

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 307558

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 30-015-49249
4. Property Code 332316	5. Property Name Teak Fee	6. Well No. 002H

7. Surface Location

UL - Lot E	Section 7	Township 18S	Range 27E	Lot Idn 2	Feet From 1770	N/S Line N	Feet From 1000	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot E	Section 12	Township 18S	Range 26E	Lot Idn E	Feet From 1650	N/S Line N	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 3290
16. Multiple N	17. Proposed Depth 9194	18. Formation Yeso	19. Contractor	20. Spud Date 6/1/2022
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	3325	1650	0
Prod	8.75	5.5	17	9194	400	0

Casing/Cement Program: Additional Comments

Redwood Operating LL proposed to drill 12 1/4" hole to 1230', run 9 5/8 csg/cmt. Drill 8 3/4" hole to 9194', 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.	OIL CONSERVATION DIVISION	
Signature:		
Printed Name: Electronically filed by Jerry Sherrell	Approved By: Katherine Pickford	
Title: Regulatory Supervisor	Title: Geoscientist	
Email Address: jerrys@mec.com	Approved Date: 2/7/2022	Expiration Date: 2/7/2024
Date: 2/4/2022	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 30-015-49249	² Pool Code 51120	³ Pool Name Red Lake; Glorieta Yeso
⁴ Property Code 332316	⁵ Property Name TEAK FEE	⁶ Well Number 2H
⁷ OGRID No. 330211	⁸ Operator Name REDWOOD OPERATING LLC	⁹ Elevation 3290.2

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
2	7	18 S	27 E		1770	NORTH	1000	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
E	12	18 S	26 E		1650	NORTH	1	WEST	EDDY

¹² Dedicated Acres 160	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. 12 LAT. = 32.7897185°N LONG. = 104.3438136°W NMSP EAST (FT) N = 643755.79 E = 538116.16 NW CORNER SEC. 7 LAT. = 32.7698079°N LONG. = 104.3264803°W NMSP EAST (FT) N = 643788.22 E = 543443.92 NE CORNER SEC. 7 LAT. = 32.7695499°N LONG. = 104.3091299°W NMSP EAST (FT) N = 643695.13 E = 548776.95 N/4 CORNER SEC. 7 LAT. = 32.7696777°N LONG. = 104.3177668°W NMSP EAST (FT) N = 643741.13 E = 546121.58 SW CORNER SEC. 12 LAT. = 32.7551551°N LONG. = 104.3439789°W NMSP EAST (FT) N = 638457.46 E = 538064.84 SW CORNER SEC. 7 LAT. = 32.7552947°N LONG. = 104.3264684°W NMSP EAST (FT) N = 638508.14 E = 543447.93 SE CORNER SEC. 7 LAT. = 32.7550455°N LONG. = 104.3091549°W NMSP EAST (FT) N = 638418.25 E = 548770.45 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 NAVD88.		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> 2/3/2022 Signature Date Deana Weaver Printed Name dweaver@mec.com E-mail Address	
¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JANUARY 29, 2022 Date of Survey Signature and Seal of Professional Surveyor Certificate Number: 12797 PROFESSIONAL SURVEYOR SURVEY NO. 9239		Diagram showing well location and acreage dedication plat. The diagram includes sections 12 and 7, lots 1 through 4, and various corner points with coordinates. Key features include the 'BOTTOM OF HOLE' location, 'FIRST TAKE POINT', 'LAST TAKE POINT', and 'TEAK FEE 2H' well location. Distances and bearings are provided for various lines and boundaries.	

Intent ☒ ☒ As Drilled ☐

API #		
Operator Name: REDWOOD OPERATING LLC	Property Name: TEAK FEE	Well Number 2H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	7	18S	27E	2	1770	NORTH	1000	WEST	EDDY
Latitude 32.7648946					Longitude 104.3232241				NAD 83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
H	12	18S	26E		1650	NORTH	100	EAST	EDDY
Latitude 32.7652720					Longitude 104.3268018				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
E	12	18S	26E		1650	NORTH	100	WEST	EDDY
Latitude 32.7651856					Longitude 104.3435398				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

ACCESS ROAD PLAT
ACCESS ROAD TO TEAK FEE 1H, 2H, 3H, 4H, 5H

REDWOOD OPERATING LLC
CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING
SECTION 7, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
JANUARY 29, 2022

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING FEE LAND IN SECTION 7, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SE/4 NW/4 OF SAID SECTION 7, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M., WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 7, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N25°06'27"E, A DISTANCE OF 2446.11 FEET;

THENCE N62°43'33"W A DISTANCE OF 521.92 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTH QUARTER CORNER OF SAID SECTION 7, TOWNSHIP 18 SOUTH, RANGE 27 EAST, N.M.P.M. BEARS N37°14'19"E, A DISTANCE OF 2481.80 FEET;

SAID STRIP OF LAND BEING 521.92 FEET OR 31.63 RODS IN LENGTH, CONTAINING 0.360 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 NW/4	340.77 L.F.	20.65 RODS	0.235 ACRES
LOT 2	181.15 L.F.	10.98 RODS	0.125 ACRES

GENERAL NOTES

1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2

MADRON SURVEYING, INC.

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD, NEW MEXICO, THIS 29TH DAY OF FEBRUARY 2022

FILIMON F. JARAMILLO PLS. 12797

MADRON SURVEYING, INC.
301 SOUTH CANAL
CARLSBAD, NEW MEXICO 88220
Phone (575) 234-3341

SURVEY NO. 9239

301 SOUTH CANAL
(575) 234-3341

CARLSBAD, NEW MEXICO

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Santa Fe, NM 87505

Form APD Conditions

Permit 307558

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Redwood Operating LLC [330211] PO Box 1370 Artesia, NM 882111370	API Number: 30-015-49249
	Well: Teak Fee #002H

OCD Reviewer	Condition
kpickford	Notify OCD 24 hours prior to casing & cement
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104
kpickford	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
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	Cement is required to circulate on both surface and intermediate1 strings of casing
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

Intent ☒ ☒ As Drilled ☐

API #		
Operator Name: REDWOOD OPERATING LLC	Property Name: TEAK FEE	Well Number 2H

Kick Off Point (KOP)

UL	Section 7	Township 18S	Range 27E	Lot 2	Feet 1770	From N/S NORTH	Feet 1000	From E/W WEST	County EDDY
Latitude 32.7648946					Longitude 104.3232241			NAD 83	

First Take Point (FTP)

UL H	Section 12	Township 18S	Range 26E	Lot	Feet 1650	From N/S NORTH	Feet 100	From E/W EAST	County EDDY
Latitude 32.7652720					Longitude 104.3268018			NAD 83	

Last Take Point (LTP)

UL E	Section 12	Township 18S	Range 26E	Lot	Feet 1650	From N/S NORTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.7651856					Longitude 104.3435398			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

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

Submit Electronically
Via E-permitting

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Redwood Operating LLC **OGRID:** 330211 **Date:** 2 / 3 / 2022

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

If Other, please describe: _____

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

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Teak Fee 2H		Lot 2 Sec. 7 T18S R27E	1770 FNL 1000 FWL	100	100	1,000

IV. Central Delivery Point Name: DCP Midstream Linam Ranch Processing Plant/ Durango Midstream [See 19.15.27.9(D)(1) NMAC]

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

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Teak Fee #2H		6/1/2022	6/20/2022	7/20/2022	7/20/2022	7/20/2022

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

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

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

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

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

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

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

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

Section 3 - Certifications

Effective May 25, 2021

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

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

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

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

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

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

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

Section 4 - Notices

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

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

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

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

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

Signature:	<i>Deana Weaver</i>
Printed Name:	Deana Weaver
Title:	Regulatory Technician II
E-mail Address:	regulatory@redwoodoperating.com
Date:	2/03/2022
Phone:	575-748-1288
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

VI. Separation Equipment:

Redwood Operating LLC production facilities include separation equipment designed to efficiently separate gas from liquid phases to optimize gas capture based on projected and estimated volumes from the targeted pool of our completion project. Redwood Operating LLC will utilize flowback separation equipment and production separation equipment designed and built to industry specifications after the completion to optimize gas capture and send gas to sales or flare based on analytical composition. Redwood Operating LLC operates facilities that are typically multi-well facilities. Redwood Operating LLC will upgrade production separation equipment, if necessary prior to new wells being completed, if determined to be undersized or inadequate. This equipment is already on-site and tied into our sales gas lines prior to the new drill operations.

VII. Operational Practices:

1. Subsection (A) Venting and Flaring of Natural Gas. Redwood Operating LLC understands the requirements of NMAC 19.15.27.8 which outlines that the venting and flaring of natural gas during drilling, completion or production operations that constitutes waste as defined in 19.15.2 are prohibited.
2. Subsection (B) Venting and Flaring during drilling operations. This gas capture plan is for a well being drilled.
3. Subsection (C) Venting and flaring during completion or recompletion. Flow lines will be routed for flow back fluids into a completion or storage tank and if feasible under well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
4. Subsection (D) Venting and flaring during production operations
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.
 - Monitor manual liquid unloading for wells on-site or in close proximity (<30 minutes' drive time), take reasonable actions to achieve a stabilized rate and pressure at the earliest practical time, and take reasonable actions to minimize venting to the maximum extent practicable.
 - Redwood Operating LLC will not vent or flare except during the approved activities listed in NMAC 19.15.27.8 (D) 14.
5. Subsection (E) Performance standards. All tanks and separation equipment are designed for maximum throughput and pressure to minimize waste.
 - If a flare is utilized during production operations it will have a continuous pilot and is located more than 100 feet from any known well or storage tanks.
 - At any point in the well life (completion, production, inactive) an audio, visual and olfactory inspection be performed at prescribed intervals (weekly or monthly) pursuant to Subsection D

of 19.15.27.8 NMAC, to confirm that all production equipment is operating properly and there are no leaks or releases.

6. Subsection (F) Measurement or estimation of vented and flared natural gas
 - Measurement equipment is installed to measure the volume of natural gas flared from process piping.
 - When measurement is not practicable, estimation of vented and flared natural gas will be completed as noted in 19.15.27.8 (F) 5-6.

VIII. Best Management Practices:

1. Redwood Operating LLC has adequate storage and takeaway capacity for wells it chooses to complete as the flow lines at the sites are already in place and tied into a gathering system.
2. Redwood Operating LLC will flare rather than vent vessel blowdown gas when technically feasible during active and/or planned maintenance to equipment on-site.
3. Redwood Operating LLC combusts natural gas that would otherwise be vented or flared, when technically feasible.
4. Redwood Operating LLC will shut in wells in the event of a takeaway disruption, emergency situations, or other operations where venting or flaring may occur due to equipment failures.

Teak Fee 2H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	15:03 Thursday, February 03, 2022 Page 1 of 4
Field Red Lake	County Eddy	Vertical Section Azimuth 269.65
Well Name Teak Fee 2H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 1770 FNL & 1000 FWL Section 7-T18S-R27E BHL: 1650 FNL & 1 FWL Section 7-T18S-R26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1848553.1	Surface Long
Slot Name	Surface Y 11893762.3	Surface Lat
Well Number 2H	Surface Z 3308.2	Global Z Ref KB
Project	Ground Level 3290.2	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 = 2227.00)										
2227.00	0.00	0.0	2227.00	0.00	0.00		0.00	1848553.10	11893762.30	1081.20
2250.00	0.00	0.0	2250.00	0.00	0.00	0.00	0.00	1848553.10	11893762.30	1058.20
2300.00	0.00	0.0	2300.00	0.00	0.00	0.00	0.00	1848553.10	11893762.30	1008.20
*** KOP 8 DEGREES (at MD = 2327.00)										
2327.00	0.00	0.0	2327.00	0.00	0.00	0.00	0.00	1848553.10	11893762.30	981.20
2350.00	1.84	280.5	2350.00	0.07	-0.36	8.00	0.36	1848552.74	11893762.37	958.20
2400.00	5.84	280.5	2399.87	0.68	-3.65	8.00	3.65	1848549.45	11893762.98	908.33
2450.00	9.84	280.5	2449.40	1.92	-10.36	8.00	10.35	1848542.74	11893764.22	858.80
2500.00	13.84	280.5	2498.32	3.79	-20.44	8.00	20.42	1848532.66	11893766.09	809.88
2550.00	17.84	280.5	2546.41	6.28	-33.86	8.00	33.82	1848519.24	11893768.58	761.79
2600.00	21.84	280.5	2593.44	9.37	-50.54	8.00	50.49	1848502.56	11893771.67	714.76
2650.00	25.84	280.5	2639.16	13.05	-70.41	8.00	70.33	1848482.69	11893775.35	669.04
2700.00	29.84	280.5	2683.37	17.30	-93.36	8.00	93.26	1848459.74	11893779.60	624.83
2750.00	33.84	280.5	2725.83	22.11	-119.30	8.00	119.16	1848433.80	11893784.41	582.37
2800.00	37.84	280.5	2766.36	27.44	-148.08	8.00	147.90	1848405.02	11893789.74	541.84
2850.00	41.84	280.5	2804.74	33.28	-179.56	8.00	179.36	1848373.54	11893795.58	503.46
2900.00	45.84	280.5	2840.80	39.59	-213.61	8.00	213.36	1848339.49	11893801.89	467.40
2950.00	49.84	280.5	2874.35	46.34	-250.05	8.00	249.76	1848303.05	11893808.64	433.85
3000.00	53.84	280.5	2905.24	53.51	-288.69	8.00	288.36	1848264.41	11893815.81	402.96
*** 55 DEGREE TANGENT (at MD = 3014.50)										
3014.50	55.00	280.5	2913.67	55.66	-300.29	8.00	299.94	1848252.81	11893817.96	394.53
3050.00	55.00	280.5	2934.04	60.95	-328.88	0.00	328.50	1848224.22	11893823.25	374.16
3100.00	55.00	280.5	2962.72	68.42	-369.15	0.00	368.73	1848183.95	11893830.72	345.48
3150.00	55.00	280.5	2991.39	75.88	-409.43	0.00	408.95	1848143.67	11893838.18	316.81
3200.00	55.00	280.5	3020.07	83.35	-449.70	0.00	449.18	1848103.40	11893845.65	288.13
3250.00	55.00	280.5	3048.75	90.81	-489.97	0.00	489.41	1848063.13	11893853.11	259.45
*** 10 DEGREE BUILD (at MD = 3264.50)										
3264.50	55.00	280.5	3057.07	92.98	-501.65	0.00	501.07	1848051.45	11893855.28	251.13
3300.00	58.38	279.2	3076.56	98.04	-530.87	10.00	530.27	1848022.23	11893860.34	231.64
3350.00	63.16	277.5	3100.97	104.37	-574.03	10.00	573.38	1847979.07	11893866.67	207.23
3400.00	67.96	276.0	3121.65	109.70	-619.22	10.00	618.54	1847933.88	11893872.00	186.55
3450.00	72.77	274.5	3138.45	114.00	-666.10	10.00	665.39	1847887.00	11893876.30	169.75
3500.00	77.59	273.2	3151.24	117.24	-714.32	10.00	713.59	1847838.78	11893879.54	156.96
3550.00	82.42	271.8	3159.91	119.39	-763.49	10.00	762.75	1847789.61	11893881.69	148.29
3600.00	87.25	270.6	3164.41	120.43	-813.26	10.00	812.51	1847739.84	11893882.73	143.79
*** LANDING POINT (at MD = 3635.35)										
3635.35	90.67	269.7	3165.05	120.49	-848.60	10.00	847.85	1847704.50	11893882.79	143.15
3650.00	90.67	269.7	3164.88	120.40	-863.25	0.00	862.50	1847689.85	11893882.70	143.32

Teak Fee 2H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	15:03 Thursday, February 03, 2022 Page 2 of 4
Field Red Lake	County Eddy	Vertical Section Azimuth 269.65
Well Name Teak Fee 2H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 1770 FNL & 1000 FWL Section 7-T18S-R27E BHL: 1650 FNL & 1 FWL Section 7-T18S-R26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1848553.1	Surface Long
Slot Name	Surface Y 11893762.3	Surface Lat
Well Number 2H	Surface Z 3308.2	Global Z Ref KB
Project	Ground Level 3290.2	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
3700.00	90.67	269.7	3164.29	120.09	-913.25	0.00	912.50	1847639.85	11893882.39	143.91
3750.00	90.67	269.7	3163.71	119.79	-963.24	0.00	962.49	1847589.86	11893882.09	144.49
3800.00	90.67	269.7	3163.13	119.48	-1013.24	0.00	1012.49	1847539.86	11893881.78	145.07
3850.00	90.67	269.7	3162.54	119.18	-1063.23	0.00	1062.49	1847489.87	11893881.48	145.66
3900.00	90.67	269.7	3161.96	118.87	-1113.23	0.00	1112.48	1847439.87	11893881.17	146.24
3950.00	90.67	269.7	3161.37	118.57	-1163.23	0.00	1162.48	1847389.87	11893880.87	146.83
4000.00	90.67	269.7	3160.79	118.26	-1213.22	0.00	1212.48	1847339.88	11893880.56	147.41
4050.00	90.67	269.7	3160.20	117.96	-1263.22	0.00	1262.47	1847289.88	11893880.26	148.00
4100.00	90.67	269.7	3159.62	117.65	-1313.21	0.00	1312.47	1847239.89	11893879.95	148.58
4150.00	90.67	269.7	3159.03	117.35	-1363.21	0.00	1362.47	1847189.89	11893879.65	149.17
4200.00	90.67	269.7	3158.45	117.04	-1413.20	0.00	1412.46	1847139.90	11893879.34	149.75
4250.00	90.67	269.7	3157.86	116.74	-1463.20	0.00	1462.46	1847089.90	11893879.04	150.34
4300.00	90.67	269.7	3157.28	116.43	-1513.20	0.00	1512.46	1847039.90	11893878.73	150.92
4350.00	90.67	269.7	3156.69	116.12	-1563.19	0.00	1562.45	1846989.91	11893878.42	151.51
4400.00	90.67	269.7	3156.11	115.82	-1613.19	0.00	1612.45	1846939.91	11893878.12	152.09
4450.00	90.67	269.7	3155.52	115.51	-1663.18	0.00	1662.45	1846889.92	11893877.81	152.68
4500.00	90.67	269.7	3154.94	115.21	-1713.18	0.00	1712.44	1846839.92	11893877.51	153.26
4550.00	90.67	269.7	3154.36	114.90	-1763.17	0.00	1762.44	1846789.93	11893877.20	153.84
4600.00	90.67	269.7	3153.77	114.60	-1813.17	0.00	1812.44	1846739.93	11893876.90	154.43
4650.00	90.67	269.7	3153.19	114.29	-1863.16	0.00	1862.43	1846689.94	11893876.59	155.01
4700.00	90.67	269.7	3152.60	113.99	-1913.16	0.00	1912.43	1846639.94	11893876.29	155.60
4750.00	90.67	269.7	3152.02	113.68	-1963.16	0.00	1962.43	1846589.94	11893875.98	156.18
4800.00	90.67	269.7	3151.43	113.38	-2013.15	0.00	2012.42	1846539.95	11893875.68	156.77
4850.00	90.67	269.7	3150.85	113.07	-2063.15	0.00	2062.42	1846489.95	11893875.37	157.35
4900.00	90.67	269.7	3150.26	112.76	-2113.14	0.00	2112.41	1846439.96	11893875.06	157.94
4950.00	90.67	269.7	3149.68	112.46	-2163.14	0.00	2162.41	1846389.96	11893874.76	158.52
5000.00	90.67	269.7	3149.09	112.15	-2213.13	0.00	2212.41	1846339.97	11893874.45	159.11
5050.00	90.67	269.7	3148.51	111.85	-2263.13	0.00	2262.40	1846289.97	11893874.15	159.69
5100.00	90.67	269.7	3147.92	111.54	-2313.13	0.00	2312.40	1846239.97	11893873.84	160.28
5150.00	90.67	269.7	3147.34	111.24	-2363.12	0.00	2362.40	1846189.98	11893873.54	160.86
5200.00	90.67	269.7	3146.75	110.93	-2413.12	0.00	2412.39	1846139.98	11893873.23	161.45
5250.00	90.67	269.7	3146.17	110.63	-2463.11	0.00	2462.39	1846089.99	11893872.93	162.03
5300.00	90.67	269.7	3145.59	110.32	-2513.11	0.00	2512.39	1846039.99	11893872.62	162.61
5350.00	90.67	269.7	3145.00	110.02	-2563.10	0.00	2562.38	1845990.00	11893872.32	163.20
5400.00	90.67	269.7	3144.42	109.71	-2613.10	0.00	2612.38	1845940.00	11893872.01	163.78
5450.00	90.67	269.7	3143.83	109.41	-2663.10	0.00	2662.38	1845890.00	11893871.71	164.37
5500.00	90.67	269.7	3143.25	109.10	-2713.09	0.00	2712.37	1845840.01	11893871.40	164.95

Teak Fee 2H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	15:03 Thursday, February 03, 2022 Page 3 of 4
Field Red Lake	County Eddy	Vertical Section Azimuth 269.65
Well Name Teak Fee 2H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 1770 FNL & 1000 FWL Section 7-T18S-R27E BHL: 1650 FNL & 1 FWL Section 7-T18S-R26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1848553.1	Surface Long
Slot Name	Surface Y 11893762.3	Surface Lat
Well Number 2H	Surface Z 3308.2	Global Z Ref KB
Project	Ground Level 3290.2	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
5550.00	90.67	269.7	3142.66	108.79	-2763.09	0.00	2762.37	1845790.01	11893871.09	165.54
5600.00	90.67	269.7	3142.08	108.49	-2813.08	0.00	2812.37	1845740.02	11893870.79	166.12
5650.00	90.67	269.7	3141.49	108.18	-2863.08	0.00	2862.36	1845690.02	11893870.48	166.71
5700.00	90.67	269.7	3140.91	107.88	-2913.07	0.00	2912.36	1845640.03	11893870.18	167.29
5750.00	90.67	269.7	3140.32	107.57	-2963.07	0.00	2962.36	1845590.03	11893869.87	167.88
5800.00	90.67	269.7	3139.74	107.27	-3013.06	0.00	3012.35	1845540.04	11893869.57	168.46
5850.00	90.67	269.7	3139.15	106.96	-3063.06	0.00	3062.35	1845490.04	11893869.26	169.05
5900.00	90.67	269.7	3138.57	106.66	-3113.06	0.00	3112.35	1845440.04	11893868.96	169.63
5950.00	90.67	269.7	3137.98	106.35	-3163.05	0.00	3162.34	1845390.05	11893868.65	170.22
6000.00	90.67	269.7	3137.40	106.05	-3213.05	0.00	3212.34	1845340.05	11893868.35	170.80
6050.00	90.67	269.7	3136.82	105.74	-3263.04	0.00	3262.34	1845290.06	11893868.04	171.38
6100.00	90.67	269.7	3136.23	105.43	-3313.04	0.00	3312.33	1845240.06	11893867.73	171.97
6150.00	90.67	269.7	3135.65	105.13	-3363.03	0.00	3362.33	1845190.07	11893867.43	172.55
6200.00	90.67	269.7	3135.06	104.82	-3413.03	0.00	3412.33	1845140.07	11893867.12	173.14
6250.00	90.67	269.7	3134.48	104.52	-3463.03	0.00	3462.32	1845090.07	11893866.82	173.72
6300.00	90.67	269.7	3133.89	104.21	-3513.02	0.00	3512.32	1845040.08	11893866.51	174.31
6350.00	90.67	269.7	3133.31	103.91	-3563.02	0.00	3562.32	1844990.08	11893866.21	174.89
6400.00	90.67	269.7	3132.72	103.60	-3613.01	0.00	3612.31	1844940.09	11893865.90	175.48
6450.00	90.67	269.7	3132.14	103.30	-3663.01	0.00	3662.31	1844890.09	11893865.60	176.06
6500.00	90.67	269.7	3131.55	102.99	-3713.00	0.00	3712.31	1844840.10	11893865.29	176.65
6550.00	90.67	269.7	3130.97	102.69	-3763.00	0.00	3762.30	1844790.10	11893864.99	177.23
6600.00	90.67	269.7	3130.38	102.38	-3813.00	0.00	3812.30	1844740.10	11893864.68	177.82
6650.00	90.67	269.7	3129.80	102.08	-3862.99	0.00	3862.30	1844690.11	11893864.38	178.40
6700.00	90.67	269.7	3129.21	101.77	-3912.99	0.00	3912.29	1844640.11	11893864.07	178.99
6750.00	90.67	269.7	3128.63	101.46	-3962.98	0.00	3962.29	1844590.12	11893863.76	179.57
6800.00	90.67	269.7	3128.05	101.16	-4012.98	0.00	4012.28	1844540.12	11893863.46	180.15
6850.00	90.67	269.7	3127.46	100.85	-4062.97	0.00	4062.28	1844490.13	11893863.15	180.74
6900.00	90.67	269.7	3126.88	100.55	-4112.97	0.00	4112.28	1844440.13	11893862.85	181.32
6950.00	90.67	269.7	3126.29	100.24	-4162.96	0.00	4162.27	1844390.14	11893862.54	181.91
7000.00	90.67	269.7	3125.71	99.94	-4212.96	0.00	4212.27	1844340.14	11893862.24	182.49
7050.00	90.67	269.7	3125.12	99.63	-4262.96	0.00	4262.27	1844290.14	11893861.93	183.08
7100.00	90.67	269.7	3124.54	99.33	-4312.95	0.00	4312.26	1844240.15	11893861.63	183.66
7150.00	90.67	269.7	3123.95	99.02	-4362.95	0.00	4362.26	1844190.15	11893861.32	184.25
7200.00	90.67	269.7	3123.37	98.72	-4412.94	0.00	4412.26	1844140.16	11893861.02	184.83
7250.00	90.67	269.7	3122.78	98.41	-4462.94	0.00	4462.25	1844090.16	11893860.71	185.42
7300.00	90.67	269.7	3122.20	98.11	-4512.93	0.00	4512.25	1844040.17	11893860.41	186.00
7350.00	90.67	269.7	3121.61	97.80	-4562.93	0.00	4562.25	1843990.17	11893860.10	186.59
7400.00	90.67	269.7	3121.03	97.49	-4612.93	0.00	4612.24	1843940.17	11893859.79	187.17

Teak Fee 2H, Plan 1

Operator Redwood Operating LLC	Units feet, °/100ft	15:03 Thursday, February 03, 2022 Page 4 of 4
Field Red Lake	County Eddy	Vertical Section Azimuth 269.65
Well Name Teak Fee 2H	State New Mexico	Survey Calculation Method Minimum Curvature
Plan 1	Country USA	Database Access

Location SL: 1770 FNL & 1000 FWL Section 7-T18S-R27E BHL: 1650 FNL & 1 FWL Section 7-T18S-R26E	Map Zone UTM	Lat Long Ref
Site	Surface X 1848553.1	Surface Long
Slot Name	Surface Y 11893762.3	Surface Lat
Well Number 2H	Surface Z 3308.2	Global Z Ref KB
Project	Ground Level 3290.2	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
7450.00	90.67	269.7	3120.44	97.19	-4662.92	0.00	4662.24	1843890.18	11893859.49	187.76
7500.00	90.67	269.7	3119.86	96.88	-4712.92	0.00	4712.24	1843840.18	11893859.18	188.34
7550.00	90.67	269.7	3119.28	96.58	-4762.91	0.00	4762.23	1843790.19	11893858.88	188.92
7600.00	90.67	269.7	3118.69	96.27	-4812.91	0.00	4812.23	1843740.19	11893858.57	189.51
7650.00	90.67	269.7	3118.11	95.97	-4862.90	0.00	4862.23	1843690.20	11893858.27	190.09
7700.00	90.67	269.7	3117.52	95.66	-4912.90	0.00	4912.22	1843640.20	11893857.96	190.68
7750.00	90.67	269.7	3116.94	95.36	-4962.90	0.00	4962.22	1843590.21	11893857.66	191.26
7800.00	90.67	269.7	3116.35	95.05	-5012.89	0.00	5012.22	1843540.21	11893857.35	191.85
7850.00	90.67	269.7	3115.77	94.75	-5062.89	0.00	5062.21	1843490.21	11893857.05	192.43
7900.00	90.67	269.7	3115.18	94.44	-5112.88	0.00	5112.21	1843440.22	11893856.74	193.02
7950.00	90.67	269.7	3114.60	94.13	-5162.88	0.00	5162.21	1843390.22	11893856.43	193.60
8000.00	90.67	269.7	3114.01	93.83	-5212.87	0.00	5212.20	1843340.23	11893856.13	194.19
8050.00	90.67	269.7	3113.43	93.52	-5262.87	0.00	5262.20	1843290.23	11893855.82	194.77
8100.00	90.67	269.7	3112.84	93.22	-5312.86	0.00	5312.20	1843240.24	11893855.52	195.36
8150.00	90.67	269.7	3112.26	92.91	-5362.86	0.00	5362.19	1843190.24	11893855.21	195.94
8200.00	90.67	269.7	3111.67	92.61	-5412.86	0.00	5412.19	1843140.24	11893854.91	196.53
8250.00	90.67	269.7	3111.09	92.30	-5462.85	0.00	5462.19	1843090.25	11893854.60	197.11
8300.00	90.67	269.7	3110.51	92.00	-5512.85	0.00	5512.18	1843040.25	11893854.30	197.70
8350.00	90.67	269.7	3109.92	91.69	-5562.84	0.00	5562.18	1842990.26	11893853.99	198.28
8400.00	90.67	269.7	3109.34	91.39	-5612.84	0.00	5612.18	1842940.26	11893853.69	198.86
8450.00	90.67	269.7	3108.75	91.08	-5662.83	0.00	5662.17	1842890.27	11893853.38	199.45
8500.00	90.67	269.7	3108.17	90.78	-5712.83	0.00	5712.17	1842840.27	11893853.08	200.03
8550.00	90.67	269.7	3107.58	90.47	-5762.83	0.00	5762.17	1842790.27	11893852.77	200.62
8600.00	90.67	269.7	3107.00	90.16	-5812.82	0.00	5812.16	1842740.28	11893852.46	201.20
8650.00	90.67	269.7	3106.41	89.86	-5862.82	0.00	5862.16	1842690.28	11893852.16	201.79
8700.00	90.67	269.7	3105.83	89.55	-5912.81	0.00	5912.15	1842640.29	11893851.85	202.37
8750.00	90.67	269.7	3105.24	89.25	-5962.81	0.00	5962.15	1842590.29	11893851.55	202.96
8800.00	90.67	269.7	3104.66	88.94	-6012.80	0.00	6012.15	1842540.30	11893851.24	203.54
8850.00	90.67	269.7	3104.07	88.64	-6062.80	0.00	6062.14	1842490.30	11893850.94	204.13
8900.00	90.67	269.7	3103.49	88.33	-6112.79	0.00	6112.14	1842440.31	11893850.63	204.71
8950.00	90.67	269.7	3102.90	88.03	-6162.79	0.00	6162.14	1842390.31	11893850.33	205.30
9000.00	90.67	269.7	3102.32	87.72	-6212.79	0.00	6212.13	1842340.31	11893850.02	205.88
9050.00	90.67	269.7	3101.73	87.42	-6262.78	0.00	6262.13	1842290.32	11893849.72	206.47
9100.00	90.67	269.7	3101.15	87.11	-6312.78	0.00	6312.13	1842240.32	11893849.41	207.05
9150.00	90.67	269.7	3100.57	86.80	-6362.77	0.00	6362.12	1842190.33	11893849.10	207.63
*** TD (at MD = 9193.35)										
9193.35	90.67	269.7	3100.06	86.54	-6406.12	0.00	6405.47	1842146.98	11893848.84	208.14