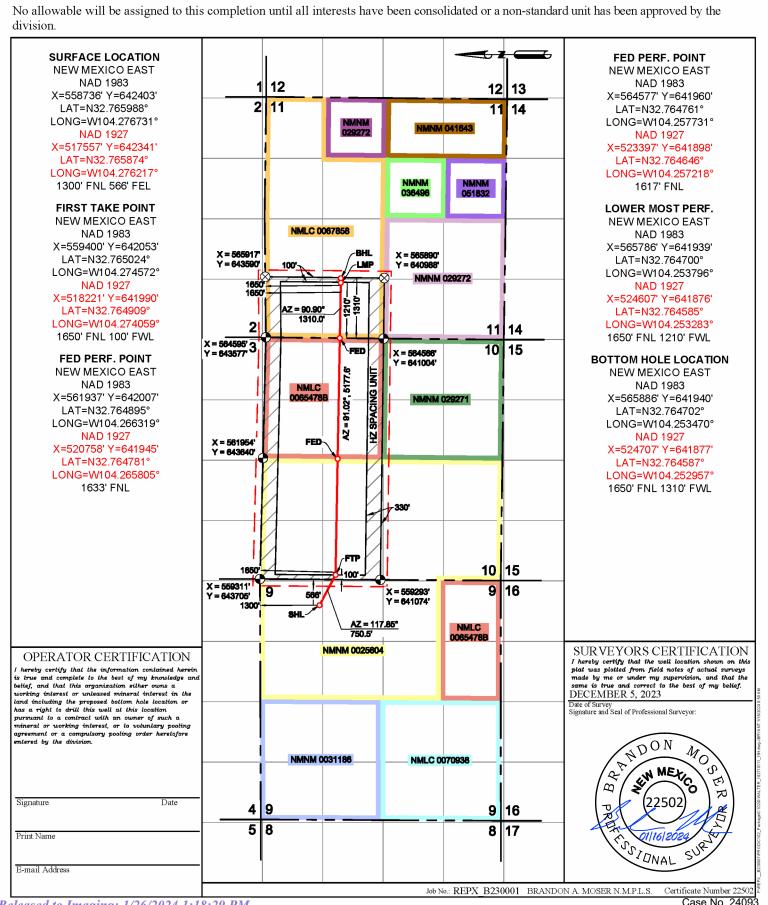
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Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

A	API Number		Pool Code Pool Name							
30-015-			5112	20		RED LAKE; GLORIETA-YESO				
Property C	'ode				Property Name	•	Well Number			
			WALTER 182710111							
OGRID N	lo.				Operator Nam	e		Elevati	on	
7377			F	RILEY EX	KPLORATION	PERMIAN, INC.		3516	6'	
Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Α	9	18 S	27 E		1300	NORTH	566	EAST	EDDY	
			Bott	om Hole	Location If Dif	ferent From Surfac	e			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
E	11	18 S	27 E		1650	NORTH	1310	WEST	EDDY	
Dedicated Acres	Joint or	Infill	Consolidated Co	de Oro	ler No.		_			
400			PENDING COM AGREEMENT							



DISTRICT I 6161 Fax: (575) 393-0720 DISTRICT II 283 Fax: (575) 748-9720 DISTRICT III 6178 Fax: (505) 334-6170 DISTRICT IV DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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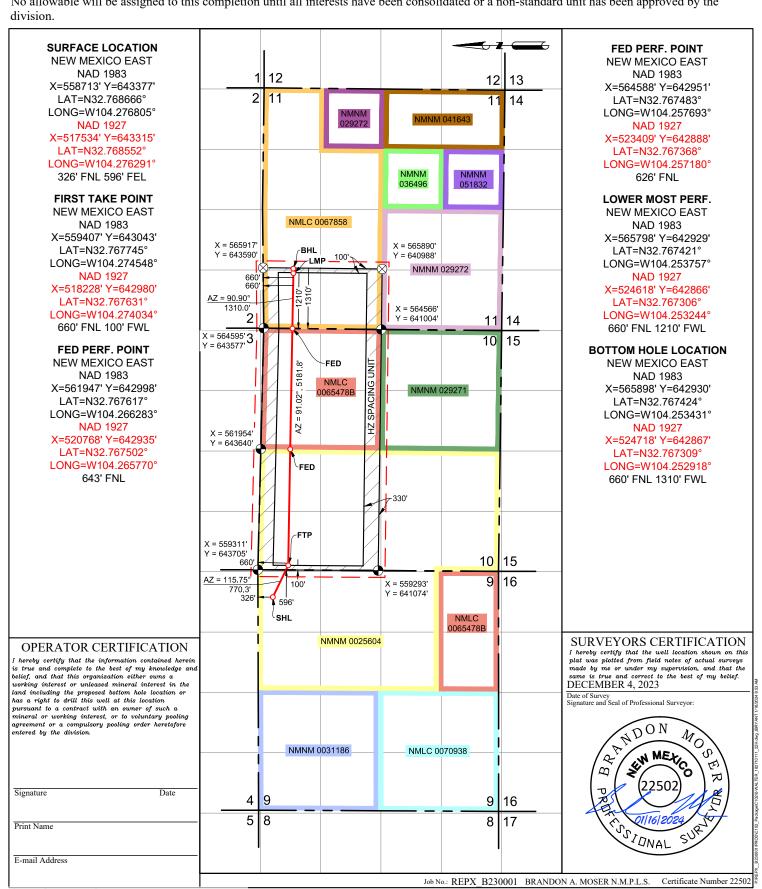
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

A	PI Number		Pool Code			Pool Name				
30-015-			5 ⁻	1120		RED LAKE; GLORIETA-YESO				
Property C	ode				Property Name			Well Nu	mber	
			WALTER 182710111					22H	1	
OGRID N	lo.				Operator Name			Elevati	ion	
7377			RILEY EXPLORATION PERMIAN, INC. 3531'					1'		
	Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Α	9	18 S	27 E		326	NORTH	596	EAST	EDDY	
		•	Botto	om Hole I	Location If Diff	erent From Surfac	e	•		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	11	18 S	27 E		660	NORTH	1310	WEST	EDDY	
Dedicated Acres	Joint or	Infill	Consolidated Cod	e Orde	r No.	•	•		•	
400					PENDING	COM AGREEME	NT			

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



DISTRICT I DISTRICT II DISTRICT III DISTRICT IV

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

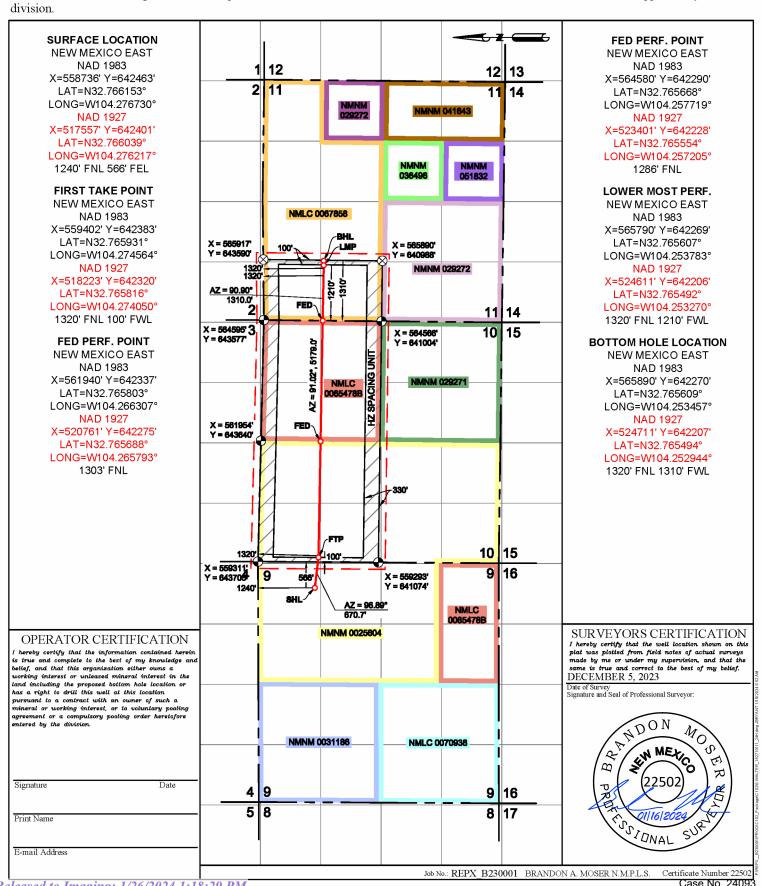
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number			Pool Code		Pool Name			
30-015-			51120			RED LAKE; GLORIETA-YESO			
Property C	ode		Property Name WALTER 182710111 Prox Tract Well				Well Number 24H		
ogrid n 7377			Operator Name RILEY EXPLORATION PERMIAN, INC.					Elevation 3517'	
	Surface Location								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	9	18 S	27 E		1240	NORTH	566	EAST	EDDY
			Botto	om Hole	Location If Diff	erent From Surfac	e		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	18 S	27 E 1320 NORTH 1310				WEST	EDDY	
Dedicated Acres	Joint or	Infill	Consolidated Cod	le Ord	er No.				
400					PENDING	COM AGREEME	NT		

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





December 14, 2023

Spur Energy Partners LLC Attn: Mark Hicks 9655 Katy Freeway, Suite 500 Houston, TX 77024

RE: Well Proposal

Walter 182710111 11H, 13H, 15H, 22H, & 24H

N/2 of Section 10, T18S-R27E & W/2 NW/4 of Section 11, T18S-R27E

Eddy County, New Mexico

Dear Working Interest Owner:

Riley Exploration Permian, Inc. ("Riley"), hereby proposes to drill and complete the Walter 182710111 11H, 13H, 15H, 22H, and 24H wells to the approximate total vertical depths as referenced below as horizontal Yeso wells (the "Subject Wells") at the following proposed locations (subject to change upon staking and survey).

Walter 182710111 11H - Horizontal Yeso Well, Eddy County, NM

Proposed Surface Hole Location – 296' FNL & 609' FEL, Section 9, T18S-R27E Proposed Bottom Hole Location – 330' FNL & 1310' FWL, Section 11, T18S-R27E TVD: 3,600'

Walter 182710111 13H - Horizontal Yeso Well, Eddy County, NM

Proposed Surface Hole Location – 1010' FNL & 748' FEL, Section 9, T18S-R27E Proposed Bottom Hole Location – 990' FNL & 1310' FWL, Section 11, T18S-R27E TVD: 3,600'

Walter 182710111 15H - Horizontal Yeso Well, Eddy County, NM

Proposed Surface Hole Location – 1100' FNL & 747' FEL, Section 9, T18S-R27E Proposed Bottom Hole Location – 1650' FNL & 1310' FWL, Section 11, T18S-R27E TVD: 3,600'

Walter 182710111 22H - Horizontal Yeso Well, Eddy County, NM

Proposed Surface Hole Location – 326' FNL & 609' FEL, Section 9, T18S-R27E Proposed Bottom Hole Location – 660' FNL & 1310 FWL, Section 11, T18S-R27E TVD: 3,600'

Walter 182710111 24H - Horizontal Yeso Well, Eddy County, NM

Proposed Surface Hole Location – 1040' FNL & 747' FEL, Section 9, T18S-R27E Proposed Bottom Hole Location – 1320' FNL & 1310' FWL, Section 11, T18S-R27E TVD: 3,600'

Riley

The enclosed AFEs reflect the total estimated drilling and completion costs for each well. The AFEs are an estimate only and those parties electing to participate in the Subject Wells shall be responsible for their share of actual well costs, whether more or less than those shown on the enclosed AFEs.

Riley respectfully requests that you select one of the following four options with regard to your interest in the proposed wells:

Option 1: Participate in the drilling and completion of the proposed wells

Option 2: Not participate in the proposed wells (an election of "Non-Consent")

Option 3: Term Assignment Option – Assign your working interest in the N/2 of Section 10-T18S-R27E & W/2 NW/4 of Section 11-18S-27E, exclusive of existing wellbores, to Riley through a term assignment with a primary term of three (3) years and a bonus consideration of \$750 per net acre, delivering a full net revenue interest (limited to the Yeso formation).

Option 4: Assignment Option – Assign your working interest in the N/2 of Section 10-T18S-R27E & W/2 NW/4 of Section 11-18S-27E, exclusive of existing wellbores, to Riley for a bonus consideration of \$1,000 per net acre, delivering a full net revenue interest (all rights owned).

Should you elect to assign your minerals under the terms outlined above in either the Option 3 – Term Assignment Option or Option 4 – Assignment Option, please indicate this by signing the enclosed Assignment Election page and returning an executed W-9. Upon receipt, Riley will submit an Assignment to you for your review and execution.

Riley looks forward to working with you on this matter. However, if an agreement cannot be reached within 30 days of the receipt date of this proposal, please be advised Riley may apply to the New Mexico Oil Conservation Division for Compulsory Pooling of any uncommitted interest owners into a spacing unit for the proposed wells.

Please indicate your elections as to the Subject Wells in the spaces provided below and execute and return a copy of this letter (together with a signed copy of each AFE for any well(s) you elect to participate in) to the undersigned within 30 days of receipt of this proposal. Should you have any questions regarding this proposal, please contact Mark Smith at 405-415-8925 or marksmith@rileypermian.com.

Best Regards,

MW Smith

Mark W. Smith Sr. Landman

Walter 182710111 11H

WI Owner: Spur Energy Partners	
Option 1) The undersigned elects to participate in the drilling and completion of the Walter 182710111 11H well.	
Option 2) The undersigned elects not to participate in the drilling and completion of the Walter 182710111 11H well.	
Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide Riley with a copy of your Certificate of Insurance.	
Well Insurance:	
The undersigned requests Well Insurance coverage provided by Riley	
The undersigned elects to obtain individual Well Insurance coverage.	
Agreed to and Accepted this day of, 2023	
Company / Individual:	
By:	
Name:	
Title:	

Walter 182710111 13H WI Owner: Spur Energy Partners	
Option 1) The undersigned elects to participate in the drilling and completion of the Walter 182710111 13H well.	9
Option 2) The undersigned elects not to participate in the drilling and completion of the Walter 182710111 13H well.	r
Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide Riley with a copy of your Certificate of Insurance.	
Well Insurance:	
The undersigned requests Well Insurance coverage provided by Riley	
The undersigned elects to obtain individual Well Insurance coverage.	
Agreed to and Accepted this day of, 202	3.
Company / Individual:	
By:	
Name:	
Title:	

Walter 182710111 15H WI Owner: Spur Energy Partners	
Option 1) The undersigned elects to participate in the drilling and completion Walter 182710111 15H well.	n of the
Option 2) The undersigned elects not to participate in the drilling and complet the Walter 182710111 15H well.	ition of
Should you elect to participate, please also indicate your Well Insurance election below. If you e obtain individual Well Insurance coverage, please provide Riley with a copy of your Certificate o Insurance.	
Well Insurance:	
The undersigned requests Well Insurance coverage provided by Riley	
The undersigned elects to obtain individual Well Insurance coverage.	
Agreed to and Accepted this day of	_, 2023.
Company / Individual:	
By:	
Name:	
Title:	

Walter 182710111 22H WI Owner: Spur Energy Partners	
Option 1) The undersigned elects to participate in the drilling and completion Walter 182710111 22H well.	of the
Option 2) The undersigned elects not to participate in the drilling and complete the Walter 182710111 22H well.	ion of
Should you elect to participate, please also indicate your Well Insurance election below. If you eleobtain individual Well Insurance coverage, please provide Riley with a copy of your Certificate of Insurance.	ect to
Well Insurance:	
The undersigned requests Well Insurance coverage provided by Riley	
The undersigned elects to obtain individual Well Insurance coverage.	
Agreed to and Accepted this day of	, 2023.
Company / Individual:	
Ву:	
Name:	
Title:	

Walter 182710111 24H

WI Owner: Spur Energy Partners
Option 1) The undersigned elects to participate in the drilling and completion of the Walter 182710111 24H well.
Option 2) The undersigned elects not to participate in the drilling and completion of the Walter 182710111 24H well.
Should you elect to participate, please also indicate your Well Insurance election below. If you elect to obtain individual Well Insurance coverage, please provide Riley with a copy of your Certificate of Insurance.
Well Insurance:
The undersigned requests Well Insurance coverage provided by Riley
The undersigned elects to obtain individual Well Insurance coverage.
Agreed to and Accepted this day of, 2023.
Company / Individual:
By:
Name:
Title:

Term Assignment Option	
The undersigned hereby elects to assign their working interest in the NAT18S-R27E & W/2 NW/4 of Section 11-T18S-R27E, exclusive of existing wellbores, to Ritterm assignment with a primary term of three (3) years and a bonus consideration of \$750 delivering a full net revenue interest (limited to the Yeso formation)	ley through a
Assignment Option	
The undersigned hereby elects to assign their working interest in the NAT18S-R27E & W/2 NW/4 of Section 11-T18S-R27E, exclusive of existing wellbores, to Ril consideration of \$1,000 per net acre, delivering a full net revenue interest (all rights owners)	ley for a bonus
Agreed to and Accepted this day of,	2023.
Company / Individual:	
By:	
Name:	



OPERATOR										AFE NO.		1	DATE
Riley Permian Operating Company NELL NAME & NUMBER						PROPOSED TVD		PROPOSED M	EASURED DEPTH	FIELD/PR	OSPECT	1	2/8/2023
Walter 182710111 11H						3,600		10.250	LAGGINED DEI III	Red Lake			
OUNTY STATE						0,000		ATERAL	PROPOSED				
Eddy NM								6,250		Yeso			
OCATION								CLASSIFICATION	ON	Surface LAT:			
								Develo	oment	Surface LONG:			
	INTANG	BLES					RILLING		PLETION		ILITIES		TOTAL
ESCRIPTION						ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT		
Permits & Surveys						850.010	\$ 25,0		\$ -	825.010	\$ -	\$	25,0
Orilling Title Opinion ocation, Roads, & Pits						850.020 850.030	\$ 65,0 \$ 125,0		\$ -	825.030	\$ 10,000	\$	65,0 135,0
nsurance & Bonds						850.040	\$ 123,0		\$ -	625.030	\$ 10,000	\$	4,0
Rig Mobilization						850.050	\$ 85,0		\$ -			\$	85,0
	3 days @	\$ 20,000	/day			850.060	\$ 260,0	00 855.060	\$ -			\$	260,0
	0 feet @		/ft			850.070	\$	-				\$	-
urnkey Drilling its						850.080 850.090	\$ 34,5	-				\$	34,5
Directional Services						850.095	\$ 155,0					\$	155,0
Mud & Chemicals						850.100	\$ 35,0					\$	35,0
olids Control Services						850.105	\$ 45,0	00				\$	45,0
oil Tbg/Snubbing				·	<u></u>			855.110	\$ -			\$	
	0 gal/day @	\$ 3.50	/day			850.111	\$ 63,7		\$ 153,000	905 400	e 0000	\$	216,7
Vater - Fresh ill Weight Fluids						850.120 850.125	\$ 10,0 \$ 25,0		\$ 241,800 \$ 2,000	825.120	\$ 2,000	\$	253,8 27,0
	f \$ 16,000	Int	\$ 14,000	Prod Csg	\$ 80,000	850.125	\$ 25,0		φ 2,000			\$	110,0
	f \$ 2,500		\$ 2,500	Prod		850.135	\$ 40,0					\$	40,0
)pen Hole Logs					7	850.140	\$	-				\$	
completion Fluids							_	855.140	\$ 269,000			\$	269,0
Mud Logging						850.150	\$ 13,4	00				\$	13,4
Coring Surface Equip Rentals						850.160 850.180	\$ 29,7	00 855.180	\$ 157,000	825.180	\$ 12,000	\$	198,7
Jownhole Equip Rentals						850.185	\$ 29,7		\$ 75,000	023.100	\$ 12,000	\$	105,0
ransportation						850.190	\$ 20,0		\$ 20,000	825.190	\$ 20,000	\$	60,0
iving Quarters						850.200	\$ 50,0	00 855.200	\$ 2,500			\$	52,5
afety						850.205	\$	-				\$	
Contract Services						850.210	\$ 43,0		\$ 187,000	825.210	\$ 55,000	_	285,0
ubular Inspections Consulting Engineer						850.215 850.220	\$ 13,0 \$ 35,3		\$ 8,000	1		\$	21,0 35,3
On-Site Supervision						850.225	\$ 57,6		\$ 54,000	825.225	\$ -	\$	111,6
Consulting Geologist						850.230	\$	-	. 1,000			\$	
Company Labor						850.245	\$ 5,0	00 855.245	\$ 8,000	825.245	\$ 5,000	\$	18,0
Plug & Abandonment						850.270	\$ 20.0	- 055.000	•	005.000	Φ.	\$	
Surface Damages Tuid Haul & Disposal						850.280 850.290	\$ 38,0 \$ 75,0		\$ - \$ 25,000	825.280 825.290	\$ - \$ 3,000	\$	38,0 103,0
Mater Transfer Services						850.291	\$ 75,0	- 855.291	\$ 25,000	020.280	ψ 3,000	\$	86,0
verhead						850.300	\$ 2,3		\$ 5,400	825.300	\$ 8,100	\$	15,8
Completion Unit								855.310	\$ 132,000			\$	132,0
Plugs, Perfs & Cased Hole Wireline								855.325	\$ 188,000			\$	188,0
Acidizing Fracturing 200	Stage Spacin	ng .		24	Stages			855.340 855.350	\$ 9,500 \$ 1,203,000			\$	9,5
racturing 200 EHS & Regulatory	, stage spacin	9		31	Stayes	850.700	\$	- 855.700				\$	1,203,0
Spills & Environmental Response							\$	- 855.701	\$ -			\$	-
Safety						850.702	\$	- 855.702	\$ 8,000			\$	8,0
Regulatory							\$	- 855.703	\$ -			\$	-
Environmental Compliance				TOTAL	NTANCIBI ES	850.704	\$ 4.404.5	- 855.704	\$ -		6 44=465	\$	4 40= 0
	TANGIE	OI EC		IUIAL	INTANGIBLES	-	\$ 1,494,5 RILLING		\$ 2,826,200 PLETION	•	\$ 115,100	\$	4,435,8
											ILITIES	-	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	1	- ·
LOUIN HON	16				90	860.010	\$ 25,0					\$	25,0
onductor Pipe	13 3/8	48.0	J-55	79.00	375	860.020	\$ 30,0					\$	30,0
onductor Pipe urface Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,0					\$	75,0
onductor Pipe urface Casing termediate Casing	7	32.0 20.0	L-80 L-80	50.00 37.00	3,200 6,970	860.040 860.041	\$ 160,0 \$ 258,0					\$	160,0 258,0
onductor Pipe urface Casing Itermediate Casing roduction Casing -top string	7 5 1/2	20.0	L-0U	31.00	0,810	860.050	\$ 258,0					\$	258,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string	7 5 1/2					860.060	\$ 3,0	-				\$	5,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools								865.120	\$ 31,000			\$	31,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools ners & Hangers roduction Tubing		6.5	L-80	10.20	3,000					1		\$	-
onductor Pipe urface Casing termediate Casing coduction Casing -top string coduction Casing -bottom string casing Head Spools ners & Hangers coduction Tubing ther Wellhead Equipment	5 1/2	6.5	L-80	10.20	3,000	860.070	\$	- 865.070	\$ -			\$	20,0
onductor Pipe urface Casing errmediate Casing oduction Casing -top string oduction Casing -bottom string asing Head Spools ners & Hangers oduction Tubing her Wellhead Equipment owline & Connectors	5 1/2	6.5	L-80	10.20	3,000	860.070	\$	865.250	\$ 20,000			*	24,0
onductor Pipe urface Casing termediate Casing oduction Casing -top string oduction Casing -bottom string asing Head Spools ners & Hangers oduction Tubing ther Wellhead Equipment owline & Connectors oduction Wellhead	5 1/2	6.5	L-80	10.20	3,000			865.250 865.100				\$	20 /
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head	5 1/2	6.5	L-80	10.20	3,000	860.070 860.130	\$ 28,0	865.250 865.100	\$ 20,000 \$ 24,000			\$	
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead	5 1/2	6.5	L-80	10.20	3,000	860.130		865.250 865.100	\$ 20,000				
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -top string asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head trifficial Lift -Surface & Downhole Equip on-controllable (Well)	5 1/2	6.5	L-80	10.20	3,000	860.130	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000		\$ -	\$ \$	145,
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon- controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways	5 1/2 2 7/8 pment		L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000 \$ 145,000	826.090 826.150	\$ 109,000	\$ \$ \$ \$	145, 2, 109,
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	5 1/2 2 7/8 poment misc. equipt))	L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000 \$ 145,000	826.090 826.150 826.200	\$ 109,000 \$ 210,000	\$ \$ \$ \$	2,, 109, 210,
conductor Pipe surface Casing thermediate Casing roduction Casing -top string roduction Casing -bottom string trasing Head Spools tiners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head utificial Lift -Surface & Downhole Equipon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other reparators, Heater Treaters, FWKO, F	5 1/2 2 7/8 poment misc. equipt))	L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000 \$ 145,000	826.090 826.150 826.200 826.210	\$ 109,000 \$ 210,000 \$ 128,000	\$ \$ \$ \$ \$	2,0 109,0 210,0 128,0
conductor Pipe furface Casing furface Casing froduction Casing -top string froduction Casing -bottom string froduction Casing -bottom string froduction Casing -bottom string froduction Tubing furduction Tubing furduction Tubing furduction Tubing furduction Wellhead Equipment furduction Wellhead furbing Head furficial Lift -Surface & Downhole Equip flon-controllable (Well) fliscellaneous Equipment furduction Facility (pipes, valves, other furparators, Heater Treaters, FWKO, F fleters & Meter Runs	5 1/2 2 7/8 poment misc. equipt))	L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155 - 00 865.090	\$ 20,000 \$ 24,000 \$ 145,000 \$ -	826.090 826.150 826.200 826.210 826.240	\$ 109,000 \$ 210,000 \$ 128,000 \$ 65,000	\$ \$ \$ \$ \$	2,0 109,0 210,0 128,0 65,0
conductor Pipe surface Casing thermediate Casing roduction Casing -top string roduction Casing -bottom string trasing Head Spools tiners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head utificial Lift -Surface & Downhole Equipon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other reparators, Heater Treaters, FWKO, F	5 1/2 2 7/8 poment misc. equipt))	L-80			860.130 860.080	\$ 28,0 \$ \$ 2,0	865.250 865.100 00 865.155 - 00 865.090 865.270	\$ 20,000 \$ 24,000 \$ 145,000 \$ -	826.090 826.150 826.200 826.210 826.240 826.270	\$ 109,000 \$ 210,000 \$ 128,000 \$ 65,000 \$ 65,000	\$ \$ \$ \$ \$ \$	2,0 109,0 210,0 128,0 65,0 115,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head refficial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	5 1/2 2 7/8 ment misc. equipt) lare, & Comb)	L-80	тота	L TANGIBLES	860.130 860.080 860.090	\$ 28,0	865.250 865.100 00 865.155 - 00 865.090 865.270	\$ 20,000 \$ 24,000 \$ 145,000 \$ -	826.090 826.150 826.200 826.210 826.240 826.270	\$ 109,000 \$ 210,000 \$ 128,000 \$ 65,000	\$ \$ \$ \$ \$ \$ \$	28,0 145,0 2,0 109,0 210,0 128,0 65,0 115,0 1,430,0



OPERATOR Dilay Darmian Operating Company										AFE NO.			DATE
Riley Permian Operating Company NELL NAME & NUMBER	<u>'</u>					PROPOSED TVD		PROPOSED ME	ASURED DEPTH	FIEL D/PRO	OSPECT		12/8/2023
Walter 182710111 13H						3,600		ASONED DEF III	Red Lake				
OUNTY STATE						3,000		ATERAL	PROPOSED				
Eddy								6,250		Yeso			
OCATION								CLASSIFICATION	N	Surface LAT:	ļ		
								Develop		Surface LONG:			
	INTANGI	IBLES				DF	RILLING		PLETION		ILITIES	\neg	
DESCRIPTION		D				ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	_	TOTAL
Permits & Surveys						850.010	\$ 25,000	855.010	\$ -	825.010	\$	- \$	25,0
Orilling Title Opinion						850.020	\$ 65,000	000.010	Ψ -	020.010	Ψ	\$	
ocation, Roads, & Pits						850.030	\$ 125,000	855.030	\$ -	825.030	\$ 10,0		
nsurance & Bonds						850.040	\$ 4,000	855.040	\$ -		T , c	\$	
Rig Mobilization						850.050	\$ 85,000	855.050	\$ -			\$	
Dayrate Drilling Rig 13	3 days @	\$ 20,000	/day			850.060	\$ 260,000	855.060	\$ -			\$	260,0
	0 feet @		/ft			850.070	\$ -					\$	
urnkey Drilling						850.080	\$ -					\$	
its						850.090	\$ 34,500					\$	
Directional Services						850.095	\$ 155,000					\$	
flud & Chemicals						850.100	\$ 35,000	1			-	\$	
colids Control Services Coil Tbg/Snubbing						850.105	\$ 45,000	855.110	\$ -		-	\$	
· ·	0 gal/day @	\$ 3.50	/day			850.111	\$ 63,700	855.110	\$ 153,000		-	\$	
Vater - Fresh	- garaay w	# 3.30	, auy			850.111	\$ 10,000	855.120	\$ 133,000	825.120	\$ 2,0		
ill Weight Fluids						850.125	\$ 25,000	855.125	\$ 2,000		- 2,0	\$, -
	f \$ 16,000	Int	\$ 14,000	Prod Csg	\$ 80,000	850.130	\$ 110,000		. 2,000			\$	
	f \$ 2,500		\$ 2,500	Prod		850.135	\$ 40,000					\$	
pen Hole Logs						850.140	\$ -					\$	
completion Fluids			-	-	·			855.140	\$ 269,000			\$	
lud Logging						850.150	\$ 13,400					\$	
Coring						850.160	\$ -			005 :		\$	
Surface Equip Rentals						850.180	\$ 29,700	855.180	\$ 157,000	825.180	\$ 12,0		,
lownhole Equip Rentals						850.185	\$ 30,000	855.185	\$ 75,000	005.400	00.0	\$	
ransportation iving Quarters						850.190 850.200	\$ 20,000 \$ 50,000	855.190 855.200	\$ 20,000 \$ 2,500	825.190	\$ 20,0	00 \$	
afety						850.205	\$ 50,000	000.200	\$ 2,500			\$	
Contract Services						850.210	\$ 43,000	855.210	\$ 187,000	825.210	\$ 55,0		
ubular Inspections						850.215	\$ 13,000	855.215	\$ 8,000	020.210	ψ 55,0°	\$	-
Consulting Engineer						850.220	\$ 35,300	550.210	2 5,000			\$	
On-Site Supervision						850.225	\$ 57,600	855.225	\$ 54,000	825.225	\$	- \$	
Consulting Geologist						850.230	\$ -		,,,,,,			\$	
Company Labor						850.245	\$ 5,000	855.245	\$ 8,000	825.245	\$ 5,0	00 \$	18,0
Plug & Abandonment						850.270	\$ -					\$	
surface Damages						850.280 850.290	\$ 38,000	855.280	\$ -	825.280	\$	- \$,
Fluid Haul & Disposal Water Transfer Services							\$ 75,000	855.290	\$ 25,000	825.290	\$ 3,0		
Vater Transfer Services Overhead						850.291	\$ -	855.291	\$ 86,000	825.300	¢ 0.1	\$	/ -
Overnead Completion Unit						850.300	\$ 2,300	855.300 855.310	\$ 5,400 \$ 132,000	020.300	\$ 8,1	00 \$	
Plugs, Perfs & Cased Hole Wireline								855.325	\$ 132,000			\$	
cidizing								855.340	\$ 9,500			\$	
	0 Stage Spacin	ıg		31	Stages			855.350	\$ 1,203,000			\$	
HS & Regulatory						850.700	\$ -	855.700				\$	
Spills & Environmental Response							\$ -	855.701	\$ -			\$	
Safety						850.702	\$ -	855.702	\$ 8,000		1	\$	
Regulatory							\$ -	855.703	\$ -			\$	
Environmental Compliance				TOTAL	NTANCIDI ES	850.704	\$ -	855.704	\$ -		A 44= 1	\$	
	TANGO	01 E0		IOIAL	NTANGIBLES		\$ 1,494,500	001	\$ 2,826,200		\$ 115,1	00 \$	4,435,8
	TANGIE	DLES	ı		l l	וט	RILLING	COMI	PLETION	FAC	ILITIES	_	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	r	JIAL
onductor Pipe	16	-			90	860.010	\$ 25,000				 	\$	25,0
urface Casing	13 3/8	48.0	J-55	79.00	375	860.020	\$ 25,000				-	\$	
termediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,000					\$	
oduction Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$ 160,000					\$	
oduction Casing -bottom string	5 1/2	20.0	L-80	37.00	6,970	860.041	\$ 258,000					\$	
asing Head Spools					*	860.050	\$ 5,000					\$	
ners & Hangers						860.060	\$ -					\$	
	2 7/8	6.5	L-80	10.20	3,000			865.120	\$ 31,000		1	\$	
oduction Tubing						860.070	\$ -	865.070	\$ -			\$	
oduction Tubing her Wellhead Equipment								865.250	\$ 20,000			\$	
oduction Tubing her Wellhead Equipment wline & Connectors						000 400	¢ 00.000	865.100	\$ 24,000			\$	
oduction Tubing her Wellhead Equipment owline & Connectors oduction Wellhead						860.130	\$ 28,000	0GE 4FF	¢ 445.000		-	\$	
oduction Tubing ther Wellhead Equipment powline & Connectors roduction Wellhead ubing Head						860.080	\$ -	865.155	\$ 145,000		-	\$	
roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head tificial Lift -Surface & Downhole Equip	oment					860.080	\$ 2,000	865.090	\$ -	826.090	\$	- \$	
roduction Tübing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well)	oment					000.090	Ψ ∠,000	000.080		826.150	\$ 109,0		
roduction Tübing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) iscellaneous Equipment	pment												-
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways		1								826 200	\$ 210 N		
roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	r misc. equipt)) ustor								826.200 826.210	\$ 210,0 \$ 128,0		
iners & Hangers roduction Tubing ither Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rufficial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	r misc. equipt)) ustor								826.200 826.210 826.240	\$ 128,0	00 \$ 00 \$	128,0
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F	r misc. equipt)) ustor						865.270	\$ 50,000	826.210	\$ 128,0 \$ 65,0	00 \$	128,0 65,0
roduction Tübing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head utificial Lift -Surface & Downhole Equip on-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F eters & Meter Runs	r misc. equipt)) ustor		TOTA	L TANGIBLES		\$ 583,000		\$ 50,000 \$ 270,000	826.210 826.240	\$ 128,0 \$ 65,0 \$ 65,0	00 \$ 00 \$	128,0 65,0 115,0
roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead Jbing Head tifficial Lift -Surface & Downhole Equip on-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F eters & Meter Runs	r misc. equipt) Flare, & Comb) ustor			L TANGIBLES		\$ 583,000 \$ 2,077,500			826.210 826.240	\$ 128,00 \$ 65,00 \$ 65,00 \$ 577,0	00 \$ 00 \$ 00 \$ 00 \$	128,0 65,0 115,0

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OPERATOR										AFE NO.		DA1
Riley Permian Operating Company NELL NAME & NUMBER	<u>'</u>					PROPOSED TVD		PROPOSED ME	ASURED DEPTH	FIELD/PRO	OSPECT	12/8/2
Walter 182710111 15H						3,600		10.250	ASONED DEF III			
OUNTY STATE						3,000		COMPLETED LA	ATERAI	Red Lake		
Eddy NM								6,250		Yeso		
DCATION								CLASSIFICATIO	N	Surface LAT:	<u> </u>	
								Develop		Surface LONG:		
	INTANGI	IBLES				DF	RILLING		PLETION		ILITIES	
DESCRIPTION		D				ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	TOT
Permits & Surveys						850.010	\$ 25,000	855.010	\$ -	825.010	\$ -	\$
Orilling Title Opinion						850.020	\$ 65,000	000.010	Ψ	020.010	Ψ	\$
ocation, Roads, & Pits						850.030	\$ 125,000	855.030	\$ -	825.030	\$ 10,000	\$ 1
nsurance & Bonds				1		850.040	\$ 4,000	855.040	\$ -			\$
Rig Mobilization						850.050	\$ 85,000	855.050	\$ -			\$
	3 days @	\$ 20,000	,			850.060	\$ 260,000	855.060	\$ -			\$ 2
	0 feet @		/ft			850.070	\$ -					\$
urnkey Drilling						850.080 850.090	\$ - \$ 34,500					\$ \$
lits Directional Services						850.090	\$ 34,500 \$ 155,000					\$ \$ 1
flud & Chemicals						850.100	\$ 35,000					\$
olids Control Services						850.105	\$ 45,000					\$
coil Tbg/Snubbing							,	855.110	\$ -			\$
	0 gal/day @	\$ 3.50	/day			850.111	\$ 63,700	855.111	\$ 153,000			\$ 2
Vater - Fresh						850.120	\$ 10,000	855.120	\$ 241,800	825.120	\$ 2,000	\$ 2
Kill Weight Fluids			¢ 44 000	Dec 4.5	6 00 000	850.125	\$ 25,000	855.125	\$ 2,000			\$
	rf \$ 16,000 rf \$ 2,500		\$ 14,000	Prod Csg		850.130 850.135	\$ 110,000					\$ 1
asing Hardware Sur Open Hole Logs	rf \$ 2,500	ınt	\$ 2,500	Prod	ა ან,000	850.135 850.140	\$ 40,000 \$ -					\$
Completion Fluids						000.140	<u> </u>	855.140	\$ 269,000			\$ 2
Mud Logging						850.150	\$ 13,400					\$
Coring						850.160	\$ -					\$
urface Equip Rentals						850.180	\$ 29,700	855.180	\$ 157,000	825.180	\$ 12,000	\$ 1
ownhole Equip Rentals						850.185	\$ 30,000	855.185	\$ 75,000			\$ 1
ransportation						850.190	\$ 20,000	855.190	\$ 20,000	825.190	\$ 20,000	\$
iving Quarters afety						850.200 850.205	\$ 50,000 \$ -	855.200	\$ 2,500			\$
Contract Services						850.210	\$ 43,000	855.210	\$ 187,000	825.210	\$ 55,000	\$ 2
ubular Inspections						850.215	\$ 13,000	855.215	\$ 8,000	020.210	Ψ 00,000	\$
Consulting Engineer						850.220	\$ 35,300		,			\$
n-Site Supervision	-					850.225	\$ 57,600	855.225	\$ 54,000	825.225	\$ -	\$ 1
Consulting Geologist						850.230	\$ -					\$
Company Labor						850.245	\$ 5,000	855.245	\$ 8,000	825.245	\$ 5,000	\$
lug & Abandonment Surface Damages						850.270 850.280	\$ - \$ 38,000	855.280	\$ -	825.280	\$ -	\$
luid Haul & Disposal						850.290	\$ 75,000	855.290	\$ 25,000	825.290	\$ 3,000	\$ 1
Water Transfer Services						850.291	\$ -	855.291	\$ 86,000	020.200	ψ 0,000	\$
Overhead						850.300	\$ 2,300	855.300	\$ 5,400	825.300	\$ 8,100	\$
Completion Unit								855.310	\$ 132,000			\$ 1
Plugs, Perfs & Cased Hole Wireline								855.325	\$ 188,000			\$ 1
cidizing	• 01 0 :			0.4	01			855.340	\$ 9,500		-	\$
racturing 200 HS & Regulatory	Stage Spacin	ıg		31	Stages	850.700	\$ -	855.350 855.700	\$ 1,203,000			\$ 1,2 \$
Spills & Environmental Response							\$ -	855.701	\$ -			\$
Safety						850.702	\$ -	855.702	\$ 8,000			\$
Regulatory						850.703	\$ -	855.703	\$ -			\$
nvironmental Compliance	· 					850.704	\$ -	855.704	\$ -			\$
				TOTAL	NTANGIBLES		\$ 1,494,500		\$ 2,826,200	<u> </u>	\$ 115,100	\$ 4,4
	TANGIE	BLES				DF	RILLING	СОМ	PLETION	FAC	ILITIES	тот
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	'01
onductor Pipe	16	 			90	860.010	\$ 25,000					\$
urface Casing	13 3/8	48.0	J-55	79.00	375	860.020	\$ 30,000					\$
termediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,000					\$
oduction Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$ 160,000					\$ 1
oduction Casing -bottom string	5 1/2	20.0	L-80	37.00	6,970	860.041	\$ 258,000					\$ 2
asing Head Spools						860.050	\$ 5,000					\$
	0.7/0	0.5	1.00	40.00	0.000	860.060	\$ -	005.400	m 04.00-			\$
	2 7/8	6.5	L-80	10.20	3,000	860.070	\$ -	865.120	\$ 31,000 \$ -			\$ \$
oduction Tubing						000.070	ψ -	865.070 865.250	\$ 20,000			\$
oduction Tubing her Wellhead Equipment								865.100	\$ 24,000			\$
oduction Tubing her Wellhead Equipment owline & Connectors						860.130	\$ 28,000		,,,,,,			\$
oduction Tubing ther Wellhead Equipment busine & Connectors oduction Wellhead								865.155	\$ 145,000			\$ 1
roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head tificial Lift -Surface & Downhole Equip	oment						\$ -		_			\$
roduction Tübing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well)	pment	-				860.090	\$ 2,000	865.090	\$ -	826.090	\$ -	\$
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment	pment									826.150 826.200	\$ 109,000 \$ 210,000	\$ 1 \$ 2
roduction Tubing Ither Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rifficial Lift -Surface & Downhole Equipon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways										020.200	_ φ ∠ IU,UUU	
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	r misc. equipt)) ustor								826 210	\$ 128 000	
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F	r misc. equipt)) ustor								826.210 826.240	\$ 128,000 \$ 65,000	
iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs lectrical & SCADA Automation	r misc. equipt)) ustor						865.270	\$ 50,000			\$
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head trifficial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	r misc. equipt)) ustor		TOTA	L TANGIBLES		\$ 583,000		\$ 50,000 \$ 270,000	826.240	\$ 65,000	\$ \$ 1
roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead Jbing Head tifficial Lift -Surface & Downhole Equip on-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F eters & Meter Runs	r misc. equipt) Flare, & Comb) ustor			L TANGIBLES		\$ 583,000 \$ 2,077,500			826.240	\$ 65,000 \$ 65,000	\$ \$ 1 \$ 1,4

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OPERATOR										AFE NO.			DATE
Riley Permian Operating Company NELL NAME & NUMBER						PROPOSED TVD		ASURED DEPTH	FIELD/PRO	OSPECT	ــــــــــــــــــــــــــــــــــــــ	12/8/2023	
Walter 182710111 22H						3,600		10.250					
OUNTY STATE						3,000		ATERAL	PROPOSED				
Eddy								6,250		Yeso			
OCATION								CLASSIFICATIO	N	Surface LAT:			
								Develop		Surface LONG:			
	INTANG	IBLES				DF	RILLING		PLETION		ILITIES	\top	
DESCRIPTION						ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	1	TOTAL
Permits & Surveys						850.010	\$ 25,000	855.010	\$ -	825.010	\$	- \$	25,0
Orilling Title Opinion						850.020	\$ 65,000	000.010	Ψ	020.010	Ψ	\$	65,0
ocation, Roads, & Pits						850.030	\$ 125,000	855.030	\$ -	825.030	\$ 10,000		135,0
nsurance & Bonds				1		850.040	\$ 4,000	855.040	\$ -			\$	4,0
Rig Mobilization						850.050	\$ 85,000	855.050	\$ -			\$	85,0
	3 days @	\$ 20,000	/day			850.060	\$ 260,000	855.060	\$ -			\$	260,0
	0 feet @		/ft			850.070	\$ -					\$	-
urnkey Drilling						850.080	\$ -					\$	24.5
its Irectional Services						850.090 850.095	\$ 34,500 \$ 155,000					\$	34,5 155,0
flud & Chemicals						850.100	\$ 35,000				-	\$	35,0
olids Control Services						850.105	\$ 45,000					\$	45,0
coil Tbg/Snubbing						555.105	÷ +0,000	855.110	\$ -			\$	45,0
· ·	0 gal/day @	\$ 3.50	/day			850.111	\$ 63,700	855.111	\$ 153,000			\$	216,7
Vater - Fresh						850.120	\$ 10,000	855.120	\$ 241,800	825.120	\$ 2,000	_	253,8
ill Weight Fluids			•			850.125	\$ 25,000	855.125	\$ 2,000			\$	27,0
	f \$ 16,000		\$ 14,000	Prod Csg		850.130	\$ 110,000					\$	110,0
	f \$ 2,500	Int	\$ 2,500	Prod	\$ 35,000	850.135	\$ 40,000					\$	40,0
Open Hole Logs						850.140	\$ -	055.410	ф 000 cc-			\$	000
Completion Fluids						850.150	¢ 40.400	855.140	\$ 269,000	1		\$	269,0
Mud Logging Coring						850.150 850.160	\$ 13,400 \$ -					\$	13,4
Surface Equip Rentals						850.180	\$ 29,700	855.180	\$ 157,000	825.180	\$ 12,000	_	198,7
Jownhole Equip Rentals						850.185	\$ 29,700	855.185	\$ 75,000	020.100	Ψ 12,000	\$	105,0
ransportation						850.190	\$ 20,000	855.190	\$ 20,000	825.190	\$ 20,000	_	60,0
iving Quarters						850.200	\$ 50,000	855.200	\$ 2,500			\$	52,5
afety						850.205	\$ -					\$	
Contract Services						850.210	\$ 43,000	855.210	\$ 187,000	825.210	\$ 55,000	_	285,0
ubular Inspections						850.215	\$ 13,000	855.215	\$ 8,000			\$	21,0
Consulting Engineer						850.220	\$ 35,300	055.005		005.005		\$	35,3
On-Site Supervision						850.225	\$ 57,600	855.225	\$ 54,000	825.225	\$	- \$	111,6
Consulting Geologist Company Labor						850.230 850.245	\$ - \$ 5,000	855.245	\$ 8,000	825.245	\$ 5,000	\$	18,0
Plug & Abandonment						850.270	\$ 5,000	000.240	\$ 6,000	023.243	\$ 5,000	\$	10,0
Surface Damages						850.280	\$ 38,000	855.280	\$ -	825.280	\$	- \$	38,0
luid Haul & Disposal						850.290	\$ 75,000	855.290	\$ 25,000	825.290	\$ 3,000	\$	103,0
Vater Transfer Services						850.291	\$ -	855.291	\$ 86,000			\$	86,0
verhead						850.300	\$ 2,300	855.300	\$ 5,400	825.300	\$ 8,100	_	15,8
Completion Unit								855.310	\$ 132,000			\$	132,0
Plugs, Perfs & Cased Hole Wireline								855.325	\$ 188,000			\$	188,0
cidizing racturing 200	Stage Spacin	ng.		21	Stages			855.340 855.350	\$ 9,500 \$ 1,203,000			\$	9,5 1,203,0
HS & Regulatory	J Stage Spacin	·g		31	Stages	850.700	\$ -	855.700				\$	1,203,0
pills & Environmental Response							\$ -	855.701	\$ -			\$	
Safety							\$ -	855.702	\$ 8,000			\$	8,0
Regulatory							\$ -	855.703	\$ -			\$	-
nvironmental Compliance						850.704	\$ -	855.704	\$ -			\$	
				TOTAL I	NTANGIBLES		\$ 1,494,500		\$ 2,826,200	<u> </u>	\$ 115,100) \$	4,435,8
	TANGIE	SLES				DF	RILLING	COM	PLETION	FAC	ILITIES	4	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	1	IOIAL
ESCRIPTION Conductor Pipe	16	 	-		90	860.010	\$ 25,000					\$	25,0
urface Casing	13 3/8	48.0	J-55	79.00	375	860.020	\$ 25,000					\$	30,0
termediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,000					\$	75,0
roduction Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$ 160,000					\$	160,0
oduction Casing -bottom string	5 1/2	20.0	L-80	37.00	6,970	860.041	\$ 258,000					\$	258,0
asing Head Spools						860.050	\$ 5,000					\$	5,
ners & Hangers						860.060	\$ -					\$	
roduction Tubing	2 7/8	6.5	L-80	10.20	3,000	000.070	•	865.120	\$ 31,000			\$	31,0
ther Wellhead Equipment owline & Connectors						860.070	\$ -	865.070	\$ - \$ 20,000			\$	20,0
owline & Connectors oduction Wellhead								865.250 865.100	\$ 20,000			\$	20,0
						860.130	\$ 28,000	555.100	Ψ 24,000			\$	28,0
iding Head	ment					550.100	- 20,000	865.155	\$ 145,000			\$	145,0
						860.080	\$ -		,			\$	
rtificial Lift -Surface & Downhole Equip						860.090	\$ 2,000	865.090	\$ -	826.090	\$	- \$	2,
rtificial Lift -Surface & Downhole Equipon-controllable (Well)										826.150	\$ 109,000		109,
rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways)		-	-					826.200	\$ 210,000		210,
rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	misc. equipt)	ustor								826.210	\$ 128,000		128,0
rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F	misc. equipt lare, & Comb									826.240	\$ 65,000		65,
rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	misc. equipt lare, & Comb							06		00			
rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	misc. equipt lare, & Comb			T.C	TANOIS: ==			865.270	\$ 50,000	826.270	\$ 65,000		115,0
rtificial Lift -Surface & Downhole Equipon-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F eters & Meter Runs lectrical & SCADA Automation	lare, & Comb				L TANGIBLES		\$ 583,000		\$ 270,000		\$ 577,000	\$	1,430,0
rubing Head utificial Lift -Surface & Downhole Equip lon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other beparators, Heater Treaters, FWKO, F leters & Meter Runs electrical & SCADA Automation repared by: Monnie De	lare, & Comb	NAME / TIT			L TANGIBLES WELL COST		\$ 583,000 \$ 2,077,500 DATE) \$) \$	1,430



OPERATOR										AFE NO.			DATE
Riley Permian Operating Company						PROPOSED TVD		ASURED DEPTH	FIELD/PR	OSPECT		12/8/2023	
Walter 182710111 24H						3,600		Red Lake					
COUNTY STATE						3,000		TERAL	PROPOSED				
Eddy NM								6,250		Yeso			
OCATION								CLASSIFICATIO	N	Surface LAT:			
								Develop		Surface LONG:			
	INTANG	IBLES				DF	RILLING		PLETION		ILITIES	$\neg T$	
DESCRIPTION						ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUN	_	TOTAL
Permits & Surveys						850.010	\$ 25,000	855.010	\$ -	825.010	\$	- \$	25,0
Orilling Title Opinion						850.020	\$ 65,000	000.010	Ψ -	020.010	Ψ	\$	
ocation, Roads, & Pits						850.030	\$ 125,000	855.030	\$ -	825.030	\$ 10,0		, -
nsurance & Bonds						850.040	\$ 4,000	855.040	\$ -		7,.	\$	
Rig Mobilization						850.050	\$ 85,000		\$ -			\$	
Dayrate Drilling Rig 13	3 days @	\$ 20,000	/day			850.060	\$ 260,000	855.060	\$ -			\$	260,0
	0 feet @		/ft			850.070	\$ -					\$	
urnkey Drilling						850.080	\$ -					\$	
lits						850.090	\$ 34,500					\$	
Directional Services						850.095	\$ 155,000					\$	
fud & Chemicals olids Control Services						850.100 850.105	\$ 35,000 \$ 45,000	1			-	\$	
coil Tbg/Snubbing						030.103	Ψ 45,000	855.110	\$ -			\$	
<u> </u>	0 gal/day @	\$ 3.50	/dav			850.111	\$ 63,700	855.111	\$ 153,000			\$	
Vater - Fresh	J, W					850.120	\$ 10,000	855.120	\$ 241,800	825.120	\$ 2,0	_	
(ill Weight Fluids						850.125	\$ 25,000	855.125	\$ 2,000			\$, -
Cementing Svcs Sur	f \$ 16,000	Int	\$ 14,000	Prod Csg		850.130	\$ 110,000					\$	110,0
	f \$ 2,500	Int	\$ 2,500	Prod	\$ 35,000	850.135	\$ 40,000					\$	
Open Hole Logs						850.140	\$ -				<u> </u>	\$	
Completion Fluids						050 1		855.140	\$ 269,000			\$	
Mud Logging						850.150	\$ 13,400	1				\$	
Coring Surface Equip Rentals						850.160 850.180	\$ - \$ 29,700	855.180	\$ 157,000	825.180	\$ 12,0	_	
Jownhole Equip Rentals						850.185	\$ 30,000	855.185	\$ 75,000	023.100	φ 12,0	\$	
ransportation						850.190	\$ 20,000	855.190	\$ 20,000	825.190	\$ 20,0		
iving Quarters						850.200	\$ 50,000	855.200	\$ 2,500	020.100	Ψ 20,0	\$	
afety						850.205	\$ -		, , , , , , , , , , , , , , , , , , , ,			\$	
Contract Services						850.210	\$ 43,000	855.210	\$ 187,000	825.210	\$ 55,0	00 \$	285,0
ubular Inspections				-		850.215	\$ 13,000	855.215	\$ 8,000			\$	21,0
Consulting Engineer						850.220	\$ 35,300					\$	
On-Site Supervision						850.225	\$ 57,600	855.225	\$ 54,000	825.225	\$	- \$	111,6
Consulting Geologist						850.230	\$ -	055.045		005.045		\$	
Company Labor Plug & Abandonment						850.245 850.270	\$ 5,000 \$ -	855.245	\$ 8,000	825.245	\$ 5,0	00 \$	18,0
urface Damages						850.280	\$ 38,000	855.280	\$ -	825.280	\$	- \$	
luid Haul & Disposal						850.290	\$ 75,000	855.290	\$ 25,000	825.290	\$ 3,0		
Nater Transfer Services						850.291	\$ -	855.291	\$ 86,000	020.200	Ψ 0,0	\$	
Overhead						850.300	\$ 2,300	855.300	\$ 5,400	825.300	\$ 8,1		/ -
Completion Unit								855.310	\$ 132,000			\$	132,0
lugs, Perfs & Cased Hole Wireline								855.325	\$ 188,000			\$	
cidizing								855.340	\$ 9,500			\$	
<u> </u>	Stage Spacin	ıg		31	Stages	050 700	Φ.	855.350	\$ 1,203,000			\$	
HS & Regulatory						850.700 850.701	\$ - \$ -	855.700 855.701	\$ -			\$	
Safety						850.701	\$ -	855.701	\$ 8,000			\$	
Regulatory						850.702	\$ -	855.703	\$ 0,000			\$	
Environmental Compliance						850.704	\$ -	855.704	\$ -			\$	
				TOTAL I	INTANGIBLES		\$ 1,494,500		\$ 2,826,200		\$ 115,1		
	TANGIE	BLES				DF	RILLING	COM	PLETION	FAC	ILITIES		
		1	00455	0 .:=:	LENGT	4000:	A P 4 C 1 12	A000:	A 8 4 C 1 77			\exists	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUN		
onductor Pipe	16				90	860.010	\$ 25,000					\$	
urface Casing	13 3/8	48.0	J-55	79.00	375	860.020	\$ 30,000					\$	
termediate Casing oduction Casing -top string	9 5/8 7	36.0 32.0	J-55 L-80	61.00 50.00	1,230 3,200	860.030 860.040	\$ 75,000 \$ 160,000	1				\$	
	5 1/2	20.0	L-80	37.00	6,970	860.040	\$ 160,000	1				\$	
rodilction (:asing -nottom etring	0 1/2	20.0	L-00	31.00	0,870	860.050	\$ 258,000	1				\$	
						860.060	\$ 5,000			1		\$	
asing Head Spools	2 7/8	6.5	L-80	10.20	3,000	555.000	7	865.120	\$ 31,000			\$	
asing Head Spools ners & Hangers					,	860.070	\$ -	865.070	\$ -			\$	
asing Head Spools ners & Hangers oduction Tubing								865.250	\$ 20,000			\$	20,
asing Head Spools ners & Hangers oduction Tubing her Wellhead Equipment owline & Connectors				-				865.100	\$ 24,000			\$	
asing Head Spools ners & Hangers oduction Tubing her Wellhead Equipment owline & Connectors oduction Wellhead						860.130	\$ 28,000					\$	
asing Head Spools hers & Hangers oduction Tubing her Wellhead Equipment bowline & Connectors oduction Wellhead libing Head						00		865.155	\$ 145,000		<u> </u>	\$	
asing Head Spools hers & Hangers oduction Tubing her Wellhead Equipment bowline & Connectors oduction Wellhead bing Head tificial Lift -Surface & Downhole Equip	oment					860.080	\$ -	005.000	œ.	000.000	<u></u>	\$	
asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead Jbing Head tificial Lift -Surface & Downhole Equip on-controllable (Well)	oment							865.090	\$ -	826.090	\$	- \$ 00 \$	
asing Head Spools ners & Hangers roroux & Hangers ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rifficial Lift -Surface & Downhole Equipon-controllable (Well) iscellaneous Equipment	oment					860.090	\$ 2,000			000 450	Φ 400 0		109,
asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip iscellaneous Equipment anks, Stairs, & Walkways							\$ 2,000			826.150	\$ 109,0		
asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head tificial Lift -Surface & Downhole Equipon-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	misc. equipt)) Listor					\$ 2,000			826.200	\$ 210,0	00 \$	210,
roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing Ither Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F	misc. equipt)) ustor					\$ 2,000			826.200 826.210	\$ 210,0 \$ 128,0	00 \$ 00 \$	210,0 128,0
asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	misc. equipt)) ustor					\$ 2,000		\$ 50,000	826.200 826.210 826.240	\$ 210,0 \$ 128,0 \$ 65,0	00 \$ 00 \$ 00 \$	210,0 128,0 65,0
asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F	misc. equipt)) ustor		TOTA	L TANGIBLES	860.090		865.270	\$ 50,000 \$ 270,000	826.200 826.210	\$ 210,0 \$ 128,0 \$ 65,0 \$ 65,0	00 \$ 00 \$ 00 \$ 00 \$	210,0 128,0 65,0 115,0
asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F eters & Meter Runs	r misc. equipt) Flare, & Comb) ustor			L TANGIBLES L WELL COST	860.090		865.270	\$ 50,000 \$ 270,000 \$3,096,200	826.200 826.210 826.240 826.270	\$ 210,0 \$ 128,0 \$ 65,0	00 \$ 00 \$ 00 \$ 00 \$ 00 \$ 00 \$	210,(128,(65,(115,(1,430, (



OPERATOR										AFE NO.		1	DATE
Riley Permian Operating Company NELL NAME & NUMBER						PROPOSED TVD		PROPOSED M	EASURED DEPTH	FIELD/PR	OSPECT	1	2/8/2023
Walter 182710111 11H						3,600		10.250	LAGGINED DEI III	Red Lake			
OUNTY STATE						0,000		ATERAL	PROPOSED				
Eddy NM								6,250		Yeso			
OCATION								CLASSIFICATION	ON	Surface LAT:			
								Develo	oment	Surface LONG:			
	INTANG	BLES					RILLING		PLETION		ILITIES		TOTAL
ESCRIPTION						ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT		
Permits & Surveys						850.010	\$ 25,0		\$ -	825.010	\$ -	\$	25,0
Orilling Title Opinion ocation, Roads, & Pits						850.020 850.030	\$ 65,0 \$ 125,0		\$ -	825.030	\$ 10,000	\$	65,0 135,0
nsurance & Bonds						850.040	\$ 123,0		\$ -	625.030	\$ 10,000	\$	4,0
Rig Mobilization						850.050	\$ 85,0		\$ -			\$	85,0
	3 days @	\$ 20,000	/day			850.060	\$ 260,0	00 855.060	\$ -			\$	260,0
	0 feet @		/ft			850.070	\$	-				\$	-
urnkey Drilling its						850.080 850.090	\$ 34,5	-				\$	34,5
Directional Services						850.095	\$ 155,0					\$	155,0
Mud & Chemicals						850.100	\$ 35,0					\$	35,0
olids Control Services						850.105	\$ 45,0	00				\$	45,0
oil Tbg/Snubbing				·	<u></u>			855.110	\$ -			\$	
	0 gal/day @	\$ 3.50	/day			850.111	\$ 63,7		\$ 153,000	905 400	e 0000	\$	216,7
Vater - Fresh ill Weight Fluids						850.120 850.125	\$ 10,0 \$ 25,0		\$ 241,800 \$ 2,000	825.120	\$ 2,000	\$	253,8 27,0
	f \$ 16,000	Int	\$ 14,000	Prod Csg	\$ 80,000	850.125	\$ 25,0		φ 2,000			\$	110,0
	f \$ 2,500		\$ 2,500	Prod		850.135	\$ 40,0					\$	40,0
)pen Hole Logs					7	850.140	\$	-				\$	
completion Fluids							_	855.140	\$ 269,000			\$	269,0
Mud Logging						850.150	\$ 13,4	00				\$	13,4
Coring Surface Equip Rentals						850.160 850.180	\$ 29,7	00 855.180	\$ 157,000	825.180	\$ 12,000	\$	198,7
Jownhole Equip Rentals						850.185	\$ 29,7		\$ 75,000	023.100	\$ 12,000	\$	105,0
ransportation						850.190	\$ 20,0		\$ 20,000	825.190	\$ 20,000	\$	60,0
iving Quarters						850.200	\$ 50,0	00 855.200	\$ 2,500			\$	52,5
afety						850.205	\$	-				\$	
Contract Services						850.210	\$ 43,0		\$ 187,000	825.210	\$ 55,000	_	285,0
ubular Inspections Consulting Engineer						850.215 850.220	\$ 13,0 \$ 35,3		\$ 8,000	1		\$	21,0 35,3
On-Site Supervision						850.225	\$ 57,6		\$ 54,000	825.225	\$ -	\$	111,6
Consulting Geologist						850.230	\$	-	. 1,000			\$	
Company Labor						850.245	\$ 5,0	00 855.245	\$ 8,000	825.245	\$ 5,000	\$	18,0
Plug & Abandonment						850.270	\$ 20.0	- 055.000	•	005.000	Φ.	\$	
Surface Damages Tuid Haul & Disposal						850.280 850.290	\$ 38,0 \$ 75,0		\$ - \$ 25,000	825.280 825.290	\$ - \$ 3,000	\$	38,0 103,0
Mater Transfer Services						850.291	\$ 75,0	- 855.291	\$ 25,000	020.280	ψ 3,000	\$	86,0
verhead						850.300	\$ 2,3		\$ 5,400	825.300	\$ 8,100	\$	15,8
Completion Unit								855.310	\$ 132,000			\$	132,0
Plugs, Perfs & Cased Hole Wireline								855.325	\$ 188,000			\$	188,0
Acidizing Fracturing 200	Stage Spacin	ng .		24	Stages			855.340 855.350	\$ 9,500 \$ 1,203,000			\$	9,5
racturing 200 EHS & Regulatory	, stage spacin	9		31	Stayes	850.700	\$	- 855.700				\$	1,203,0
Spills & Environmental Response							\$	- 855.701	\$ -			\$	-
Safety						850.702	\$	- 855.702	\$ 8,000			\$	8,0
Regulatory							\$	- 855.703	\$ -			\$	-
Environmental Compliance				TOTAL	NTANCIBI ES	850.704	\$ 4.404.5	- 855.704	\$ -		6 44=465	\$	4 40= 0
	TANGIE	OI EC		IUIAL	INTANGIBLES	-	\$ 1,494,5 RILLING		\$ 2,826,200 PLETION	•	\$ 115,100	\$	4,435,8
											ILITIES	-	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	1	- ·
LOUIN HON	16				90	860.010	\$ 25,0					\$	25,0
onductor Pipe	13 3/8	48.0	J-55	79.00	375	860.020	\$ 30,0					\$	30,0
onductor Pipe urface Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,0					\$	75,0
onductor Pipe urface Casing termediate Casing	7	32.0 20.0	L-80 L-80	50.00 37.00	3,200 6,970	860.040 860.041	\$ 160,0 \$ 258,0					\$	160,0 258,0
onductor Pipe urface Casing Itermediate Casing roduction Casing -top string	7 5 1/2	20.0	L-0U	31.00	0,810	860.050	\$ 258,0					\$	258,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string	7 5 1/2					860.060	\$ 3,0	-				\$	5,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools								865.120	\$ 31,000			\$	31,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools ners & Hangers roduction Tubing		6.5	L-80	10.20	3,000					1		\$	-
onductor Pipe urface Casing termediate Casing coduction Casing -top string coduction Casing -bottom string casing Head Spools ners & Hangers coduction Tubing ther Wellhead Equipment	5 1/2	6.5	L-80	10.20	3,000	860.070	\$	- 865.070	\$ -			\$	20,0
onductor Pipe urface Casing errmediate Casing oduction Casing -top string oduction Casing -bottom string asing Head Spools ners & Hangers oduction Tubing her Wellhead Equipment owline & Connectors	5 1/2	6.5	L-80	10.20	3,000	860.070	\$	865.250	\$ 20,000			*	24,0
onductor Pipe urface Casing termediate Casing oduction Casing -top string oduction Casing -bottom string asing Head Spools ners & Hangers oduction Tubing ther Wellhead Equipment owline & Connectors oduction Wellhead	5 1/2	6.5	L-80	10.20	3,000			865.250 865.100				\$	20 /
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head	5 1/2	6.5	L-80	10.20	3,000	860.070 860.130	\$ 28,0	865.250 865.100	\$ 20,000 \$ 24,000			\$	
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead	5 1/2	6.5	L-80	10.20	3,000	860.130		865.250 865.100	\$ 20,000				
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -top string asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head trifficial Lift -Surface & Downhole Equip on-controllable (Well)	5 1/2	6.5	L-80	10.20	3,000	860.130	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000		\$ -	\$ \$	145,
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon- controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways	5 1/2 2 7/8 pment		L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000 \$ 145,000	826.090 826.150	\$ 109,000	\$ \$ \$ \$	145, 2, 109,
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equipon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	5 1/2 2 7/8 poment misc. equipt))	L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000 \$ 145,000	826.090 826.150 826.200	\$ 109,000 \$ 210,000	\$ \$ \$ \$	2,, 109, 210,
conductor Pipe surface Casing thermediate Casing roduction Casing -top string roduction Casing -bottom string trasing Head Spools tiners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head utificial Lift -Surface & Downhole Equipon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other reparators, Heater Treaters, FWKO, F	5 1/2 2 7/8 poment misc. equipt))	L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155	\$ 20,000 \$ 24,000 \$ 145,000	826.090 826.150 826.200 826.210	\$ 109,000 \$ 210,000 \$ 128,000	\$ \$ \$ \$ \$	2,0 109,0 210,0 128,0
conductor Pipe furface Casing furface Casing froduction Casing -top string froduction Casing -bottom string froduction Casing -bottom string froduction Casing -bottom string froduction Tubing furduction Tubing furduction Tubing furduction Tubing furduction Wellhead Equipment furduction Wellhead furbing Head furficial Lift -Surface & Downhole Equip flon-controllable (Well) fliscellaneous Equipment furduction Facility (pipes, valves, other furparators, Heater Treaters, FWKO, F fleters & Meter Runs	5 1/2 2 7/8 poment misc. equipt))	L-80	10.20	3,000	860.130 860.080	\$ 28,0	865.250 865.100 00 865.155 - 00 865.090	\$ 20,000 \$ 24,000 \$ 145,000 \$ -	826.090 826.150 826.200 826.210 826.240	\$ 109,000 \$ 210,000 \$ 128,000 \$ 65,000	\$ \$ \$ \$ \$	2,0 109,0 210,0 128,0 65,0
conductor Pipe surface Casing thermediate Casing roduction Casing -top string roduction Casing -bottom string trasing Head Spools tiners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head utificial Lift -Surface & Downhole Equipon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other reparators, Heater Treaters, FWKO, F	5 1/2 2 7/8 poment misc. equipt))	L-80			860.130 860.080	\$ 28,0 \$ \$ 2,0	865.250 865.100 00 865.155 - 00 865.090 865.270	\$ 20,000 \$ 24,000 \$ 145,000 \$ -	826.090 826.150 826.200 826.210 826.240 826.270	\$ 109,000 \$ 210,000 \$ 128,000 \$ 65,000 \$ 65,000	\$ \$ \$ \$ \$ \$	2,0 109,0 210,0 128,0 65,0 115,0
onductor Pipe urface Casing termediate Casing roduction Casing -top string roduction Casing -bottom string asing Head Spools iners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head refficial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	5 1/2 2 7/8 ment misc. equipt) lare, & Comb)	L-80	тота	L TANGIBLES	860.130 860.080 860.090	\$ 28,0	865.250 865.100 00 865.155 - 00 865.090 865.270	\$ 20,000 \$ 24,000 \$ 145,000 \$ -	826.090 826.150 826.200 826.210 826.240 826.270	\$ 109,000 \$ 210,000 \$ 128,000 \$ 65,000	\$ \$ \$ \$ \$ \$ \$	28,0 145,0 2,0 109,0 210,0 128,0 65,0 115,0 1,430,0



OPERATOR												AFE NO.				DATE
Riley Permian Operating Company VELL NAME & NUMBER	/					DDODOGED TO			PROPOSED ME		D DEDTIL	EIEL DADD	20050		12	2/8/2023
Valter 182710111 13H						PROPOSED TVD 3,600		10.250	ASURI	DEPIH	FIELD/PROSPECT Red Lake					
									COMPLETED LATERAL			PROPOSED		ATION		
Eddy NM									6,250			Yeso				
OCATION									CLASSIFICATIO	N		Surface LAT:		-		-
									Develop	mer	t	Surface LONG:				
	INTANGI	BLES				DI	RILI	LING	COM	PLE	TION	FAC	ILIT	ES		TOTAL
DESCRIPTION						ACCOUNT		AMOUNT	ACCOUNT	4	MOUNT	ACCOUNT	Α	MOUNT		IOIAL
Permits & Surveys						850.010	\$	25,000	855.010	\$	-	825.010	\$	-	\$	25,00
Orilling Title Opinion						850.020	\$	65,000	055.000	_		005.000		40.000	\$	65,00
ocation, Roads, & Pits nsurance & Bonds						850.030	\$	125,000	855.030 855.040	\$	-	825.030	\$	10,000	\$	135,00
Rig Mobilization						850.040 850.050	\$	4,000 85,000	855.050	\$					\$	4,00 85,00
•	3 days @	\$ 20,000	/day			850.060	\$	260,000	855.060	\$					\$	260,00
	0 feet @		/ft			850.070	\$	-							\$	-
urnkey Drilling						850.080	\$	-							\$	-
Bits						850.090	\$	34,500							\$	34,50
Directional Services Mud & Chemicals						850.095 850.100	\$	155,000 35,000							\$	155,0 35,0
Solids Control Services						850.105	\$	45,000							\$	45,0
Coil Tbg/Snubbing						030.103	Ψ	43,000	855.110	\$	-				\$	45,0
	0 gal/day @	\$ 3.50	/day			850.111	\$	63,700	855.111	\$	153,000				\$	216,70
Vater - Fresh						850.120	\$	10,000	855.120	\$	241,800	825.120	\$	2,000	\$	253,80
ill Weight Fluids						850.125	\$	25,000	855.125	\$	2,000				\$	27,0
	rf \$ 16,000		\$ 14,000	Prod Csg		850.130	\$	110,000							\$	110,0
	rf \$ 2,500	Int	\$ 2,500	Prod	\$ 35,000	850.135 850.140	\$	40,000							\$	40,0
Open Hole Logs Completion Fluids						850.140	\$	-	855.140	\$	269,000				\$	269,0
Mud Logging						850.150	\$	13,400	000.140	Ψ	203,000				\$	13,4
Coring						850.160	\$	-							\$	
surface Equip Rentals						850.180	\$	29,700	855.180	\$	157,000	825.180	\$	12,000	\$	198,7
Downhole Equip Rentals	•					850.185	\$	30,000	855.185	\$	75,000				\$	105,0
ransportation						850.190	\$	20,000	855.190	\$	20,000	825.190	\$	20,000	\$	60,0
iving Quarters						850.200 850.205	\$	50,000	855.200	\$	2,500				\$	52,5
Safety Contract Services						850.210	\$	43,000	855.210	\$	187,000	825.210	\$	55,000	\$	285,00
ubular Inspections						850.215	\$	13,000	855.215	\$	8,000	020.210	Ψ	00,000	\$	21,0
Consulting Engineer						850.220	\$	35,300	000.2.10		0,000				\$	35,30
On-Site Supervision						850.225	\$	57,600	855.225	\$	54,000	825.225	\$	-	\$	111,60
Consulting Geologist						850.230	\$	-							\$	-
Company Labor						850.245	\$	5,000	855.245	\$	8,000	825.245	\$	5,000	\$	18,00
Plug & Abandonment						850.270	\$	20,000	055 000	•		005 000	Φ.		\$	- 20.00
Surface Damages Fluid Haul & Disposal						850.280 850.290	\$	38,000 75,000	855.280 855.290	\$	25,000	825.280 825.290	\$	3,000	\$	38,00 103,00
Vater Transfer Services						850.291	\$	75,000	855.291	\$	86,000	023.290	φ	3,000	\$	86,00
Overhead						850.300	\$	2,300	855.300	\$	5,400	825.300	\$	8,100	\$	15,80
Completion Unit									855.310	\$	132,000				\$	132,00
Plugs, Perfs & Cased Hole Wireline									855.325	\$	188,000				\$	188,00
Acidizing	• 01 0 1				3 :				855.340	\$	9,500				\$	9,50
Fracturing 20 EHS & Regulatory	0 Stage Spacin	g		31	Stages	050 700	•		855.350		1,203,000				\$	1,203,00
Spills & Environmental Response						850.700 850.701	\$		855.700 855.701	\$					\$	<u> </u>
Safety						850.702	\$		855.702	\$	8,000				\$	8,00
Regulatory						850.703	\$	-	855.703	\$	-				\$	-
Environmental Compliance						850.704	\$	-	855.704	\$	-				\$	-
				TOTAL I	NTANGIBLES		\$	1,494,500		\$	2,826,200		\$	115,100	\$	4,435,80
	TANGIE	3LES				DI	RILI	LING	COM	PLE	TION	FAC	ILIT	ES	1	
	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT		AMOUNT	ACCOUNT		MOUNT	ACCOUNT	Α	MOUNT	İ	TOTAL
DESCRIPTION Conductor Pine	16				90		œ.	25,000							\$	25,00
Conductor Pipe Surface Casing	13 3/8	48.0	J-55	79.00	375	860.010 860.020	\$	30,000							\$	30,00
ntermediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$	75,000							\$	75,00
roduction Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$	160,000							\$	160,0
roduction Casing -bottom string	5 1/2	20.0	L-80	37.00	6,970	860.041	\$	258,000							\$	258,0
asing Head Spools						860.050	\$	5,000							\$	5,0
iners & Hangers	0 =:-	2.5		40.5-	0.00-	860.060	\$	-	005 155	_	01.5				\$	
Production Tubing	2 7/8	6.5	L-80	10.20	3,000	060.070	rh .		865.120	\$	31,000				\$	31,00
ther Wellhead Equipment lowline & Connectors						860.070	\$	-	865.070 865.250	\$	20,000				\$	20,0
roduction Wellhead									865.100	\$	24,000				\$	24,0
						860.130	\$	28,000		Ť	.,500				\$	28,0
	pment								865.155	\$	145,000				\$	145,0
ubing Head rtificial Lift -Surface & Downhole Equi						860.080	\$					00000			\$	
ubing Head rtificial Lift -Surface & Downhole Equi lon-controllable (Well)						860.090	\$	2,000	865.090	\$	-	826.090	\$	-	\$	2,0
ubing Head rtificial Lift -Surface & Downhole Equi lon-controllable (Well) fiscellaneous Equipment												826.150		109,000		109,0
ubing Head urtificial Lift -Surface & Downhole Equi lon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways	r mine action											826.200 826.210	\$	128,000		210,0 128,0
ubing Head rtificial Lift -Surface & Downhole Equi on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, othe							1			1		826.240	\$	65,000		65,0
ubing Head rtificial Lift -Surface & Downhole Equi												020.240	J D	05.000		
ubing Head rtificial Lift -Surface & Downhole Equi lon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways rroduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs									865.270	\$	50,000	826.270	\$	65,000		
ubing Head rtificial Lift -Surface & Downhole Equi lon-controllable (Well) fiscellaneous Equipment anks, Stairs, & Walkways rroduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs				TOTAL	L TANGIBLES		\$	583,000	865.270	\$	50,000 270,000				\$	115,0
ubing Head utificial Lift -Surface & Downhole Equi lon-controllable (Well) fiscellaneous Equipment ianks, Stairs, & Walkways iroduction Facility (pipes, valves, other ieparators, Heater Treaters, FWKO, F	Flare, & Combi				L TANGIBLES		\$	583,000 2,077,500	865.270	\$			\$ \$	65,000	\$ \$	115,00 1,430,0 0



OPERATOR Pilov Permian Operating Company	,											AFE NO.				DATE
Riley Permian Operating Company WELL NAME & NUMBER	'					PROPOSED TVD PROPOSED MEASURED DEP				D DEPTH	FIELD/PR	OSPEC.	Т	12/6	/8/2023	
Walter 182710111 15H		3,600		10,250			Red Lake									
COUNTY					COMPLETED LATERAL			PROPOSED	FORMA	TION						
Eddy NM									6,250			Yeso	Щ.			
LOCATION					CLASSIFICATIO			Surface LAT:								
	INTANG	IRI ES				DI	RII	LING	Develop COM			Surface LONG:	ILITI	FS I		
DESCRIPTION	INTAINO	IDLLO				ACCOUNT	IXIL.	AMOUNT	ACCOUNT		MOUNT	ACCOUNT		MOUNT	TC	OTAL
Permits & Surveys						850.010	\$	25,000	855.010	\$	-	825.010	\$	-	\$	25,000
Drilling Title Opinion						850.020	\$	65,000							\$	65,000
Location, Roads, & Pits						850.030	\$	125,000	855.030	\$	-	825.030	\$	10,000	\$	135,000
Insurance & Bonds Rig Mobilization						850.040 850.050	\$	4,000 85,000	855.040 855.050	\$				-	\$	4,000 85,000
•	3 days @	\$ 20,000	/day			850.060	\$	260,000	855.060	\$	-				\$	260,000
	feet @		/ft			850.070	\$	-							\$	-
Turnkey Drilling Bits						850.080 850.090	\$	34,500					-		\$	34,500
Directional Services						850.095	\$	155,000							\$	155,000
Mud & Chemicals						850.100	\$	35,000							\$	35,000
Solids Control Services						850.105	\$	45,000	055 440				<u> </u>		\$	45,000
Coil Tbg/Snubbing Fuel 1400	gal/day @	\$ 3.50	/day			850.111	\$	63,700	855.110 855.111	\$	153,000		<u> </u>		\$	216,700
Water - Fresh	- gunday (w	Ψ 0.00	, auy			850.120	\$	10,000	855.120	\$	241,800	825.120	\$	2,000	\$	253,800
Kill Weight Fluids						850.125	\$	25,000	855.125	\$	2,000				\$	27,000
g	f \$ 16,000 f \$ 2,500		\$ 14,000 \$ 2,500			850.130 850.135	\$	110,000 40,000					-		\$	110,000 40,000
Casing Hardware Sun Open Hole Logs	f \$ 2,500	Int	\$ 2,500	Prod	\$ 35,000	850.135	\$	40,000							\$	40,000
Completion Fluids							Ĺ		855.140	\$	269,000				\$	269,000
Mud Logging						850.150	\$	13,400							\$	13,400
Coring Surface Equip Rentals						850.160 850.180	\$	29,700	855.180	\$	157,000	825.180	\$	12,000	\$	198,700
Downhole Equip Rentals						850.185	\$	30,000	855.185	\$	75,000	023.100	Ψ	12,000	\$	105,000
Transportation						850.190	\$	20,000	855.190	\$	20,000	825.190	\$	20,000	\$	60,000
Living Quarters						850.200	\$	50,000	855.200	\$	2,500		-		\$	52,500
Safety Contract Services						850.205 850.210	\$	43,000	855.210	\$	187,000	825.210	\$	55,000	\$	285,000
Tubular Inspections						850.215	\$	13,000	855.215	\$	8,000	020.210	Ψ	- 00,000	\$	21,000
Consulting Engineer						850.220	\$	35,300							\$	35,300
On-Site Supervision						850.225 850.230	\$	57,600	855.225	\$	54,000	825.225	\$	-	\$	111,600
Consulting Geologist Company Labor						850.245	\$	5,000	855.245	\$	8,000	825.245	\$	5,000	\$	18,000
Plug & Abandonment						850.270	\$	-			-,,,,,	0_00			\$	-
Surface Damages						850.280	\$	38,000	855.280	\$		825.280	\$		\$	38,000
Fluid Haul & Disposal Water Transfer Services						850.290 850.291	\$	75,000	855.290 855.291	\$	25,000 86,000	825.290	\$	3,000	\$	103,000
Overhead						850.300	\$	2,300	855.300	\$	5,400	825.300	\$	8,100	\$	15,800
Completion Unit									855.310	\$	132,000				\$	132,000
Plugs, Perfs & Cased Hole Wireline									855.325	\$	188,000		<u> </u>		\$	188,000
Acidizing Fracturing 200) Stage Spacir	าต		31	Stages				855.340 855.350	\$	9,500				\$ \$ 1	9,500
EHS & Regulatory	o ago opao	9			otagoo	850.700	\$	-	855.700		-				\$	-
Spills & Environmental Response						850.701	\$	-	855.701	\$	-				\$	-
Safety Regulatory						850.702 850.703	\$	-	855.702 855.703	\$	8,000		<u> </u>		\$	8,000
Environmental Compliance						850.703	\$	<u>-</u>	855.704	\$					\$	-
- '				TOTAL I	NTANGIBLES		\$	1,494,500			2,826,200		\$	115,100		4,435,800
	TANGI	BLES				DI	RIL	LING	COM	PLE.	TION	FAC	ILITI	ES		
DESCRIPTION Outdoor Discrete	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	•	AMOUNT	ACCOUNT	А	MOUNT	ACCOUNT	Al	MOUNT		OTAL
Conductor Pipe Surface Casing	16 13 3/8	48.0	J-55	79.00	90 375	860.010 860.020	\$	25,000 30,000							\$	25,000 30,000
Intermediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$	75,000							\$	75,000
Production Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$	160,000							\$	160,000
Production Casing -bottom string Casing Head Spools	5 1/2	20.0	L-80	37.00	6,970	860.041 860.050	\$	258,000 5,000					<u> </u>		\$	258,000 5,000
Liners & Hangers						860.060	\$	3,000							\$	5,000
Production Tubing	2 7/8	6.5	L-80	10.20	3,000				865.120	\$	31,000				\$	31,000
Other Wellhead Equipment Flowline & Connectors						860.070	\$	-	865.070	\$	- 20.000				\$	20.00
Production Wellhead									865.250 865.100	\$	20,000				\$	20,000
Tubing Head						860.130	\$	28,000			.,500				\$	28,000
Artificial Lift -Surface & Downhole Equip	ment					000.000	*		865.155	\$	145,000				\$	145,000
						860.080 860.090	\$	2,000	865.090	\$		826.090	\$		\$	2,000
Non-controllable (Well)						000.080	Ψ	∠,∪∪∪	000.080	Ψ		826.150			\$	109,000
		:)										826.200	\$	210,000	\$	210,000
Non-controllable (Well) Miscellaneous Equipment Tanks, Stairs, & Walkways Production Facility (pipes, valves, other												826.210		128,000		128,000
Non-controllable (Well) Miscellaneous Equipment Tanks, Stairs, & Walkways Production Facility (pipes, valves, other Separators, Heater Treaters, FWKO, F		oustor														1373 11111
Non-controllable (Well) Miscellaneous Equipment Tanks, Stairs, & Walkways Production Facility (pipes, valves, other Separators, Heater Treaters, FWKO, F Meters & Meter Runs		oustor							865.270	\$	50.000	826.240 826.270	\$	65,000 65,000		
Non-controllable (Well) Miscellaneous Equipment Tanks, Stairs, & Walkways Production Facility (pipes, valves, other Separators, Heater Treaters, FWKO, F		bustor		TOTAL	_ TANGIBLES		\$	583,000	865.270	\$	50,000 270,000	826.240 826.270	\$	65,000 65,000 577,000	\$	115,000
Non-controllable (Well) Miscellaneous Equipment Tanks, Stairs, & Walkways Production Facility (pipes, valves, other Separators, Heater Treaters, FWKO, F Meters & Meter Runs	lare, & Comb	oustor NAME / TIT			TANGIBLES		\$ DA	2,077,500	865.270	\$ \$3,		826.270	\$ \$ \$ 6	65,000	\$ 1 \$ 5,	115,000 1,430,00 0



OPERATOR										AFE NO.		DATE
Riley Permian Operating Company NELL NAME & NUMBER	<u>'</u>					PROPOSED TVD		PROPOSED ME	ASURED DEPTH	FIELD/PRO	OSPECT	12/8/202
Walter 182710111 22H						3,600		10.250	ASSINED DEF III	Red Lake		
OUNTY STATE						3,000		COMPLETED LA	ATERAI	PROPOSED I		
Eddy NM								6,250		Yeso		
OCATION								CLASSIFICATIO	N	Surface LAT:	<u> </u>	
								Develop		Surface LONG:		
	INTANGI	IBLES				DF	RILLING		PLETION		ILITIES	г
DESCRIPTION						ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	TOTAL
Permits & Surveys						850.010	\$ 25,000	855.010	\$ -	825.010	\$ -	\$ 25,0
Drilling Title Opinion						850.020	\$ 65,000				7	\$ 65,
ocation, Roads, & Pits						850.030	\$ 125,000	855.030	\$ -	825.030	\$ 10,000	\$ 135,
nsurance & Bonds						850.040	\$ 4,000	855.040	\$ -			\$ 4,
Rig Mobilization						850.050	\$ 85,000		\$ -			\$ 85,
	3 days @ 0 feet @	\$ 20,000	/day /ft			850.060 850.070	\$ 260,000 \$ -	855.060	\$ -			\$ 260,0 \$
urnkey Drilling	J leet @		/11			850.080	\$ -					\$
lits						850.090	\$ 34,500					\$ 34,
Directional Services						850.095	\$ 155,000					\$ 155,
lud & Chemicals						850.100	\$ 35,000					\$ 35,
solids Control Services						850.105	\$ 45,000	05-		1		\$ 45,
coil Tbg/Snubbing	• " •	A 0 = 0	/ 1			050 444	ф 00 7 00	855.110	\$ -			\$
fuel 1400 Vater - Fresh	0 gal/day @	\$ 3.50	/day			850.111 850.120	\$ 63,700 \$ 10,000	855.111 855.120	\$ 153,000 \$ 241,800	825.120	\$ 2,000	\$ 216, ¹ \$ 253, ¹
vater - Fresn (ill Weight Fluids						850.120 850.125	\$ 10,000	855.120 855.125	\$ 241,800	020.120	φ ∠,000	\$ 253, \$ 27,
	rf \$ 16,000	Int	\$ 14,000	Prod Csg	\$ 80,000	850.130	\$ 110,000	000.120	Ψ 2,000			\$ 110,
	rf \$ 2,500		\$ 2,500	Prod		850.135	\$ 40,000			1		\$ 40,
pen Hole Logs			•		•	850.140	\$ -					\$
Completion Fluids	· 			·				855.140	\$ 269,000			\$ 269,
Mud Logging						850.150	\$ 13,400					\$ 13,4
Coring Surface Equip Rentals						850.160 850.180	\$ - \$ 29,700	855.180	\$ 157,000	825.180	\$ 12,000	\$ \$ 198,
ownhole Equip Rentals						850.185	\$ 29,700	855.185	\$ 75,000	825.180	\$ 12,000	\$ 198,
ransportation						850.190	\$ 20,000	855.190	\$ 20,000	825.190	\$ 20,000	\$ 60,0
iving Quarters						850.200	\$ 50,000	855.200	\$ 2,500	020:100	Ψ 20,000	\$ 52,
safety						850.205	\$ -					\$
ontract Services						850.210	\$ 43,000	855.210	\$ 187,000	825.210	\$ 55,000	\$ 285,
ubular Inspections						850.215	\$ 13,000	855.215	\$ 8,000	1		\$ 21,
Consulting Engineer						850.220	\$ 35,300	055.005	ф г 4000	905 005	•	\$ 35,
On-Site Supervision Consulting Geologist						850.225 850.230	\$ 57,600 \$ -	855.225	\$ 54,000	825.225	\$ -	\$ 111,i
Company Labor						850.230	\$ 5,000	855.245	\$ 8,000	825.245	\$ 5,000	\$ 18,
Plug & Abandonment						850.270	\$ 3,000	550.240	, 5,000	520.270	, 5,000	\$
Surface Damages						850.280	\$ 38,000	855.280	\$ -	825.280	\$ -	\$ 38,
luid Haul & Disposal						850.290	\$ 75,000	855.290	\$ 25,000	825.290	\$ 3,000	\$ 103,
Vater Transfer Services						850.291	\$ -	855.291	\$ 86,000	L		\$ 86,
Overhead						850.300	\$ 2,300	855.300	\$ 5,400	825.300	\$ 8,100	\$ 15,
Completion Unit Plugs, Perfs & Cased Hole Wireline								855.310 855.325	\$ 132,000 \$ 188,000			\$ 132,0 \$ 188,0
rlugs, Peris & Cased Hole Wireline								855.325 855.340	\$ 188,000	1		\$ 188,
	Stage Spacin	ng		31	Stages			855.350	\$ 1,203,000	1		\$ 1,203,
HS & Regulatory	J .F J	-				850.700	\$ -	855.700				\$
Spills & Environmental Response						850.701	\$ -	855.701	\$ -			\$
Safety	· 			·		850.702	\$ -	855.702	\$ 8,000			\$ 8,
Regulatory						850.703	\$ -	855.703	\$ -	1		\$
Environmental Compliance				TOTAL	NTANCIDI CO	850.704	\$ -	855.704	\$ -		¢ 445 400	\$ 4.425
	TANOU	DI EC		IUIALI	NTANGIBLES	-	\$ 1,494,500	0011	\$ 2,826,200 PLETION		\$ 115,100	\$ 4,435,
	TANGIE	DLES				וט	RILLING	COM	PLETION	FAC	ILITIES	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	I .J.AL
Conductor Pipe	16				90	860.010	\$ 25,000					\$ 25,
urface Casing	13 3/8	48.0	J-55	79.00	375	860.020	\$ 30,000					\$ 30,
ntermediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,000					\$ 75,
roduction Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$ 160,000			1		\$ 160,
roduction Casing -bottom string	5 1/2	20.0	L-80	37.00	6,970	860.041	\$ 258,000			1		\$ 258,
asing Head Spools						860.050	\$ 5,000	-				\$ 5,0
iners & Hangers	2 7/8	6.5	L-80	10.20	3,000	860.060	\$ -	865.120	\$ 31,000	1		\$ \$ 31,
	21/0	0.0	L-0U	10.20	3,000	860.070	\$ -	865.070	\$ 31,000	1		\$ 31,1
oduction Tubing						220.010		865.250	\$ 20,000	1		\$ 20,
oduction Tubing ther Wellhead Equipment								865.100	\$ 24,000			\$ 24,
oduction Tubing ther Wellhead Equipment owline & Connectors						860.130	\$ 28,000					\$ 28,
oduction Tubing ther Wellhead Equipment powline & Connectors roduction Wellhead ubing Head								865.155	\$ 145,000	1		\$ 145,
roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head tificial Lift -Surface & Downhole Equip	pment					860.080	\$ -	005.000	c	000.000	<u></u>	\$
roduction Tübing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well)	oment					860.090	\$ 2,000	865.090	\$ -	826.090	\$ -	\$ 2,0
roduction Tubing Ither Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment	pment							1		826.150 826.200	\$ 109,000 \$ 210,000	\$ 109,0 \$ 210,0
roduction Tubing Ither Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rifficial Lift -Surface & Downhole Equipon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways		1								uzu.ZUU	· Ψ ∠ Ι ∪ . U U U	
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other	r misc. equipt)) ustor										\$ 128
Production Tubing Other Wellhead Equipment Iowline & Connectors Production Wellhead Tubing Head Tutificial Lift -Surface & Downhole Equip Ion-controllable (Well) Tidiscellaneous Equipment Tanks, Stairs, & Walkways Production Facility (pipes, valves, other Teparators, Heater Treaters, FWKO, F Teleters & Meter Runs	r misc. equipt)) ustor								826.210 826.240	\$ 128,000 \$ 65,000	
roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head ritificial Lift -Surface & Downhole Equip lon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other leparators, Heater Treaters, FWKO, F	r misc. equipt)) ustor						865.270	\$ 50,000	826.210 826.240	\$ 128,000	\$ 65,
roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip lon-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other reparators, Heater Treaters, FWKO, F	r misc. equipt)) ustor		ТОТА	L TANGIBLES		\$ 583,000		\$ 50,000 \$ 270,000	826.210 826.240 826.270	\$ 128,000 \$ 65,000	\$ 65, \$ 115,
roduction Tübing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head trifficial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F leters & Meter Runs	r misc. equipt) Flare, & Comb) ustor			L TANGIBLES		\$ 583,000 \$ 2,077,500			826.210 826.240 826.270	\$ 128,000 \$ 65,000 \$ 65,000	\$ 65, \$ 115, \$ 1,430 ,



OPERATOR Dilay Darmian Operating Company										AFE NO.			DATE
Riley Permian Operating Company	<u>'</u>					PROPOSED TVD		PROPOSED ME	ASURED DEPTH	FIELD/PRO	OSPECT	ــــــــــــــــــــــــــــــــــــــ	12/8/2023
Walter 182710111 24H						3,600		10.250	ASONED DEF III	Red Lake			
COUNTY STATE						3,000		COMPLETED LA	ATERAI	PROPOSED			
Eddy								6,250		Yeso			
OCATION								CLASSIFICATIO	N	Surface LAT:	<u> </u>		
								Develop		Surface LONG:			
	INTANG	BLES				DF	RILLING		PLETION		ILITIES	\top	
DESCRIPTION		D				ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	-	TOTAL
Permits & Surveys						850.010	\$ 25,000	855.010	\$ -	825.010	\$	- \$	25,0
Orilling Title Opinion						850.020	\$ 65,000	000.010	Ψ -	020.010	Ψ	\$	65,0
ocation, Roads, & Pits						850.030	\$ 125,000	855.030	\$ -	825.030	\$ 10,000		135,0
nsurance & Bonds						850.040	\$ 4,000	855.040	\$ -		7,	\$	4,0
Rig Mobilization						850.050	\$ 85,000	855.050	\$ -			\$	85,0
Dayrate Drilling Rig 13	3 days @	\$ 20,000	/day			850.060	\$ 260,000	855.060	\$ -			\$	260,0
	0 feet @		/ft			850.070	\$ -					\$	-
urnkey Drilling						850.080	\$ -					\$	
lits						850.090	\$ 34,500					\$	34,5
Directional Services						850.095	\$ 155,000					\$	155,0
fud & Chemicals olids Control Services						850.100	\$ 35,000 \$ 45.000					\$	35,0
coil Tbg/Snubbing						850.105	\$ 45,000	855.110	\$ -			\$	45,0
· ·	0 gal/day @	\$ 3.50	/dav			850.111	\$ 63,700	855.111	\$ 153,000			\$	216,7
Vater - Fresh	. guu, w	, 5.00	,			850.120	\$ 10,000	855.120	\$ 241,800	825.120	\$ 2,000	_	253,8
ill Weight Fluids						850.125	\$ 25,000	855.125	\$ 2,000			\$	27,0
	f \$ 16,000	Int	\$ 14,000	Prod Csg	\$ 80,000	850.130	\$ 110,000		,,,,,			\$	110,0
Sasing Hardware Sur	f \$ 2,500		\$ 2,500	Prod		850.135	\$ 40,000					\$	40,0
pen Hole Logs				-	·	850.140	\$ -					\$	
completion Fluids								855.140	\$ 269,000			\$	269,0
lud Logging						850.150	\$ 13,400					\$	13,4
coring						850.160	\$ -	0EE 400	e 457.000	005 400	e 40.00	\$	400
Surface Equip Rentals Downhole Equip Rentals						850.180 850.185	\$ 29,700 \$ 30,000	855.180 855.185	\$ 157,000 \$ 75,000	825.180	\$ 12,000) \$ \$	198,7 105,0
ransportation						850.185	\$ 30,000	855.190	\$ 75,000	825.190	\$ 20,000	_	60,0
iving Quarters						850.200	\$ 50,000	855.200	\$ 20,000	020.190	\$ 20,000	\$	52,5
afety						850.205	\$ -	000.200	Ψ 2,000			\$	- 02,0
Contract Services						850.210	\$ 43,000	855.210	\$ 187,000	825.210	\$ 55,000		285,0
ubular Inspections						850.215	\$ 13,000	855.215	\$ 8,000	020.2.0	ψ 00,000	\$	21,0
Consulting Engineer						850.220	\$ 35,300		7 5,000			\$	35,3
n-Site Supervision						850.225	\$ 57,600	855.225	\$ 54,000	825.225	\$	- \$	111,6
Consulting Geologist						850.230	\$ -					\$	
Company Labor				-		850.245	\$ 5,000	855.245	\$ 8,000	825.245	\$ 5,000		18,0
Plug & Abandonment						850.270	\$ -	05		00		\$	
Surface Damages						850.280	\$ 38,000	855.280	\$ -	825.280	\$ 0.000	- \$	38,0
Fluid Haul & Disposal Vater Transfer Services						850.290	\$ 75,000	855.290	\$ 25,000	825.290	\$ 3,000	\$ \$	103,0
Vater Transfer Services Overhead						850.291 850.300	\$ - \$ 2,300	855.291 855.300	\$ 86,000 \$ 5,400	825.300	\$ 8,100		86,0 15,8
Completion Unit						030.300	ψ 2,300	855.310	\$ 132,000	023.300	φ 0,100	\$	132,0
Plugs, Perfs & Cased Hole Wireline								855.325	\$ 188,000			\$	188,0
cidizing								855.340	\$ 9,500			\$	9,5
	0 Stage Spacin	ıg		31	Stages			855.350	\$ 1,203,000			\$	1,203,0
HS & Regulatory						850.700	\$ -	855.700	\$ -			\$	
pills & Environmental Response							\$ -	855.701	\$ -			\$	
Safety						850.702	\$ -	855.702	\$ 8,000			\$	8,0
Regulatory							\$ -	855.703	\$ -			\$	
Environmental Compliance				TOTT	NITANIOIE: ==	850.704	\$ -	855.704	\$ -		A 44-1-	\$	
		D. E.O.		IOIAL	INTANGIBLES		\$ 1,494,500		\$ 2,826,200		\$ 115,100	0 \$	4,435,8
	TANGIE	DLES				DF	RILLING	COM	PLETION	FAC	ILITIES	4	TOTAL
ESCRIPTION	SIZE	WEIGHT	GRADE	Cost/Ft.	LENGTH	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT		IOIAL
onductor Pipe	16	-			90	860.010	\$ 25,000				-	\$	25,0
urface Casing	13 3/8	48.0	J-55	79.00	375	860.020	\$ 25,000					\$	30,0
termediate Casing	9 5/8	36.0	J-55	61.00	1,230	860.030	\$ 75,000					\$	75,0
oduction Casing -top string	7	32.0	L-80	50.00	3,200	860.040	\$ 160,000					\$	160,0
oduction Casing -bottom string	5 1/2	20.0	L-80	37.00	6,970	860.041	\$ 258,000					\$	258,0
						860.050	\$ 5,000					\$	5,
					<u></u>	860.060	\$ -					\$	
ners & Hangers	2 7/8	6.5	L-80	10.20	3,000			865.120	\$ 31,000			\$	31,0
ners & Hangers oduction Tubing						860.070	\$ -	865.070	\$ -			\$	
ners & Hangers oduction Tubing her Wellhead Equipment								865.250	\$ 20,000			\$	20,0
ners & Hangers oduction Tubing ther Wellhead Equipment powline & Connectors						860.130	\$ 28,000	865.100	\$ 24,000		-	\$	24,
ners & Hangers coduction Tubing ther Wellhead Equipment powline & Connectors coduction Wellhead						000.130	ψ ∠8,000	865.155	\$ 145,000			\$	28,0 145,0
ners & Hangers oduction Tubing ther Wellhead Equipment powline & Connectors oduction Wellhead ubing Head	ament.					860.080	\$ -	000.100	ψ 143,000			\$	140,
ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead Jbing Head rtificial Lift -Surface & Downhole Equip	oment					860.090	\$ 2,000	865.090	\$ -	826.090	\$	- \$	2,
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asing Head Spools ners & Hangers roduction Tubing ther Wellhead Equipment lowline & Connectors roduction Wellhead ubing Head rufficial Lift -Surface & Downhole Equip on-controllable (Well) liscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other epotations, Heater Treaters, FWKO, F leters & Meter Runs lectrical & SCADA Automation	r misc. equipt)) ustor				000.090		865.270	\$ 50,000	826.200 826.210	\$ 210,000 \$ 128,000	0 \$ 0 \$	210,0 128,0 65,0 115,0
ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead ubing Head rtificial Lift -Surface & Downhole Equip on-controllable (Well) iscellaneous Equipment anks, Stairs, & Walkways roduction Facility (pipes, valves, other eparators, Heater Treaters, FWKO, F eters & Meter Runs	r misc. equipt)) ustor		TOTA	L TANGIBLES	000.090	\$ 583,000		\$ 50,000 \$ 270,000	826.200 826.210 826.240	\$ 210,000 \$ 128,000 \$ 65,000	0 \$ 0 \$ 0 \$	128,0 65,0
ners & Hangers roduction Tubing ther Wellhead Equipment owline & Connectors roduction Wellhead Jbing Head tificial Lift -Surface & Downhole Equipon-controllable (Well) iscellaneous Equipment and Stairs, & Walkways roduction Facility (pipes, valves, other paparators, Heater Treaters, FWKO, F eters & Meter Runs	r misc. equipt) Flare, & Comb) ustor			L TANGIBLES L WELL COST		\$ 583,000 \$ 2,077,500			826.200 826.210 826.240	\$ 210,000 \$ 128,000 \$ 65,000 \$ 65,000	0 \$ 0 \$ 0 \$ 0 \$	128,0 65,0 115,0 1,430, 0

Received by OCD: 1/26/2024 1:05:02 PM

Chronology of Contact, Exhibit C-7

Summary of Contacts

- Riley retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Riley searched public records, phone directory, and various different types of internet searches.
- Riley sent well proposal letters to the working interest owners on or around December 14, 2023.
- Riley proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Riley sent the working interest owners JOAs.
- Riley had multiple communications with the uncommitted working interest owners, which are outlined in the chart below.
- Riley filed the application to force pool working interest owners who had not entered into an agreement.
- Riley's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners.
- Riley also published notice in a newspaper of general circulation in the county where the wells will be located.

Chronology of Contact, Exhibit C-7 continued

Date	Recipient	Description
11/12/2022	Mork Highs Cour	Email correspondence regarding possible trade Red Skies/Walter unit for Baffin
11/13/2023	Mark Hicks - Spur	Unit Email correspondence regarding possible trade Red Skies/Walter unit for Baffin
11/17/2023	Mark Hicks - Spur	Unit
		Email correspondence regarding possible trade Red Skies/Walter unit for Baffin
11/20/2023	Mark Hicks - Spur	Unit
		Email correspondence regarding possible trade Red Skies/Walter unit for Baffin
11/21/2023	Mark Hicks - Spur	Unit
11/28/2023	Mark Hicks - Spur	Email correspondence regarding possible trade Red Skies/Walter unit for Baffin Unit
, -, -	, , , , , , , , , , , , , , , , , , ,	Email correspondence regarding possible trade Red Skies/Walter unit for Baffin
12/11/2023	Mark Hicks - Spur	Unit
12/14/2023	Mark Hicks - Spur	Emailed Walter well proposals and AFE's; Lance Young confirmed receipt
12/15/2023	Mark Hicks - Spur	Walter well proposals and AFE's

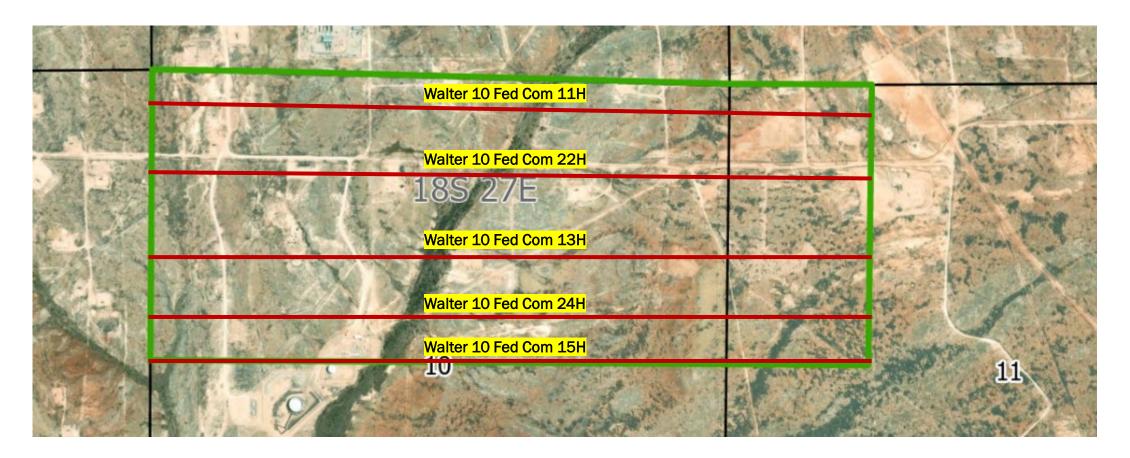
Recorded Syst Weather HSU - Base Map

Exhibit D-1

Proposing a 400 acre HSU in 18S 27E Sec 10 & 11, Eddy Co NM. Proposing the drilling and completion of 5, 1.25 mile HZ wells in the Yeso interval.

Proposed Unit outline:





Executors Wanter DSU Formation Structure Map

Exhibit D-2

PDCK TVD SS Structure Map

100' Contour Intervals.

Data Point

Proposed Unit outline:



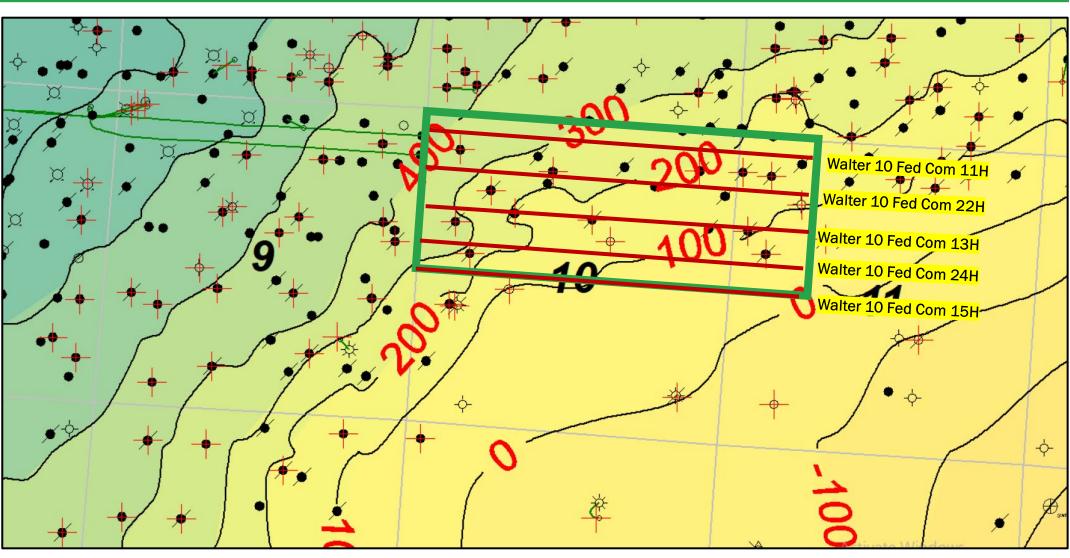
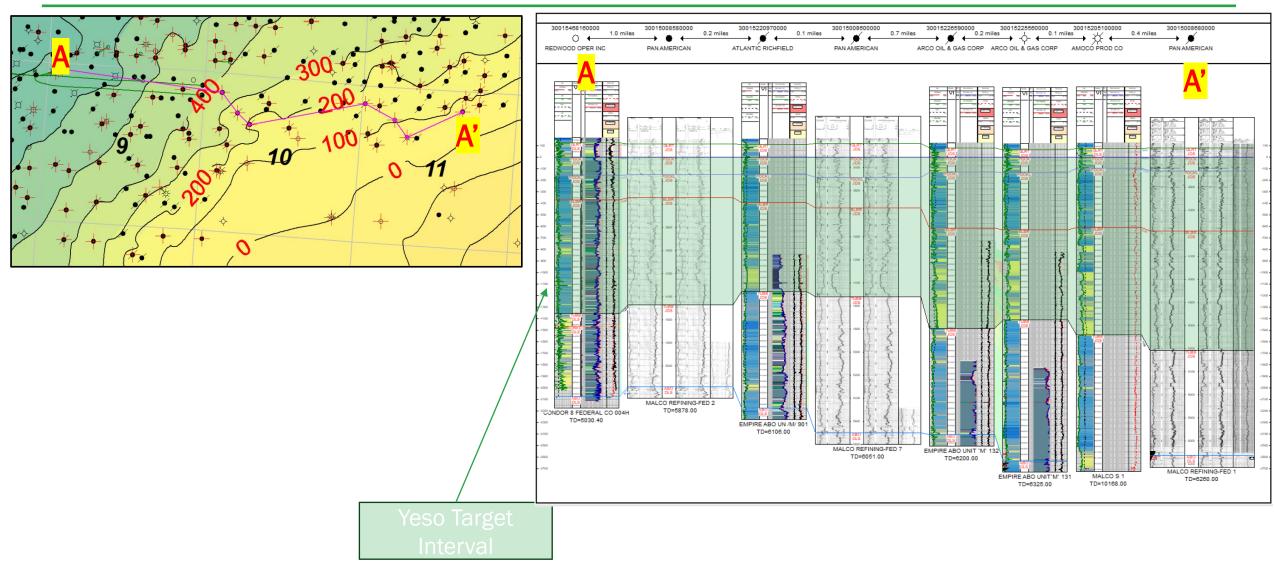
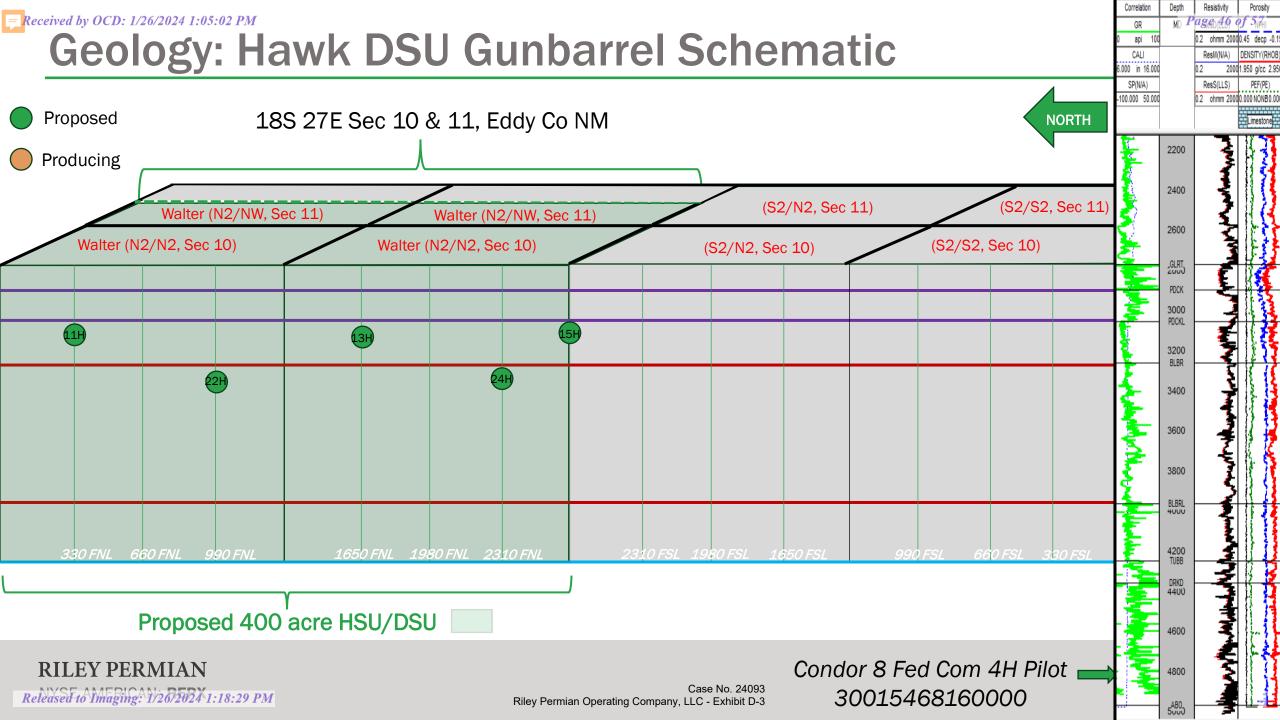


Exhibit D-3





Location Indicator Relative to Nearest Major City/Town

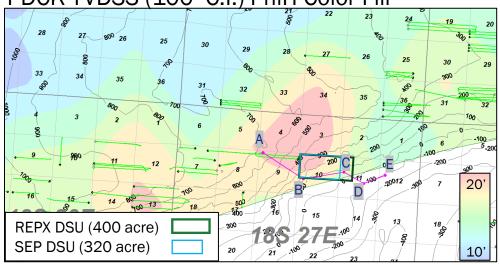
The Walter proposed DSU is ~10 miles from Artesia, 4.5 miles from Riverside, and 7 miles from Atoka, NM.



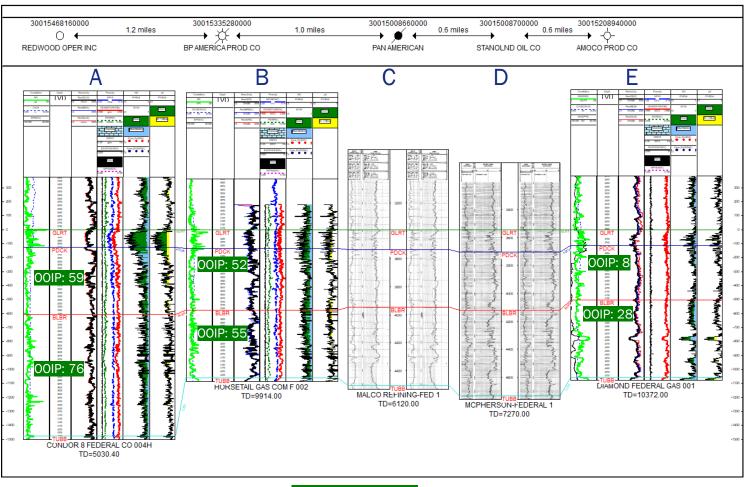
Received by 100 1/16/2021 1/15:02 Preservoir Structure Edge Map

Volumetrics

PDCK TVDSS (100' C.I.) PhiH Color Fill



Reservoir presence & quality in the Yeso interval decreases as you move SE away from the shelf margin or structural high. The correlation across the proposed DSUs show the Yeso interval losing porosity and oil saturation as you move South and East.



Landing Target & OOIP

Received by Soph 12024 1:03: SPM Walter HSU **Exhibit E - Recoverable Reserves**

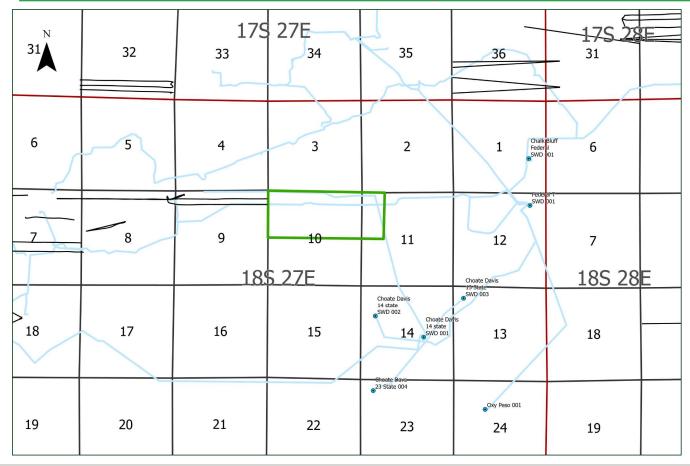
[insert footnotes here]

	Unit size, acres	OIP of the unit, mmbbls	Anticipated Recovery Factor	110001010010	Recoverable Reserves Difference, mmbbls		Completed Lateral Length	EUR/well (mmbbl)
1.25 mile horizontal								
wells	400	66.88	5.0%	3.344	0.669	5	31,250	0.669
1 mile horizontal								
wells	320	53.50	5.0%	2.675		5	25,000	0.535

	Unit size, acres	OIP of the unit, mmbbls	Anticipated Recovery Factor		Recoverable Reserves Difference, mmbbls		Completed Lateral Length	EUR/well (mmbbl)
1.25 mile horizontal wells	400	66.88	7.5%	5.016	1.003	5	31,250	1.003
1 mile horizontal wells	320	53.50	7.5%	4.013		5	25,000	0.803

	Unit size, acres	OIP of the unit, mmbbls	Anticipated Recovery Factor		Recoverable Reserves Difference, mmbbls		Completed Lateral Length	EUR/well (mmbbl)
1.25 mile horizontal wells	400	66.88	2.5%	1.672	0.334	5	31,250	0.334
1 mile horizontal wells	320	53.50	2.5%	1.338		5	25,000	0.268

Engineering: Walter HSU Exhibit F – Infrastructure and Operations



RILEY PERMIAN

NYSE AMERICAN: **REPX**

Case No. 24093 Riley Permian Operating Company, LLC - Exhibit F

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF RILEY PERMIAN OPERATING COMPANY, LLC FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 24093

|--|

STATE OF COLORADO)
) ss
CITY AND COUNTY OF DENVER)

James P. Parrot, attorney in fact and authorized representative of Riley Permian Operating Company, LLC ("Riley"), the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under Notice Letters dated December 15, 2023, which the Applicant mailed via U.S. Postal Service Certified Mail. Notice was delivered to the interested parties on or about December 19, 2023, as shown on certified mail receipts attached as Exhibit G.

Applicant also published notice of the Application in the Carlsbad Current Argus on December 20, 2023. Proof of receipts is shown on Exhibit H.

James P. Parrot

SUBSCRIBED AND SWORN to before me on January 2024 by James P. Parrot.

My commission expires:

TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026

MY COMMISSION EXPIRES OCTOBER 4, 2025

Case No. 24093

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 500 DON GASPAR AVENUE SANTA FE, NEW MEXICO 87505 TELEPHONE 505-983-8545 FAX 1-800-886-6566 www.bwenergylaw.com

OFFICE LOCATIONS COLORADO

NEW MEXICO

TEXAS

WYOMING

MIGUEL SUAZO

(505) 946-2090 MSUAZO@BWENERGYLAW.COM

December 15, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO SPACING AND POOLING PROCEEDINGS

Application of Riley Permian Operating Company, LLC for horizontal spacing Re:

and compulsory pooling, Eddy County, New Mexico

Walter 182710111 #11H, Walter 182710111 #22H, Walter 182710111 #13H, Walter 182710111 #15H, Walter 182710111 #24H, and Walter 182710111 #28H

Wells (Case No. 24093)

Dear Interest Owners:

This letter is to advise you that Riley Permian Operating Company, LLC ("Riley") has filed the enclosed application, Case No. 24093, with the New Mexico Oil Conservation Division for creating a standard horizontal spacing unit and the compulsory pooling of the Yeso formation involving the Walter 182710111 #11H, Walter 182710111 #22H, Walter 182710111 #13H, Walter 182710111 #15H, Walter 182710111 #24H, and Walter 182710111 #28H Wells.

In Case No. 24093, Riley plans to space and pool the N/2 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, a standard unit encompassing 400 acres, more or less, dedicated to the Walter 182710111 #11H, Walter 182710111 #22H, Walter 182710111 #13H, Walter 182710111 #15H, Walter 182710111 #24H, and Walter 182710111 #28H Wells.

A hearing has been requested before a Division Examiner on January 4, 2024, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

BEATTY & WOZNIAK, P.C.

December 15, 2023 Case Nos. 24093 Page 2

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

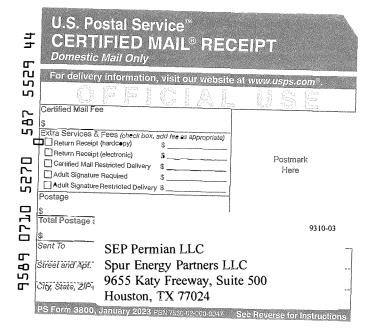
If you have any questions about this matter, please contact Mark Smith at (405) 415-8925 or at marksmith@rileypermian.com.

Sincerely,

Miguel Suazo

Attorney for Riley Permin Operating Company, LLC

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	A. Signature X
SEP Permian LLC Spur Energy Partners LLC 9655 Katy Freeway, Suite 500 Houston, TX 77024	63
9590 9402 8362 3156 460 7 50	3. Service Type
2 Article Number (<i>Transfer from service label</i>) 9589 0710 5270 0587 5529	Collect on Delivery Restricted Delivery Restricted Delivery Wail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



Carlsbad Current Argus.

Affidavit of Publication Ad # 0005867754 This is not an invoice

BEATTY & WOZNIAK, P. C. 1675 BROADWAY # 600

DENVER, CO 80202-4692

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/20/2023

Subscribed and sworn before me this December 20,

, 2023:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005867754 PO #: # of Affidavits1

This is not an invoice

LEGAL NOTICE December 20, 2023

STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION, SANTE FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resourgy Minerais and Natural Resour-ces Department, Oil Conserva-tion Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the fol-lowing cases. Hearings will be conducted remotely. The hear-ing will be cenducted on Thurs-day Laurent 4, 2024, horizonales and will be enducted an Inurs-day, January 4, 2024, beginning at 8:15 A.M. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http:// www.emnrd.nm.gov/OCD/heari www.emnrd.nm.gov/OCD/hearl ng-info/ or obtained from Shella Apodaca at Shella.Apodaca@em nrd.nm.gov. Documents filed in the case may be viewed at https://ocdimage.emnrd.state.nm.us/imaglng/CaseFileCriteria.aspx.if you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Shella Apodaca at Shella.Apodaca@emnrd.nm.gov, or the New Mexico Relay Nettwerk the New Mexico Relay Network at 1-800-659-1779, no later than December 26, 2023.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public,

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO: All overriding royalty interest owners and pooled parties, including: SEP Permian LLC and Spur Energy Partners LLC

Including: SEP Permian LLC and Spur Energy Partners LLC

CASE NO. 24093: Application of Riley Permian Operating Company, LLC for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico, Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 400-acre, more or less, spacing and proration unit comprised of the N/2 of Section 10 and the W/2NW/4 of Section 10 and the W/2NW/4 of Section 11, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Yeso formation, designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Walter 182710111 #21H wells, which are oil wells that will be horizontally drilled from a surface location in the NEWNEW of Section 9 to a bottom hole location in the Yeso Formation in the NWANW/W of Section 11, and the Walter 182710111 #24H, and Walter 182710111 #25H Wells, which are oil wells that will be horizontally drilled from a surface location in the NEWNEW of Section 9 to a bottom hole location in the Yeso Formation in the SWWNWW of Section 11, The wells are orthodox in location and the take points and laterals comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of

the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 10 miles from Artesia, New Mexico. #5867754, Current Argus, December 20, 2023