

District I

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

District II

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

District III

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

District IV

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

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

Form C-101

August 1, 2011

Permit 287166

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address Redwood Operating LLC PO Box 1370 Artesia, NM 882111370		2. OGRID Number 330211
		3. API Number 30-015-47550
4. Property Code 329363	5. Property Name BRAINARD 12	6. Well No. 003H

7. Surface Location

UL - Lot N	Section 12	Township 18S	Range 26E	Lot Idn N	Feet From 160	N/S Line S	Feet From 1665	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot M	Section 11	Township 18S	Range 26E	Lot Idn M	Feet From 330	N/S Line S	Feet From 1	E/W Line W	County Eddy
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9. Pool Information

RED LAKE;GLORIETA-YESO	51120
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3295
16. Multiple N	17. Proposed Depth 9247	18. Formation Yeso	19. Contractor	20. Spud Date 11/1/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	1230	450	0
Prod	8.75	7	26	9247	1580	0
Prod	8.75	5.5	17	1800	200	0

Casing/Cement Program: Additional Comments

MACK ENERGY PROPOSED TO DRILL A 17 1/2" HOLE TO 1230', RUN 9 5/8" CSG/CMT. DRILL 8 3/4" HOLE TO 9247', RUN 7" & 5 1/2" CSG/CMT. PUT WELL ON PRODUCTION.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature:

OIL CONSERVATION DIVISION

Printed Name: Electronically filed by Jerry Sherrell	Approved By: Scott Cox
Title: Production Clerk	Title: Petroleum Engineer Supervisor
Email Address: jerrys@mec.com	Approved Date: 10/14/2020 Expiration Date: 10/14/2022
Date: 10/8/2020 Phone: 575-748-1288	Conditions of Approval Attached

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 51120	³ Pool Name Red Lake Glorieta; Yeso
⁴ Property Code	⁵ Property Name BRAINARD 12	⁶ Well Number 3H
⁷ OGRID No. 330211	⁸ Operator Name REDWOOD OPERATING LLC	⁹ Elevation 3295.4

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	12	18 S	26 E		160	SOUTH	1665	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	11	18 S	26 E		330	SOUTH	1	WEST	EDDY

¹² Dedicated Acres 200	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

NW CORNER SEC. 11 LAT. = 32.7697958°N LONG. = 104.3610733°W NMSP EAST (FT) N = 643784.86 E = 532811.07 S89°41'10"E 2653.24 FT S89°41'10"E 2653.24 FT NW CORNER SEC. 12 LAT. = 32.7697185°N LONG. = 104.3438136°W NMSP EAST (FT) N = 643755.79 E = 538116.16 N89°39'04"E 2664.58 FT N89°39'04"E 2664.58 FT NE CORNER SEC. 12 LAT. = 32.7698079°N LONG. = 104.3264803°W NMSP EAST (FT) N = 643788.22 E = 543443.92		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Deana Weaver</i> 10/7/2020 Signature Date Deana Weaver Printed Name dweaver@mec.com E-mail Address	
W/4 CORNER SEC. 11 LAT. = 32.7624930°N LONG. = 104.3610992°W NMSP EAST (FT) N = 641128.03 E = 532802.40 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. SEPTEMBER 22, 2020 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number: 12797 Survey No. 6445E		NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83) LISTED NEW MEXICO STATE PLANE. EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE. EAST COORDINATES MODIFIED TO THE SURFACE. VERTICAL DATUM NAVD83. LAST TAKE POINT 330' FSL, 100' FWL LAT. = 32.7561427°N LONG. = 104.3607953°W NMSP EAST (FT) N = 638817.70 E = 532895.22 FIRST TAKE POINT 330' FSL, 1220' FWL LAT. = 32.7560939°N LONG. = 104.3400005°W NMSP EAST (FT) N = 638798.91 E = 539287.91 BRAINARD 12 3H ELEV. = 3295.4' LAT. = 32.7556385°N (NAD83) LONG. = 104.3385584°W NMSP EAST (FT) N = 638633.17 E = 539731.22 FTP 160' SHL 1665'	
SW CORNER SEC. 11 LAT. = 32.7552375°N LONG. = 104.3611235°W NMSP EAST (FT) N = 638488.37 E = 532794.24 SW CORNER SEC. 12 LAT. = 32.7551551°N LONG. = 104.3439789°W NMSP EAST (FT) N = 638457.46 E = 538064.84 SE CORNER SEC. 12 LAT. = 32.7552947°N LONG. = 104.3264684°W NMSP EAST (FT) N = 638508.14 E = 543447.93		19 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. SEPTEMBER 22, 2020 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number: 12797 Survey No. 6445E	

Intent As Drilled API #

Operator Name:	Property Name:	Well Number
REDWOOD OPERATING LLC	BRAINARD 12	3H

Kick Off Point (KOP)

UL N	Section 12	Township 18S	Range 26E	Lot	Feet 160	From N/S SOUTH	Feet 1665	From E/W WEST	County EDDY
Latitude 32.7556385					Longitude 104.3385584			NAD 83	

First Take Point (FTP)

UL M	Section 12	Township 18S	Range 26E	Lot	Feet 330	From N/S SOUTH	Feet 1220	From E/W WEST	County EDDY
Latitude 32.7560939					Longitude 104.3400005			NAD 83	

Last Take Point (LTP)

UL M	Section 11	Township 18S	Range 26E	Lot	Feet 330	From N/S SOUTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.7561427					Longitude 104.3607953			NAD 83	

Is this well the defining well for the Horizontal Spacing Unit? Is this well an infill well?

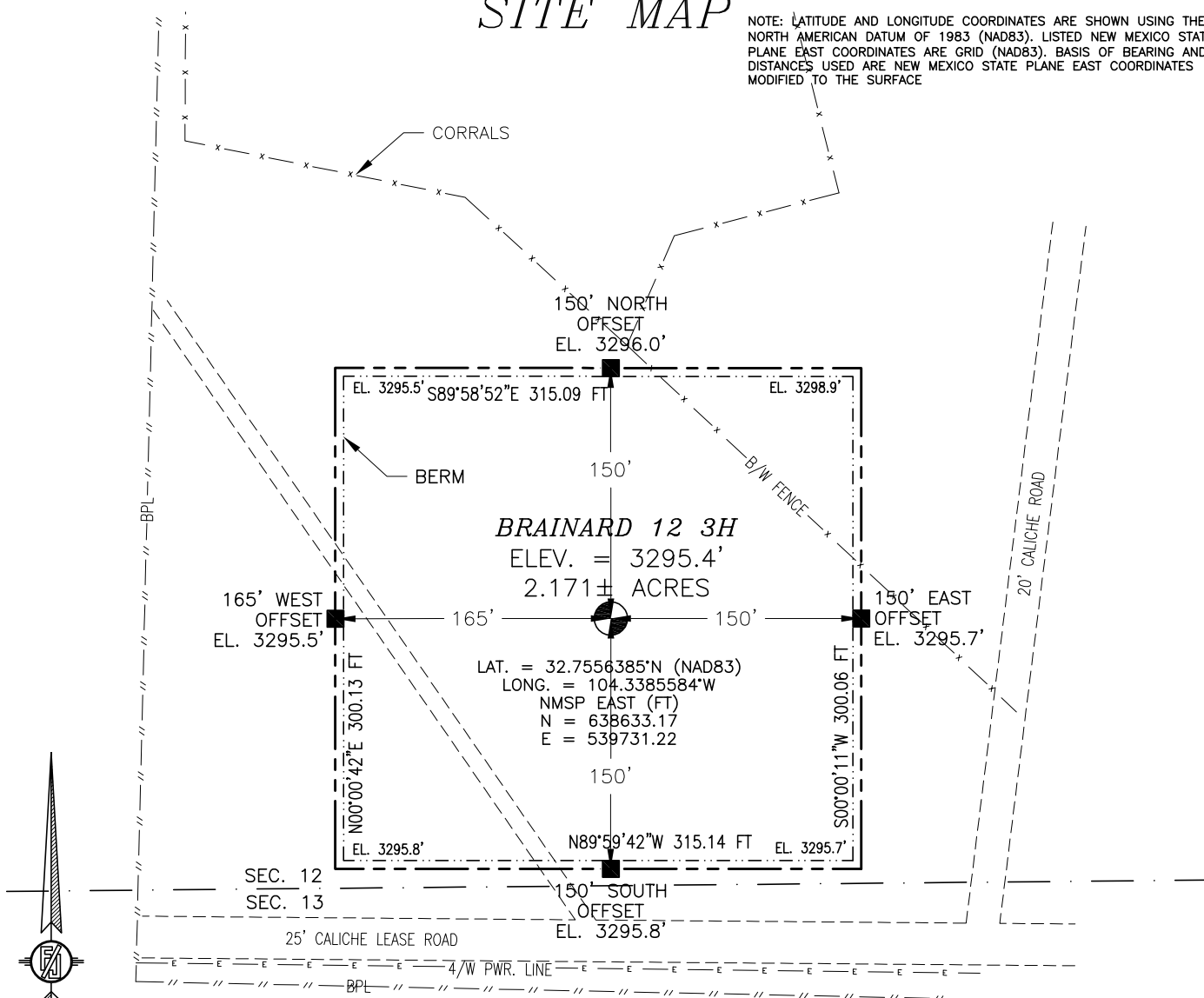
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number

KZ 06/29/2018

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1983 (NAD83). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD83). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES MODIFIED TO THE SURFACE



SCALE 1" = 100'

DIRECTIONS TO LOCATION

FROM CR. 39 (FOUR DINKUS) AND CR. 44 (FANNING) GO EAST ON 20' CALICHE LEASE ROAD FOR APPROX. 0.5 OF A MILE TO SOUTH FACE OF PAD FOR THIS LOCATION.

I, FILIMON F. JARAMILA, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I DESIGNED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THIS SURVEY MEETS AT LEAST THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

FILIMON F. JARAMILLO P.S. 127

MADRON SURVEYING, INC.

301 SOUTH CANAL
(575) 234-3341

BRAINARD 12 3H

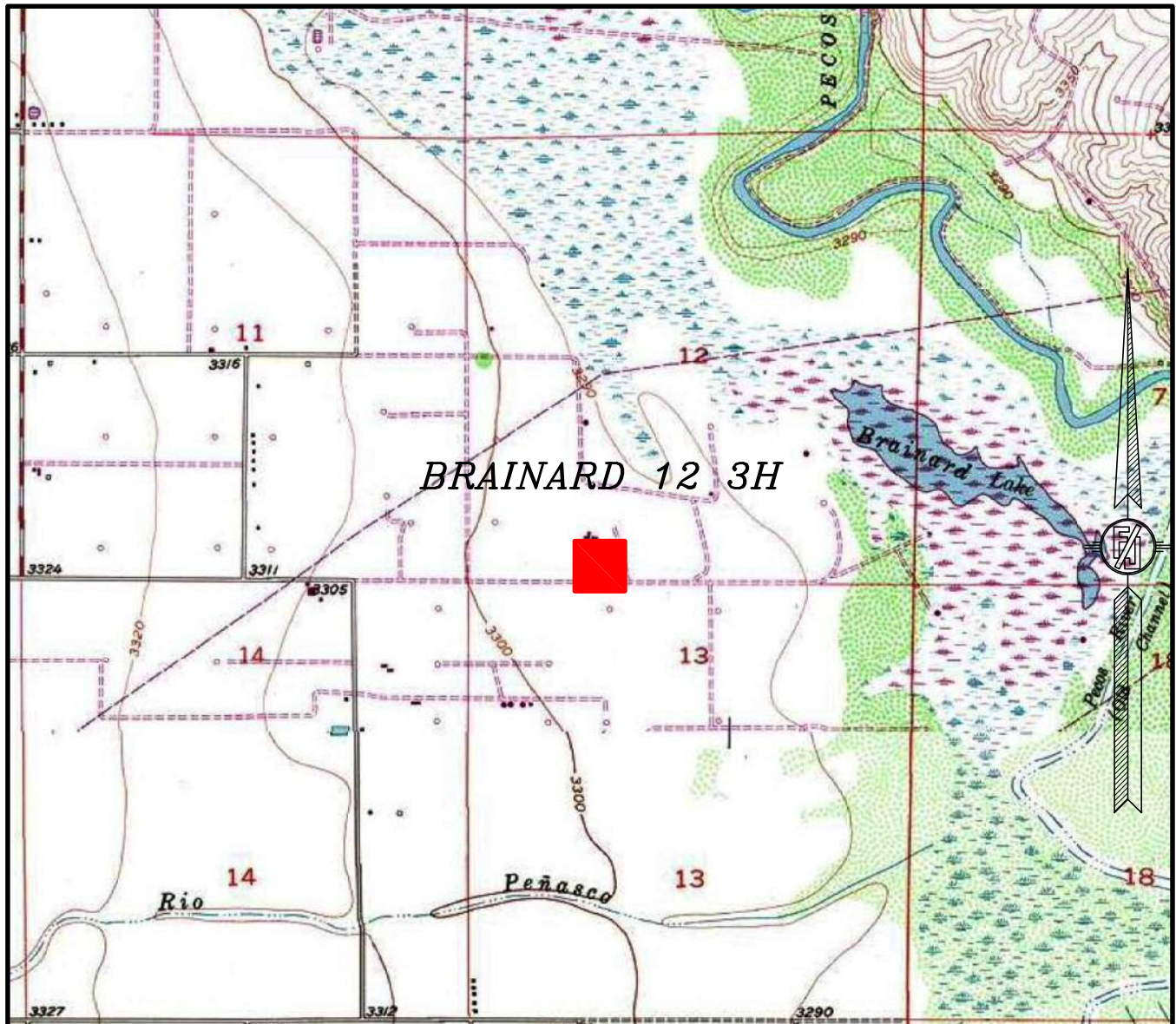
LOCATED 160 FT. FROM THE SOUTH LINE
AND 1665 FT. FROM THE WEST LINE OF
SECTION 12, TOWNSHIP 18 SOUTH,
RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 22, 2020

SURVEY NO. 6445E

CARLSBAD, NEW MEXICO

SECTION 12, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 LOCATION VERIFICATION MAP



USGS QUAD MAP:
 SPRING LAKE

NOT TO SCALE

REDWOOD OPERATING LLC
BRAINARD 12 3H
 LOCATED 160 FT. FROM THE SOUTH LINE
 AND 1665 FT. FROM THE WEST LINE OF
 SECTION 12, TOWNSHIP 18 SOUTH,
 RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

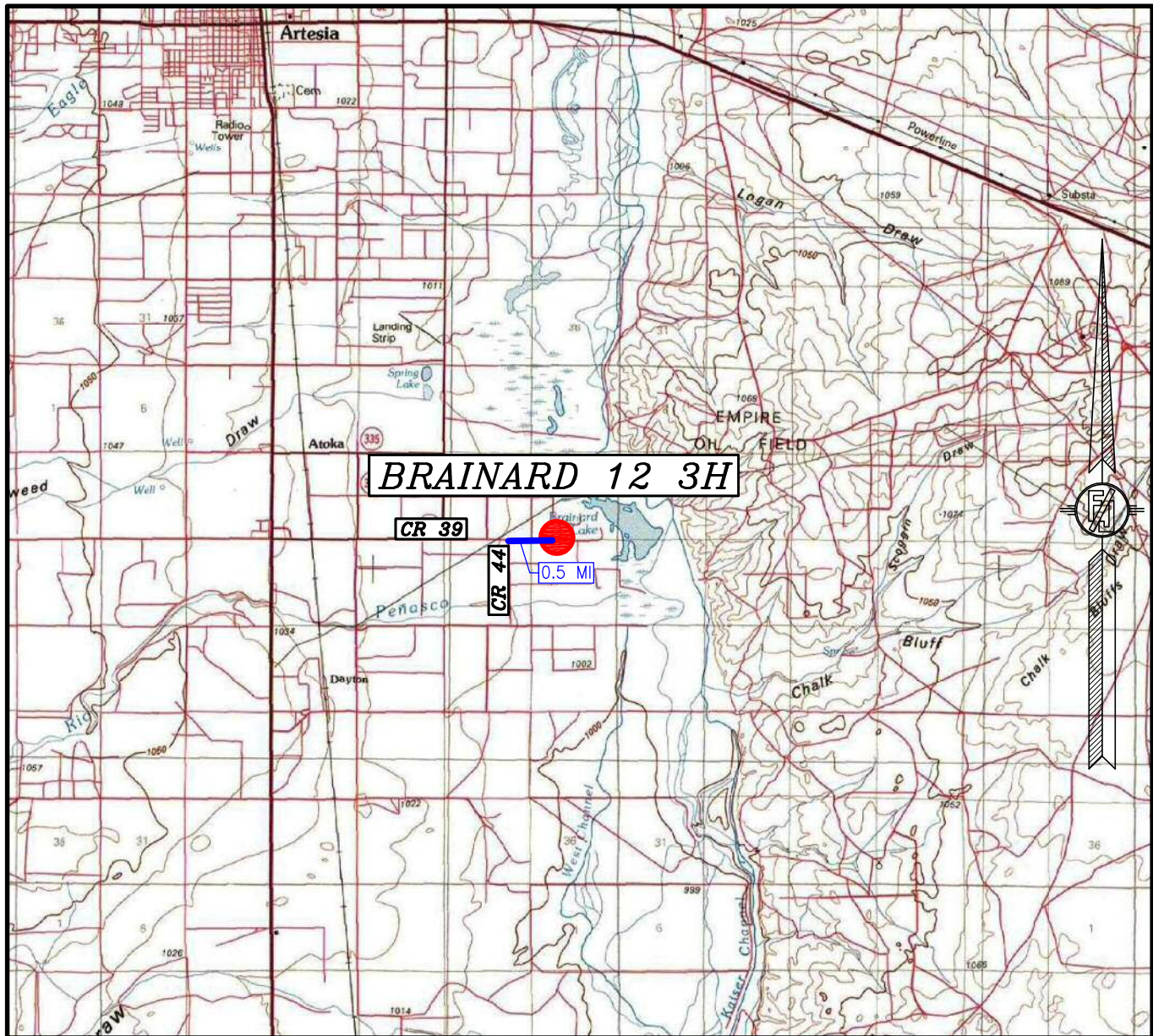
SEPTEMBER 22, 2020

MADRON SURVEYING, INC.

301 SOUTH CANAL
 (575) 234-3341

SURVEY NO. 6445E
 CARLSBAD, NEW MEXICO

SECTION 12, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

REDWOOD OPERATING LLC
BRAINARD 12 3H

LOCATED 160 FT. FROM THE SOUTH LINE
AND 1665 FT. FROM THE WEST LINE OF
SECTION 12, TOWNSHIP 18 SOUTH,
RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 22, 2020

SURVEY NO. 6445E

MADRON SURVEYING, INC. 301 SOUTH CANAL

(575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 12, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 AERIAL PHOTO



NOT TO SCALE
 AERIAL PHOTO:
 GOOGLE EARTH
 DECEMBER 2019

REDWOOD OPERATING LLC
BRAINARD 12 3H
 LOCATED 160 FT. FROM THE SOUTH LINE
 AND 1665 FT. FROM THE WEST LINE OF
 SECTION 12, TOWNSHIP 18 SOUTH,
 RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

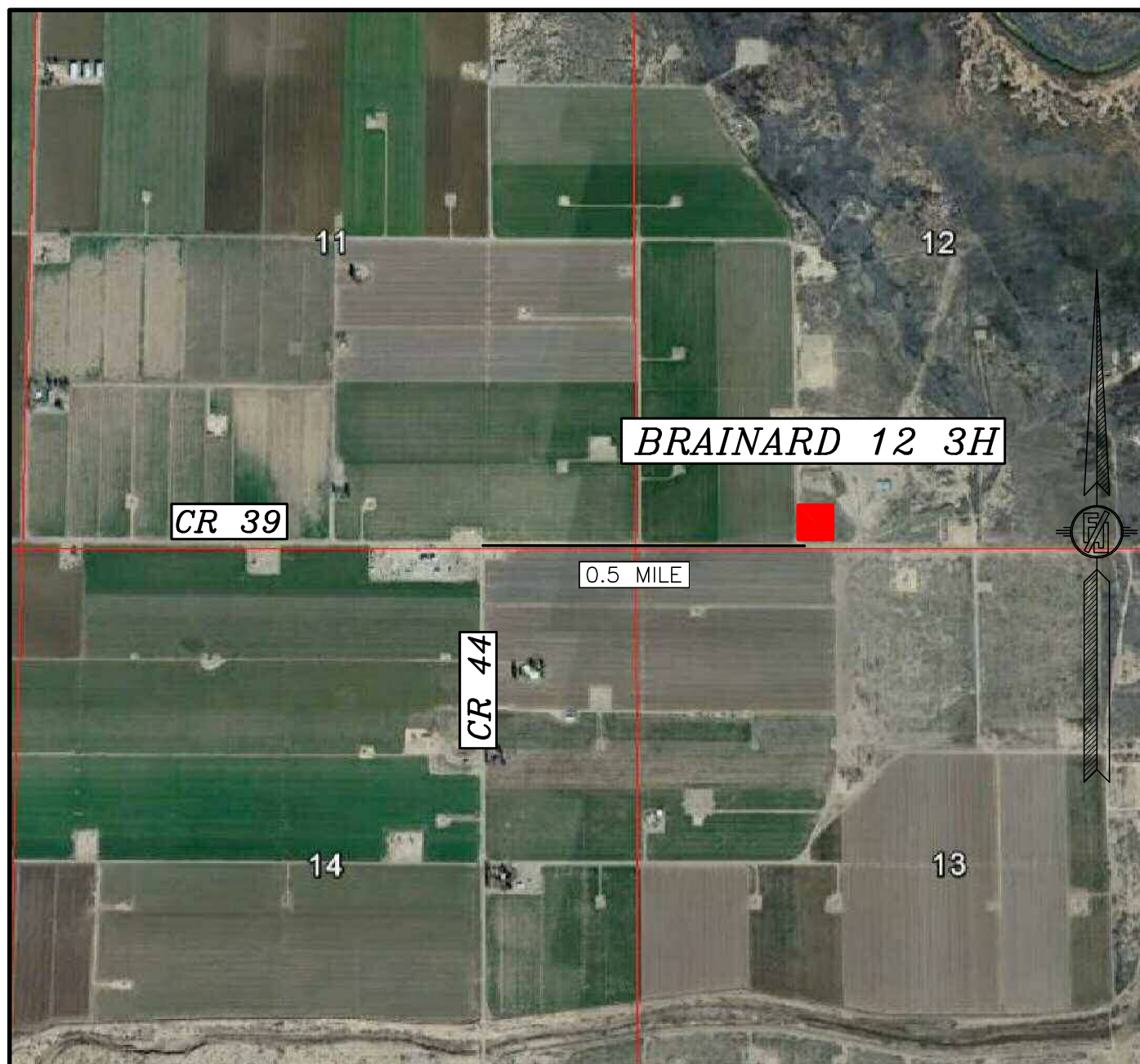
SEPTEMBER 22, 2020

MADRON SURVEYING, INC.

301 SOUTH CANAL
 (575) 234-3341

SURVEY NO. 6445E
 CARLSBAD, NEW MEXICO

SECTION 12, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 ACCESS AERIAL ROUTE MAP



NOT TO SCALE
 AERIAL PHOTO:
 GOOGLE EARTH
 DECEMBER 2019

REDWOOD OPERATING LLC
BRAINARD 12 3H
 LOCATED 160 FT. FROM THE SOUTH LINE
 AND 1665 FT. FROM THE WEST LINE OF
 SECTION 12, TOWNSHIP 18 SOUTH,
 RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

SEPTEMBER 22, 2020

MADRON SURVEYING, INC. 301 SOUTH CANAL
 (575) 234-3341

SURVEY NO. 6445E
 CARLSBAD, NEW MEXICO

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Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

GAS CAPTURE PLAN

Date: 10/14/2020

☒ Original

Operator & OGRID No.: [330211] Redwood Operating LLC

☐ Amended - Reason for
Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
BRAINARD 12 #003H	30-015-47550	N-12-18S-26E	0160S 1665W	50	None	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to DCP OPERATING COMPANY, LP and will be connected to DCP OPERATING COMPANY, LP Low Pressure gathering system located in Eddy County, New Mexico. It will require 0' of pipeline to connect the facility to Low Pressure gathering system. Redwood Operating LLC provides (periodically) to DCP OPERATING COMPANY, LP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Redwood Operating LLC and DCP OPERATING COMPANY, LP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP OPERATING COMPANY, LP Processing Plant located in Sec. 06, Twn. 19S, Rng. 37E, Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on DCP OPERATING COMPANY, LP system at that time. Based on current information, it is Redwood Operating LLC's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

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

Form APD Comments

Permit 287166

PERMIT COMMENTS

Operator Name and Address: Redwood Operating LLC [330211] PO Box 1370 Artesia, NM 882111370		API Number: 30-015-47550
		Well: BRAINARD 12 #003H
Created By	Comment	Comment Date

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Santa Fe, NM 87505

Form APD Conditions

Permit 287166

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Redwood Operating LLC [330211] PO Box 1370 Artesia, NM 88211370	API Number: 30-015-47550
	Well: BRAINARD 12 #003H

OCD Reviewer	Condition
ksimmons	Will require a directional survey with the C-104
ksimmons	Cement is required to circulate on both surface and intermediate1 strings of casing
kpickford	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system
kpickford	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
kpickford	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days

Brainard 12 #3H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	14:37 Friday, October 02, 2020 Page 1 of
Field Red Lake	County Eddy	Vertical Section Azimuth 270.17
Well Name Brainard 12 #3H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 160 FSL & 1655 FWL Section 12-T18S-R26E BHL: 330 FSL & 1 FWL Section 11-T18S-26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1843848.8	Surface Long
Slot Name	Surface Y 11890285.4	Surface Lat
Well Number	Surface Z 3313.4	Global Z Ref KB
Project	Ground Level 3295.4	Local North Ref Grid

DIRECTIONAL WELL PLAN

MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD*
ft	deg	deg	ft	ft	ft	°/100ft	ft	ft	ft	ft
*** TIE (at MD = 1744.00)										
1744.00	0.00	0.0	1744.00	0.00	0.00		0.00	1843848.80	11890285.40	1569.40
1750.00	0.00	0.0	1750.00	0.00	0.00	0.00	0.00	1843848.80	11890285.40	1563.40
1800.00	0.00	0.0	1800.00	0.00	0.00	0.00	0.00	1843848.80	11890285.40	1513.40
*** KOP 8 DEGREES (at MD = 1844.00)										
1844.00	0.00	0.0	1844.00	0.00	0.00	0.00	0.00	1843848.80	11890285.40	1469.40
1850.00	0.48	285.2	1850.00	0.01	-0.02	8.00	0.02	1843848.78	11890285.41	1463.40
1900.00	4.48	285.2	1899.94	0.57	-2.11	8.00	2.11	1843846.69	11890285.97	1413.46
1950.00	8.48	285.2	1949.61	2.05	-7.56	8.00	7.56	1843841.24	11890287.45	1363.79
2000.00	12.48	285.2	1998.77	4.44	-16.33	8.00	16.34	1843832.47	11890289.84	1314.63
2050.00	16.48	285.2	2047.17	7.71	-28.39	8.00	28.42	1843820.41	11890293.11	1266.23
2100.00	20.48	285.2	2094.58	11.87	-43.68	8.00	43.72	1843805.12	11890297.27	1218.82
2150.00	24.48	285.2	2140.77	16.88	-62.13	8.00	62.18	1843786.67	11890302.28	1172.63
2200.00	28.48	285.2	2185.52	22.72	-83.64	8.00	83.71	1843765.16	11890308.12	1127.88
2250.00	32.48	285.2	2228.60	29.37	-108.11	8.00	108.20	1843740.69	11890314.77	1084.80
2300.00	36.48	285.2	2269.81	36.79	-135.42	8.00	135.53	1843713.38	11890322.19	1043.59
2350.00	40.48	285.2	2308.94	44.95	-165.44	8.00	165.57	1843683.36	11890330.35	1004.46
2400.00	44.48	285.2	2345.81	53.80	-198.02	8.00	198.17	1843650.78	11890339.20	967.59
2450.00	48.48	285.2	2380.23	63.30	-233.00	8.00	233.18	1843615.80	11890348.70	933.17
2500.00	52.48	285.2	2412.05	73.41	-270.21	8.00	270.43	1843578.59	11890358.81	901.35
*** 55 DEGREE TANGENT (at MD = 2531.50)										
2531.50	55.00	285.2	2430.67	80.07	-294.72	8.00	294.96	1843554.08	11890365.47	882.73
2550.00	55.00	285.2	2441.29	84.05	-309.34	0.00	309.59	1843539.46	11890369.45	872.11
2600.00	55.00	285.2	2469.96	94.79	-348.87	0.00	349.15	1843499.93	11890380.19	843.44
2650.00	55.00	285.2	2498.64	105.52	-388.39	0.00	388.70	1843460.41	11890390.92	814.76
2700.00	55.00	285.2	2527.32	116.26	-427.92	0.00	428.26	1843420.88	11890401.66	786.08
2750.00	55.00	285.2	2556.00	127.00	-467.44	0.00	467.82	1843381.36	11890412.40	757.40
*** 12 DEGREE BUILD (at MD = 2781.50)										
2781.50	55.00	285.2	2574.07	133.77	-492.34	0.00	492.74	1843356.46	11890419.17	739.33
2800.00	57.02	284.1	2584.41	137.64	-507.18	12.00	507.59	1843341.62	11890423.04	728.99
2850.00	62.53	281.3	2609.57	147.12	-549.31	12.00	549.74	1843299.49	11890432.52	703.83
2900.00	68.09	278.9	2630.45	155.06	-594.02	12.00	594.48	1843254.78	11890440.46	682.95
2950.00	73.68	276.6	2646.82	161.38	-640.81	12.00	641.29	1843207.99	11890446.78	666.58
3000.00	79.30	274.4	2658.49	166.00	-689.19	12.00	689.68	1843159.61	11890451.40	654.91
3050.00	84.93	272.3	2665.35	168.88	-738.61	12.00	739.11	1843110.19	11890454.28	648.05
3100.00	90.57	270.2	2667.31	169.98	-788.54	12.00	789.04	1843060.26	11890455.38	646.09
*** LANDING POINT (at MD = 3101.61)										
3101.61	90.75	270.2	2667.30	169.98	-790.14	12.00	790.64	1843058.66	11890455.38	646.11
3150.00	90.75	270.2	2666.66	170.13	-838.53	0.00	839.03	1843010.27	11890455.53	646.74

Brainard 12 #3H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	14:37 Friday, October 02, 2020 Page 2 of
Field Red Lake	County Eddy	Vertical Section Azimuth 270.17
Well Name Brainard 12 #3H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 160 FSL & 1655 FWL Section 12-T18S-R26E BHL: 330 FSL & 1 FWL Section 11-T18S-26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1843848.8	Surface Long
Slot Name	Surface Y 11890285.4	Surface Lat
Well Number	Surface Z 3313.4	Global Z Ref KB
Project	Ground Level 3295.4	Local North Ref Grid

DIRECTIONAL WELL PLAN

MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD*
ft	deg	deg	ft	ft	ft	%/100ft	ft	ft	ft	ft
3200.00	90.75	270.2	2666.01	170.28	-888.53	0.00	889.03	1842960.27	11890455.68	647.39
3250.00	90.75	270.2	2665.35	170.42	-938.52	0.00	939.02	1842910.28	11890455.82	648.05
3300.00	90.75	270.2	2664.70	170.57	-988.52	0.00	989.02	1842860.28	11890455.97	648.70
3350.00	90.75	270.2	2664.04	170.72	-1038.51	0.00	1039.02	1842810.29	11890456.12	649.36
3400.00	90.75	270.2	2663.39	170.87	-1088.51	0.00	1089.01	1842760.29	11890456.27	650.01
3450.00	90.75	270.2	2662.73	171.02	-1138.50	0.00	1139.01	1842710.30	11890456.42	650.67
3500.00	90.75	270.2	2662.08	171.17	-1188.50	0.00	1189.00	1842660.30	11890456.57	651.32
3550.00	90.75	270.2	2661.43	171.31	-1238.50	0.00	1239.00	1842610.30	11890456.71	651.97
3600.00	90.75	270.2	2660.77	171.46	-1288.49	0.00	1288.99	1842560.31	11890456.86	652.63
3650.00	90.75	270.2	2660.12	171.61	-1338.49	0.00	1338.99	1842510.31	11890457.01	653.28
3700.00	90.75	270.2	2659.46	171.76	-1388.48	0.00	1388.99	1842460.32	11890457.16	653.94
3750.00	90.75	270.2	2658.81	171.91	-1438.48	0.00	1438.98	1842410.32	11890457.31	654.59
3800.00	90.75	270.2	2658.15	172.06	-1488.47	0.00	1488.98	1842360.33	11890457.46	655.25
3850.00	90.75	270.2	2657.50	172.20	-1538.47	0.00	1538.97	1842310.33	11890457.60	655.90
3900.00	90.75	270.2	2656.84	172.35	-1588.46	0.00	1588.97	1842260.34	11890457.75	656.56
3950.00	90.75	270.2	2656.19	172.50	-1638.46	0.00	1638.96	1842210.34	11890457.90	657.21
4000.00	90.75	270.2	2655.54	172.65	-1688.45	0.00	1688.96	1842160.35	11890458.05	657.86
4050.00	90.75	270.2	2654.88	172.80	-1738.45	0.00	1738.96	1842110.35	11890458.20	658.52
4100.00	90.75	270.2	2654.23	172.95	-1788.45	0.00	1788.95	1842060.35	11890458.35	659.17
4150.00	90.75	270.2	2653.57	173.09	-1838.44	0.00	1838.95	1842010.36	11890458.49	659.83
4200.00	90.75	270.2	2652.92	173.24	-1888.44	0.00	1888.94	1841960.36	11890458.64	660.48
4250.00	90.75	270.2	2652.26	173.39	-1938.43	0.00	1938.94	1841910.37	11890458.79	661.14
4300.00	90.75	270.2	2651.61	173.54	-1988.43	0.00	1988.93	1841860.37	11890458.94	661.79
4350.00	90.75	270.2	2650.95	173.69	-2038.42	0.00	2038.93	1841810.38	11890459.09	662.45
4400.00	90.75	270.2	2650.30	173.84	-2088.42	0.00	2088.93	1841760.38	11890459.24	663.10
4450.00	90.75	270.2	2649.65	173.98	-2138.41	0.00	2138.92	1841710.39	11890459.38	663.75
4500.00	90.75	270.2	2648.99	174.13	-2188.41	0.00	2188.92	1841660.39	11890459.53	664.41
4550.00	90.75	270.2	2648.34	174.28	-2238.41	0.00	2238.91	1841610.39	11890459.68	665.06
4600.00	90.75	270.2	2647.68	174.43	-2288.40	0.00	2288.91	1841560.40	11890459.83	665.72
4650.00	90.75	270.2	2647.03	174.58	-2338.40	0.00	2338.90	1841510.40	11890459.98	666.37
4700.00	90.75	270.2	2646.37	174.73	-2388.39	0.00	2388.90	1841460.41	11890460.13	667.03
4750.00	90.75	270.2	2645.72	174.87	-2438.39	0.00	2438.90	1841410.41	11890460.27	667.68
4800.00	90.75	270.2	2645.06	175.02	-2488.38	0.00	2488.89	1841360.42	11890460.42	668.34
4850.00	90.75	270.2	2644.41	175.17	-2538.38	0.00	2538.89	1841310.42	11890460.57	668.99
4900.00	90.75	270.2	2643.75	175.32	-2588.37	0.00	2588.88	1841260.43	11890460.72	669.65
4950.00	90.75	270.2	2643.10	175.47	-2638.37	0.00	2638.88	1841210.43	11890460.87	670.30
5000.00	90.75	270.2	2642.45	175.62	-2688.36	0.00	2688.87	1841160.44	11890461.02	670.95

Brainard 12 #3H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	14:37 Friday, October 02, 2020 Page 3 of
Field Red Lake	County Eddy	Vertical Section Azimuth 270.17
Well Name Brainard 12 #3H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access
Location SL: 160 FSL & 1655 FWL Section 12-T18S-R26E BHL: 330 FSL & 1 FWL Section 11-T18S-26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1843848.8	Surface Long
Slot Name	Surface Y 11890285.4	Surface Lat
Well Number	Surface Z 3313.4	Global Z Ref KB
Project	Ground Level 3295.4	Local North Ref Grid

DIRECTIONAL WELL PLAN

MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD*
ft	deg	deg	ft	ft	ft	%/100ft	ft	ft	ft	ft
5050.00	90.75	270.2	2641.79	175.76	-2738.36	0.00	2738.87	1841110.44	11890461.16	671.61
5100.00	90.75	270.2	2641.14	175.91	-2788.36	0.00	2788.87	1841060.44	11890461.31	672.26
5150.00	90.75	270.2	2640.48	176.06	-2838.35	0.00	2838.86	1841010.45	11890461.46	672.92
5200.00	90.75	270.2	2639.83	176.21	-2888.35	0.00	2888.86	1840960.45	11890461.61	673.57
5250.00	90.75	270.2	2639.17	176.36	-2938.34	0.00	2938.85	1840910.46	11890461.76	674.23
5300.00	90.75	270.2	2638.52	176.51	-2988.34	0.00	2988.85	1840860.46	11890461.91	674.88
5350.00	90.75	270.2	2637.86	176.65	-3038.33	0.00	3038.84	1840810.47	11890462.05	675.54
5400.00	90.75	270.2	2637.21	176.80	-3088.33	0.00	3088.84	1840760.47	11890462.20	676.19
5450.00	90.75	270.2	2636.56	176.95	-3138.32	0.00	3138.84	1840710.48	11890462.35	676.84
5500.00	90.75	270.2	2635.90	177.10	-3188.32	0.00	3188.83	1840660.48	11890462.50	677.50
5550.00	90.75	270.2	2635.25	177.25	-3238.32	0.00	3238.83	1840610.48	11890462.65	678.15
5600.00	90.75	270.2	2634.59	177.40	-3288.31	0.00	3288.82	1840560.49	11890462.80	678.81
5650.00	90.75	270.2	2633.94	177.54	-3338.31	0.00	3338.82	1840510.49	11890462.94	679.46
5700.00	90.75	270.2	2633.28	177.69	-3388.30	0.00	3388.81	1840460.50	11890463.09	680.12
5750.00	90.75	270.2	2632.63	177.84	-3438.30	0.00	3438.81	1840410.50	11890463.24	680.77
5800.00	90.75	270.2	2631.97	177.99	-3488.29	0.00	3488.81	1840360.51	11890463.39	681.43
5850.00	90.75	270.2	2631.32	178.14	-3538.29	0.00	3538.80	1840310.51	11890463.54	682.08
5900.00	90.75	270.2	2630.67	178.29	-3588.28	0.00	3588.80	1840260.52	11890463.69	682.73
5950.00	90.75	270.2	2630.01	178.43	-3638.28	0.00	3638.79	1840210.52	11890463.83	683.39
6000.00	90.75	270.2	2629.36	178.58	-3688.27	0.00	3688.79	1840160.53	11890463.98	684.04
6050.00	90.75	270.2	2628.70	178.73	-3738.27	0.00	3738.78	1840110.53	11890464.13	684.70
6100.00	90.75	270.2	2628.05	178.88	-3788.27	0.00	3788.78	1840060.53	11890464.28	685.35
6150.00	90.75	270.2	2627.39	179.03	-3838.26	0.00	3838.78	1840010.54	11890464.43	686.01
6200.00	90.75	270.2	2626.74	179.18	-3888.26	0.00	3888.77	1839960.54	11890464.58	686.66
6250.00	90.75	270.2	2626.08	179.32	-3938.25	0.00	3938.77	1839910.55	11890464.72	687.32
6300.00	90.75	270.2	2625.43	179.47	-3988.25	0.00	3988.76	1839860.55	11890464.87	687.97
6350.00	90.75	270.2	2624.77	179.62	-4038.24	0.00	4038.76	1839810.56	11890465.02	688.63
6400.00	90.75	270.2	2624.12	179.77	-4088.24	0.00	4088.75	1839760.56	11890465.17	689.28
6450.00	90.75	270.2	2623.47	179.92	-4138.23	0.00	4138.75	1839710.57	11890465.32	689.93
6500.00	90.75	270.2	2622.81	180.07	-4188.23	0.00	4188.75	1839660.57	11890465.47	690.59
6550.00	90.75	270.2	2622.16	180.21	-4238.23	0.00	4238.74	1839610.57	11890465.61	691.24
6600.00	90.75	270.2	2621.50	180.36	-4288.22	0.00	4288.74	1839560.58	11890465.76	691.90
6650.00	90.75	270.2	2620.85	180.51	-4338.22	0.00	4338.73	1839510.58	11890465.91	692.55
6700.00	90.75	270.2	2620.19	180.66	-4388.21	0.00	4388.73	1839460.59	11890466.06	693.21
6750.00	90.75	270.2	2619.54	180.81	-4438.21	0.00	4438.72	1839410.59	11890466.21	693.86
6800.00	90.75	270.2	2618.88	180.96	-4488.20	0.00	4488.72	1839360.60	11890466.36	694.52
6850.00	90.75	270.2	2618.23	181.10	-4538.20	0.00	4538.72	1839310.60	11890466.50	695.17
6900.00	90.75	270.2	2617.58	181.25	-4588.19	0.00	4588.71	1839260.61	11890466.65	695.82

Brainard 12 #3H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	14:37 Friday, October 02, 2020 Page 4 of 4
Field Red Lake	County Eddy	Vertical Section Azimuth 270.17
Well Name Brainard 12 #3H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access
Location SL: 160 FSL & 1655 FWL Section 12-T18S-R26E BHL: 330 FSL & 1 FWL Section 11-T18S-26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1843848.8	Surface Long
Slot Name	Surface Y 11890285.4	Surface Lat
Well Number	Surface Z 3313.4	Global Z Ref KB
Project	Ground Level 3295.4	Local North Ref Grid

DIRECTIONAL WELL PLAN

MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD*
ft	deg	deg	ft	ft	ft	%/100ft	ft	ft	ft	ft
6950.00	90.75	270.2	2616.92	181.40	-4638.19	0.00	4638.71	1839210.61	11890466.80	696.48
7000.00	90.75	270.2	2616.27	181.55	-4688.18	0.00	4688.70	1839160.62	11890466.95	697.13
7050.00	90.75	270.2	2615.61	181.70	-4738.18	0.00	4738.70	1839110.62	11890467.10	697.79
7100.00	90.75	270.2	2614.96	181.85	-4788.18	0.00	4788.69	1839060.62	11890467.25	698.44
7150.00	90.75	270.2	2614.30	181.99	-4838.17	0.00	4838.69	1839010.63	11890467.39	699.10
7200.00	90.75	270.2	2613.65	182.14	-4888.17	0.00	4888.69	1838960.63	11890467.54	699.75
7250.00	90.75	270.2	2612.99	182.29	-4938.16	0.00	4938.68	1838910.64	11890467.69	700.41
7300.00	90.75	270.2	2612.34	182.44	-4988.16	0.00	4988.68	1838860.64	11890467.84	701.06
7350.00	90.75	270.2	2611.69	182.59	-5038.15	0.00	5038.67	1838810.65	11890467.99	701.71
7400.00	90.75	270.2	2611.03	182.74	-5088.15	0.00	5088.67	1838760.65	11890468.14	702.37
7450.00	90.75	270.2	2610.38	182.88	-5138.14	0.00	5138.66	1838710.66	11890468.28	703.02
7500.00	90.75	270.2	2609.72	183.03	-5188.14	0.00	5188.66	1838660.66	11890468.43	703.68
7550.00	90.75	270.2	2609.07	183.18	-5238.14	0.00	5238.66	1838610.67	11890468.58	704.33
7600.00	90.75	270.2	2608.41	183.33	-5288.13	0.00	5288.65	1838560.67	11890468.73	704.99
7650.00	90.75	270.2	2607.76	183.48	-5338.13	0.00	5338.65	1838510.67	11890468.88	705.64
7700.00	90.75	270.2	2607.10	183.63	-5388.12	0.00	5388.64	1838460.68	11890469.03	706.30
7750.00	90.75	270.2	2606.45	183.77	-5438.12	0.00	5438.64	1838410.68	11890469.17	706.95
7800.00	90.75	270.2	2605.80	183.92	-5488.11	0.00	5488.63	1838360.69	11890469.32	707.61
7850.00	90.75	270.2	2605.14	184.07	-5538.11	0.00	5538.63	1838310.69	11890469.47	708.26
7900.00	90.75	270.2	2604.49	184.22	-5588.10	0.00	5588.63	1838260.70	11890469.62	708.91
7950.00	90.75	270.2	2603.83	184.37	-5638.10	0.00	5638.62	1838210.70	11890469.77	709.57
8000.00	90.75	270.2	2603.18	184.52	-5688.09	0.00	5688.62	1838160.71	11890469.92	710.22
8050.00	90.75	270.2	2602.52	184.66	-5738.09	0.00	5738.61	1838110.71	11890470.06	710.88
8100.00	90.75	270.2	2601.87	184.81	-5788.09	0.00	5788.61	1838060.71	11890470.21	711.53
8150.00	90.75	270.2	2601.21	184.96	-5838.08	0.00	5838.60	1838010.72	11890470.36	712.19
8200.00	90.75	270.2	2600.56	185.11	-5888.08	0.00	5888.60	1837960.72	11890470.51	712.84
8250.00	90.75	270.2	2599.90	185.26	-5938.07	0.00	5938.60	1837910.73	11890470.66	713.50
8300.00	90.75	270.2	2599.25	185.41	-5988.07	0.00	5988.59	1837860.73	11890470.81	714.15
8350.00	90.75	270.2	2598.60	185.55	-6038.06	0.00	6038.59	1837810.74	11890470.95	714.80
8400.00	90.75	270.2	2597.94	185.70	-6088.06	0.00	6088.58	1837760.74	11890471.10	715.46
8450.00	90.75	270.2	2597.29	185.85	-6138.05	0.00	6138.58	1837710.75	11890471.25	716.11
8500.00	90.75	270.2	2596.63	186.00	-6188.05	0.00	6188.57	1837660.75	11890471.40	716.77
8550.00	90.75	270.2	2595.98	186.15	-6238.04	0.00	6238.57	1837610.76	11890471.55	717.42
8600.00	90.75	270.2	2595.32	186.30	-6288.04	0.00	6288.57	1837560.76	11890471.70	718.08
8650.00	90.75	270.2	2594.67	186.44	-6338.04	0.00	6338.56	1837510.76	11890471.84	718.73
8700.00	90.75	270.2	2594.01	186.59	-6388.03	0.00	6388.56	1837460.77	11890471.99	719.39
8750.00	90.75	270.2	2593.36	186.74	-6438.03	0.00	6438.55	1837410.77	11890472.14	720.04

Brainard 12 #3H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	14:37 Friday, October 02, 2020 Page 5 of
Field Red Lake	County Eddy	Vertical Section Azimuth 270.17
Well Name Brainard 12 #3H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 160 FSL & 1655 FWL Section 12-T18S-R26E BHL: 330 FSL & 1 FWL Section 11-T18S-26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1843848.8	Surface Long
Slot Name	Surface Y 11890285.4	Surface Lat
Well Number	Surface Z 3313.4	Global Z Ref KB
Project	Ground Level 3295.4	Local North Ref Grid

~~DIRECTIONAL WELL PLAN~~

MD*	INC*	AZI*	TVD*	N*	E*	DLS*	V. S.*	MapE*	MapN*	SysTVD*
ft	deg	deg	ft	ft	ft	°/100ft	ft	ft	ft	ft
8800.00	90.75	270.2	2592.71	186.89	-6488.02	0.00	6488.55	1837360.78	11890472.29	720.69
8850.00	90.75	270.2	2592.05	187.04	-6538.02	0.00	6538.54	1837310.78	11890472.44	721.35
8900.00	90.75	270.2	2591.40	187.19	-6588.01	0.00	6588.54	1837260.79	11890472.59	722.00
8950.00	90.75	270.2	2590.74	187.33	-6638.01	0.00	6638.54	1837210.79	11890472.73	722.66
9000.00	90.75	270.2	2590.09	187.48	-6688.00	0.00	6688.53	1837160.80	11890472.88	723.31
9050.00	90.75	270.2	2589.43	187.63	-6738.00	0.00	6738.53	1837110.80	11890473.03	723.97
9100.00	90.75	270.2	2588.78	187.78	-6788.00	0.00	6788.52	1837060.80	11890473.18	724.62
9150.00	90.75	270.2	2588.12	187.93	-6837.99	0.00	6838.52	1837010.81	11890473.33	725.28
9200.00	90.75	270.2	2587.47	188.08	-6887.99	0.00	6888.51	1836960.81	11890473.48	725.93
*** TD (at MD = 9246.59)										
9246.59	90.75	270.2	2586.86	188.21	-6934.57	0.00	6935.10	1836914.23	11890473.61	726.54

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

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

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 10/08/2020

☒ Original Operator & OGRID No.: Redwood Operating LLC- 330211
☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Brainard 12 #3H		Sec.12T18S R26E	160 FSL & 1665 FEL	50		

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to DCP Midstream and will be connected to DCP Midstream low/high pressure gathering system located in Eddy County, New Mexico. It will require 0 (existing)' of pipeline to connect the facility to low/high pressure gathering system. Redwood Operating LLC provides (periodically) to DCP Midstream a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Redwood Operating LLC and DCP Midstream have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP Midstream Processing Plant located in Sec. 6, Twn. 19S, Rng. 37E, Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on DCP Midstream system at that time. Based on current information, it is Mack Energy Corportaion belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines