

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Well Name: NORTHEAST BLANCO
UNIT 604

Well Location: T31N / R7W / SEC 13 /
SWNW / 36.9014941 / -107.5294808

County or Parish/State: SAN
JUAN / NM

Well Number: 7H

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMNM03358

Unit or CA Name: NEBU--ST

Unit or CA Number:
NMNM78402X

US Well Number: 3004538356

Operator: SIMCOE LLC

Notice of Intent

Sundry ID: 2902597

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted: 03/25/2026

Time Sundry Submitted: 02:12

Date proposed operation will begin: 03/25/2026

Procedure Description: The dedicated acreage for the NEBU 604 7H has changed to 960 acres - S/2 of Sections 14,15 & 16 T31N, R07W. There is no change to previously approved wellbore.

NOI Attachments

Procedure Description

NEBU_604_7H_Form_C_102_2_R03_20260325141122.pdf

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Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: CALE REDPATH

Signed on: MAR 25, 2026 02:11 PM

Name: SIMCOE LLC

Title: Regulatory Analyst

Street Address: 1199 MAIN AVE SUITE 101

City: DURANGO **State:** CO

Phone: (970) 759-8799

Email address: CALE.REDPATH@MACHNR.COM

Field

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

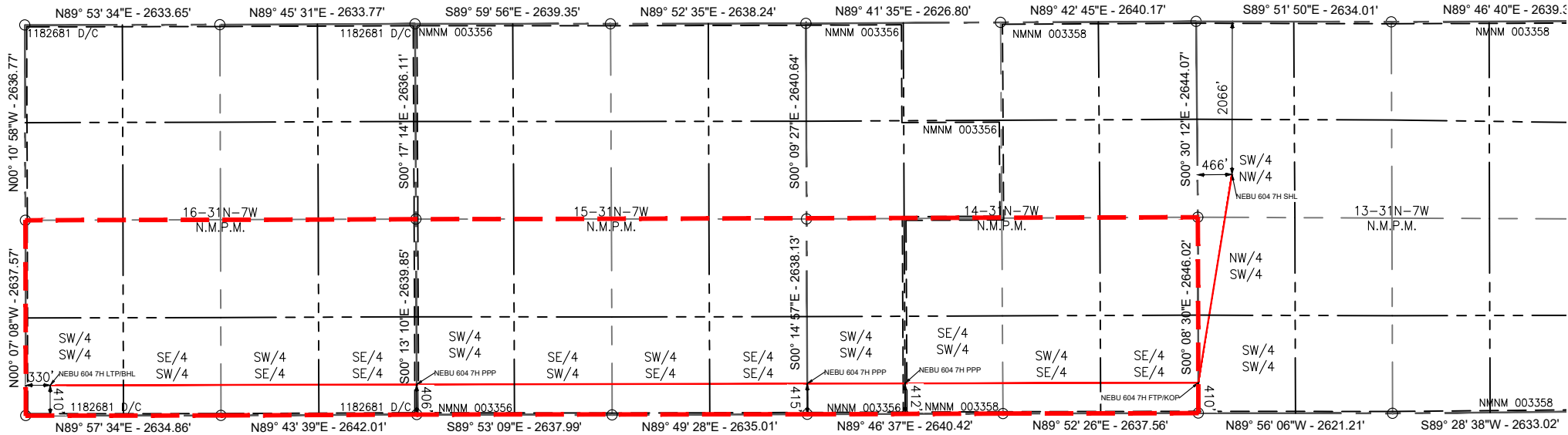
Disposition Date: 03/25/2026

Signature: Kenneth Rennick

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

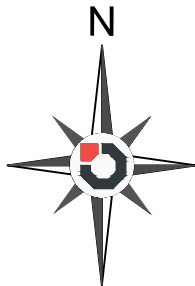


U.S.G.L.O. SUBDIVISIONS APRIL 13, 1914 through APRIL 28, 1914,
ACCEPTED NOVEMBER 24, 1917.

BEARINGS BASED ON
GRID NORTH - NEW MEXICO SPC,
NAD-83, WEST



SCALE: 1" = 2000'



LEGEND

- WELL BORE
- WELL PAD
- ACCESS ROAD
- FOUND 1914 USGLO BRASS CAP
- SECTION LINE
- 1/4 SEC LINE
- BLM MINERAL TRACT BOUNDARY

GENERAL NOTES:

1. DATUM BASED ON NEW MEXICO STATE PLANE COORDINATE SYSTEM, NAD 83, NAVD 88, ELEVATIONS MSL, DERIVED FROM GPS OBSERVATION.
2. THIS EXHIBIT DOES NOT GUARANTEE TITLE OR OWNERSHIP.
3. THIS IS NOT A BOUNDARY SURVEY.
4. THIS EXHIBIT DOES NOT COMPLY WITH THE NEW MEXICO MINIMUM STANDARDS FOR LAND BOUNDARY SURVEYS.

REVISION #	DATE	DESCRIPTION	BY
03	3/25/2026	UPDATE ACREAGE BOXES	MVA

NORTHEAST BLANCO UNIT 604 7H	Northing	Easting	Latitude	Longitude
NEBU 604 7H SHL Entry: FED NMNM 003358 2066' FNL 466' FWL 13-31N7W	2147469.7064	2811874.5369	N036.901105	W107.529684
NEBU 604 7H FTP/KOP: FED NMNM 003358 410' FSL 0' FEL 14-31N7W	2144656.9076	2811419.5756	N036.893383	W107.531271
NEBU 604 7H PPP: FED NMNM 003356 412' FSL 1320' FWL 14-31N7W	2144648.4516	2807460.6829	N036.893393	W107.544809
NEBU 604 7H PPP: FED NMNM 003356 415' FSL 0' FEL 15-31N7W	2144645.6325	2806140.8420	N036.893396	W107.549323
NEBU 604 7H PPP: FED 1182681 D/C 406' FSL 0' FEL 16-31N7W	2144634.3702	2800868.1094	N036.893407	W107.567354
NEBU 604 7H LTP/BHL EXIT: FED 1182681 D/C 410' FSL 330' FWL 16-31N7W	2144623.8056	2795921.9792	N036.893415	W107.584269



Attachment to Application for Permit to Drill

Drilling Program

Simcoe LLC / Mach Natural Resources

1199 Main Avenue
Suite 101
Durango, CO 81301

Northeast Blanco Unit 604 7H

API: 30-045-38356

Mancos Shale - Horizontal Development Well

SURFACE HOLE LOCATION: 2066' FNL & 466' FWL

Section 13, T31N, R7W

San Juan County, NM

LAT: N36.901105° N, LONG: W107.529684° W - NAD 83

GL Elevation: 6501', KB: 27.5'

PROPOSED FIRST TAKE POINT: 410' FSL & O' FEL

Section 14, T31N, R7W

San Juan County, NM

LAT: 36.893383° N, LONG: = 107.531271° W – NAD 83

PROPOSED BOTTOM HOLE LOCATION: 410' FSL & 330' FWL

Section 16, T31N, R7W

San Juan County, NM

LAT: 36.893415° N, LONG: 107.584269° W – NAD 83

Drilling program written in compliance with onshore Oil and Gas Order No. 1 (III.D.3, effective May 2007) and Onshore Order No. 2 Dated November 18, 1988



Section 1: Geotechnical Information

Formation Tops	TVD	MD	COMMENTS	BHP (PSI/FT)
Animas/Nacimiento	28.5	28.5	Wet/aquifer	0.43
Ojo Alamo	2,389.5	2,510.1	Gas & water-bearing	0.43
Kirtland	2,508.5	2,641.5	Gas & water-bearing	0.07
Fruitland	3,001.5	3,186.0	Wet	0.12
Pictured Cliffs	3,336.5	3,556.0	Gas & water-bearing	0.35
Lewis	3,576.5	3,821.1	Gas & water-bearing	0.35
Cliffhouse	5,093.5	5,496.5	Gas & water-bearing	0.30
Menefee	5,438.5	5,910.7	Gas & water-bearing	0.30
Point Lookout	5,750.5	6,222.1	Gas-bearing	0.43
Mancos	6,173.5	6,689.3	Gas-bearing	0.61
LP (Mancos Lateral)	7,037.0	7,971.6	Gas-bearing	0.61
TD (Mancos Lateral)	6,997.0	23,270.0	Gas-bearing	0.61

DIRECTIONAL PLAN 2 – see attached plan.

Possible Aquifers: Animas/Nacimiento and Ojo Alamo

Oil Shale: None Expected

Oil & Gas: Primary objective is the Mancos formation from 7037' TVD (landing point) to 6997' TVD (TD)

Protection of oil, gas, water, or other mineral-bearing formations: Protection shall be accomplished by setting surface casing below base of possible aquifer(s) and cementing casing to surface.

Potential Hazards:

- H2S Concern: H2S is not anticipated: Crews will wear 4 gas monitors, and an H2S monitor at mud pits.
- Depletion: potential losses in Fruitland Coal and Point Lookout, monitor report in tour book and morning reports.
- Natural Gauges: Gauge any noticeable increases in gas flow. Record all gauges in tour book and morning reports. Prepare and follow trip sheets.
- Geohazards: There are not anticipated geohazards

SECTION 2: BOPE

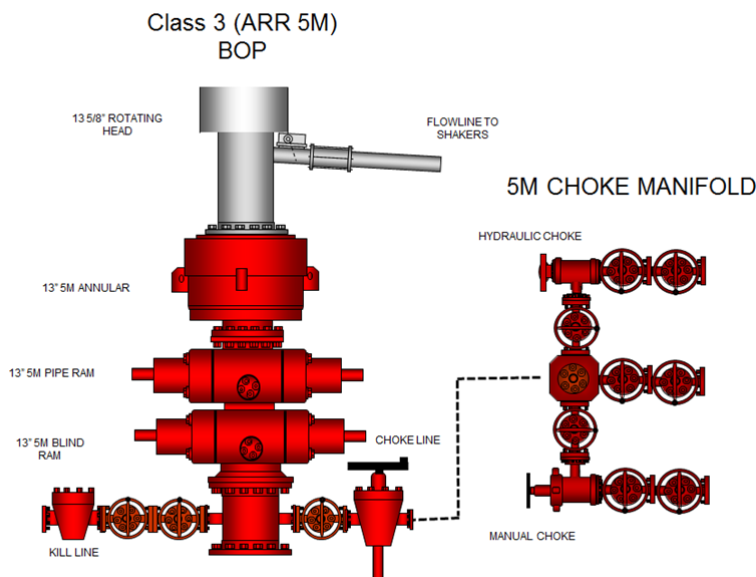


BOP equipment and accessories will meet or exceed BLM requirements outlined in 43 CFR Part 3160.

A 13-5/8" 5M BOPE will be utilized to drill this well. The 13-5/8" BOPE will be **tested 250 psi (Low) for 5 minutes** and **5000 psi (High) for 10 minutes if isolated by test plug** or **70 percent of internal yield pressure of casing if BOP stack is not isolated from casing**. Pressure test **conductor to 600 psi for 30 min, surface & intermediate casing(s) to 1500 psi for 30 minutes**. Utilize a BOPE Testing with a recording unit to chart and test plug for testing. The Drum Brakes will be tested each tour. All preventers and surface casing will be tested before drilling out of surface casing. BOP equipment will be tested every 30 days, after any repairs are made to the BOP equipment, and after the BOP equipment is subjected to pressure. Annular preventers will be functionally operated at least once per week. Pipe rams will be activated daily, and blind rams shall be activated each trip or at least weekly. The New Mexico Oil & Gas Conservation Commission and the BLM will be notified 24 hours in advance of testing of BOPE. **All Tests and inspections will be recorded, charted and logged with time and results.** The working pressure of all BOPE shall exceed the anticipated surface pressure to which it may be subjected, assuming a partially evacuated hole with a pressure gradient of 0.22 psi/ft.

BOPE	TVD (ft)	BHP Grad (psi/ft)	BHP (psi)	MASP (psi)
13-5/8" 5M BOPE	7037	0.61	4293	2744

$$\begin{aligned}
 \text{BHP} &= \text{TVD} \times \text{BHP Grad} &= & 7037 \times 0.61 &= & 4293 \text{ psi} \\
 \text{MASP} &= \text{BHP} - (\text{TVD} \times 0.22) &= & 4293 - 1548 &= & 2744 \text{ psi} \\
 & &= & 4293 - 1548.14 &= & 2744 \text{ psi} \\
 & & & & & 2750 < 5000 \text{ psig}
 \end{aligned}$$



Section 3: Casing



BIT & CASING PROGRAM (all new casing strings)

TYPE	HOLE SIZE (IN)	CASING (IN)	WEIGHT (LBS/FT)	GRADE	COUPLING	SETTING DEPTH (MD FT)	COMMENTS
Conductor	24 or 26	20	78.60	API 5L	-	0 - 150	Pre-set 20" welded csg w/spud rig Cement circulated to surface.
Surface	17-1/2	13-3/8	54.50	J55	BT&C	0 - 3951	New casing. May be pre-set. Cement circulated to surface. Csg point 130' into Lewis
Intermediate	12-1/4	9-5/8	40.00	P110HC	BT&C	0 - 6939	New casing. Two-stage cement job, circulated to surface. Csg point 250' into Mancos
Production	8-3/4	5-1/2	20.00	P110HC	TCBC-HT	0 - 23270	New casing. Single-stage cement job to overlap previous casing shoe.

Conductor Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
					1.125	1.100	1.400		
Conductor	20	78.6	API-5L	Welded	320	1,420	971,000	971,000	
					80% of Burst = 1,136				
	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor			
Collapse	150	0	8.33	0	65	4.93			
Burst	150	8.33	0	600	0	2.14			
	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)				
Tension (Pipe Body)	150	9.00	11,790	10,170	110,170	8.81			
Tension (Connection)	150	9.00	11,790	10,170	110,170	8.81			

NOTE: BF = 1-((MW)/65.5)



Surface Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
Surface	13.375	54.50	J55	BTC	1,130	2,730	850,000	909,000	
					80% of Burst = 2,184				
	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor			
Collapse	3692	9.00	9.00	864	1728	1.31	50% Casing volume with 9.0 ppg mud system		
Burst	3692	9.00	9.00	3228	1728	1.82	1500 psi casing test		
	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	Safety Factor			
Tension (Pipe Body)	3692	9.00	201,191	173,546	273,546	3.11			
Tension (Connection)	3692	9.00	201,191	173,546	273,546	3.32	100K lbs overpull		

NOTE: BF = 1-((MW)/65.5)

Intermediate Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
Intermediate	9.625	40.00	P110HC	BTC	4,230	7,910	1,260,000	1,265,000	
					80% of Burst = 6,328				
	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor			
Collapse	6386	0	10.00	0	3321	1.27	Full evacuation volume with 10.0 ppg mud in annulus		
Burst	6386	10.00	0	1500	0	1.64	1500 psi casing test		
	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	Safety Factor			
Tension (Pipe Body)	6386	10.00	255,454	216,454	316,454	3.98			
Tension (Connection)	6386	10.00	255,454	216,454	316,454	4.00	100K lbs overpull		



Production Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
					1.125	1.100	1.400		
Production	5.5	20.00	P110HC	TCBC-HT	12,150	12,640	641,000	641,000	
					80% of Burst = 10,112				
	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor			
Collapse	7037	0	13.30	0	4867	2.50	Full evacuation with 13.3 ppg mud in annulus		
Burst	7037	13.30	0	1500	0	1.99	1500 psi casing test		
	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	Safety Factor			
Tension (Pipe Body)	7037	13.30	140,740	112,162	212,162	3.02	100K lbs overpull		
Tension (Connection)	7037	13.30	140,740	112,162	212,162	3.02			

NOTE: BF = 1 - ((MW)/65.5)

All casing strings will be tested to 0.22 psi/ft of string length or 1500 psi (whichever is greater), but not to exceed 70% of minimum internal yield.

Minimum casing design safety factors:

Collapse – 1.125

Burst – 1.100

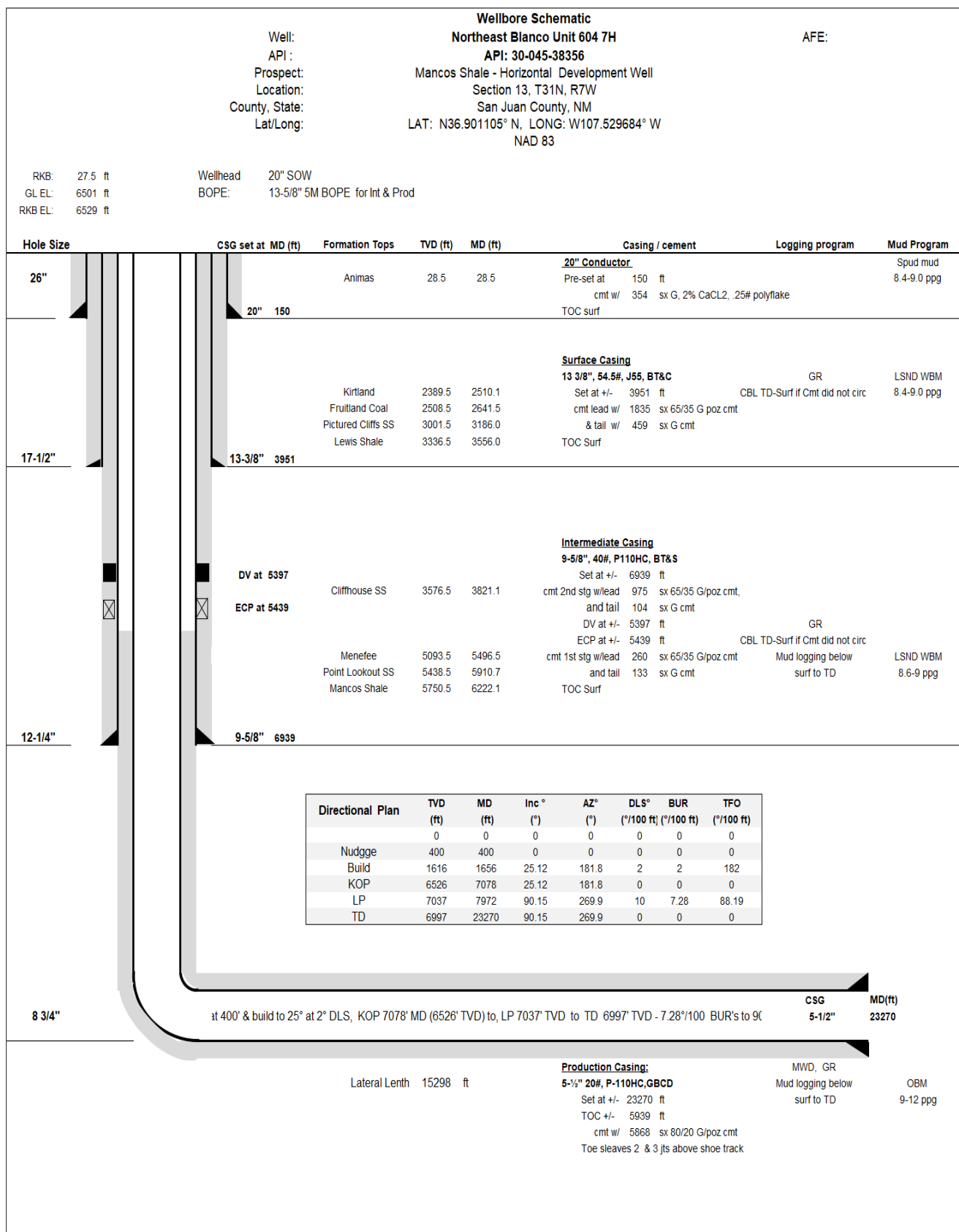
Tension – 1.400

Casing centralization: Run centralizers to meet requirements of 43 CFR 3160 Onshore order 2, Drilling Operations. 13-3/8 Surface Casing – Centralizers to be placed on bottom 3 joints of casing (1 per joints).

**NOTE: Use of the DV tools and ACP's will be based on the magnitude of drilling fluid losses encountered while drilling the Intermediate section and concerns about cement possibly not being circulated to surface. Should heavy losses not be encountered, the DV tool and ACP may not be used.*



Wellbore Schematic:





SECTION 4: CEMENT

The proposed cementing program has been designed to protect and/or isolate all usable water zones, potential productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium utilized (other than cement) shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat in a competent formation which will contain the maximum pressure to which it will be exposed during the drilling process. All indications of usable water shall be reported.

- Pea gravel or other material shall not be used to fill around the conductor or surface casing in the event cement is not circulated to surface or if cement fallback occurs.
- The conductor and surface casing strings shall be cemented back to surface. If cement is not circulated for the surface casing, or if the cement column falls back after circulation, remedial cementing will be performed to cement the casing to surface using 1" tubing. No more than 100' will be remediated without prior approval. Although cement circulation to surface of the intermediate casing string is desired, it is not required. If the top of cement (TOC) is found to be within the surface casing, no remedial work will be performed.
- Top plugs will be used to reduce possible contamination of the cement slurry by the displacement fluid. A bottom plug (or other acceptable techniques such as a pre-flush fluid, inner string, etc.) will be used to isolate the cement slurry from the drilling fluid being displaced ahead of the cement.
- All cement volumes will be based on actual hole conditions.

Conductor Casing: Single Stage (0' - 150' MD) – 24" or 26" Hole x 20" Casing, 100% XS

- Cement to be circulated to surface with approximately 354 sx Class G + 2% CaCl₂ + 0.25#/sk Poly-Flake mixed at 14.6 ppg using 6.69 gal/sk fresh water with yield of 1.39 ft³/sk. The approximate volume of the conductor slurry is +/- 492 ft³.

Surface Casing: Single Stage (0' - 3951') – 17-1/2" Hole x 13-3/8" Casing, 50% XS

- Cement to be circulated to surface. Lead Slurry will consist of approximately 1835 sx 65/35 Class G/Poz + adds mixed at 12.5 ppg using 10.71 gal/sk fresh water with yield of 1.96 ft³/sk. Tail Slurry will consist of approximately 459 sx Class G + adds mixed at 15.8 ppg using 5.17 gal/sk fresh water with yield of 1.21 ft³/sk. Total approximate volume of Surface slurries is +/- 4150ft³.



Intermediate Casing: Two Stages (0'- 6939' MD) – 12-1/4" Hole x 9-5/8" Casing, DV tool at ±5397' MD ECP at ±5439' MD, 30% XS

Cement to be circulated to surface.

Stage 1: Lead Slurry will consist of approximately 260 sx 65/35 Class G/Poz + adds at 12.5 ppg using 10.72 gal/sk fresh water with yield of 1.95 ft³/sk. Stage 1: Tail Slurry will consist of approximately 133 sx Class G + adds mixed at 15.6 ppg using 5.20 gal/sk fresh water with yield of 1.18 ft³/sk. Total approximate volume of both slurries 664 ft³.

Stage 2: Lead Slurry will consist of approximately 975sx 65/35 Class G/Poz mixed at 10.72 ppg using 10.72 gal/sk fresh water with yield of 1.95 ft³/sk. Stage 2: Tail Slurry will consist of approximately 104 sx Class G + adds mixed at 15.6 ppg using 5.20 gal/sk fresh water with yield of 1.18 ft³/sk. Total approximate volume of both slurries 2024ft³.

Total approximate volume of all Intermediate slurries is +/- 2688 ft³.

Production Casing: Single Stage (0'-23270' MD) – 8-3/4" Hole x 5-1/2" Casing, 50% XS

Lead Slurry to be preceded by 10 bbls fresh water, 80 bbls D-Mud Breaker and 10 bbls fresh water. Lead slurry will consist of approximately 6455sx 80/20 Class G + adds mixed at 15.8 ppg using 4.40 gal/sk fresh water with yield of 1.10 ft³/sk. Top of cement approximately 1000 ft into Intermediate casing at 5939 ft.

Total approximate volume of the production slurry is 6455 ft³.

All cement slurries will meet or exceed minimum BLM and NMOCD requirements. Slurries used will be the slurries listed above or equivalent slurries, depending on service provider selected. Cement yields may change based on actual slurries selected.

All "waiting on cement" (WOC) times shall be either a minimum of 8 hours or the time required to achieve a minimum of 500 psi compressive strength at the casing shoe.



CASING/CEMENT SUMMARY

Northeast Blanco Unit 604 7H

	STRING			
	CONDUCTOR	SURFACE	INTERMEDIATE	PRODUCTION
SIZE (in)	20	13.375	9.625	5.5
WEIGHT (#/ft)	78.60	54.50	40.00	20.00
SET DEPTH (ft)	150	3951	6939	23,270
DV DEPTH (ft)			5397	
ECP Depth (ft)			5439	
STG 1 - LEAD VOL (sx)	354	1835	260	5868
DESC	Class G + 2.0% CaCl ₂ + 0.25 lbs/sk Cello Flake	65/35 Class G/Poz + adds	65/35 Class G/Poz + adds	80/20 Class G/Poz + adds
STG 1 - TAIL VOL (sx)		459	133	
DESC		Class G + adds	Class G + adds	
STG 2 - LEAD VOL (sx)			975	
DESC			65/35 Class G/Poz + adds	
STG 2 - TAIL VOL (sx)			104	
DESC			Class G + adds	
Planned TOC	SURFACE	SURFACE	SURFACE	5939
Total Ft ³ Cement	492	4151	2688	6455
TOTAL WATER REQ'D (BBLs)*	113	1136	1350	1231



SECTION 5: CIRCULATING MEDIUM (MUD PROGRAM)

CLOSED-LOOP SYSTEM DESIGN PLAN

The closed-loop system will consist of a series of temporary, above-ground storage tanks and/or haul-off bins suitable for holding the cuttings and fluid from drilling operations. The closed-loop system will not utilize temporary earthen pits, below-grade storage tanks, below-grade sumps, or drying pads.

Design considerations include:

- The closed-loop system will be signed in accordance with 19.15.17.11 NMAC.
- The storage tanks of the closed-loop system will be of adequate volume to ensure confinement of all fluids and provide sufficient freeboard to prevent uncontrolled releases.
- Topsoil will be salvaged and stored for use in reclamation activities.

CLOSED-LOOP SYSTEM OPERATING & MAINTENANCE PLAN

The closed-loop system will be operated and maintained to contain liquids and solids, minimize the amount of drilling fluids and cuttings requiring disposal, maximize the amount of drilling fluid recycled and reused in the drilling process, isolate drilling wastes from the environment, prevent contamination of fresh water, and protect public health and the environment.

Operation and maintenance considerations include:

- Fluid levels will be maintained to provide sufficient freeboard to prevent over-topping.
- Visual inspections will be conducted daily to identify any potential leaks and to ensure that the closed-loop system storage tanks have sufficient freeboard to prevent over-topping.
- Only drilling fluids or cuttings intrinsic to, used by, or generated from, drilling operations will be stored in the closed-loop system storage tanks. Hazardous waste, miscellaneous solid waste, and/or debris will not be stored in the storage tanks.
- The OCD District Office will be notified within 48 hours of discovery of a leak in the closed-loop drilling system. If a leak is discovered, all liquid will be removed within 48 hours and the damage repaired.

CLOSED-LOOP SYSTEM CLOSURE PLAN

- The closed-loop system will be closed in accordance with 19.15.17.13 NMAC.

Closure considerations include:

- Drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical.
- Residual fluids will be pulled from the storage tanks, mixed with saw dust or similar absorbent material, and disposed of at Industrial Envirotech, Inc. waste disposal facilities.
- Remaining cuttings or sludges will be vacuumed from the storage tanks and disposed of at an EPA-approved waste disposal facility.
- Storage tanks will be removed from the well location during the rig move.
- Well pad will be reclaimed and seeded in accordance with subsections G, Hand I of 19.15.17.13 NMAC.

MUD PROGRAM

Interval MD (ft)	Hole Section	Hole Size	Type	Mud Wt (ppg)	FL	PV	YP	Ph	Remarks
0 - 150	Conductor	24" or 26"	FW/Gel	8.4-9.0	NC	8	12	9.0	Spud Mud
0 - 3951	Surface	17-1/2"	LSND	8.4-9.0	<8	4-6	12-15	10.0	Fresh Water
0 - 6939	Intermediate	12-1/4"	LSND	8.6-9.0	<8	4-6	12-15	10.0	Fresh Water
0 - 23270	Production	8-3/4"	OBM	9.0-12.0	<8	14-20	8-14	11.0	OBM

NOTES: Sufficient weighting material will be on hand to weight mud up to 1 ppg over design, if required.
 A Pason Pit Volume Totalizer (PVT) or equivalent equipment will be installed on each pit to monitor pit levels.
 A trip tank equipped with a Pason PVT will be used to monitor trip volumes.



SECTION 6: TESTING, LOGGING, & CORING

Testing: None planned

Open-hole Logging: Azimuthal & Radial GR – Drilling curve and lateral

Mud Logging: Geologist and manned mud-logging unit on location from surface casing to TD. Gas-detecting equipment will be installed in the mud return system and hydrocarbon gas shall be monitored for pore pressure changes from base of surface casing to TD.

Coring: None

Cased-hole Logging: A Cement Bond Log (CBL) will be run if cement returns are not observed on surface during surface casing and intermediate casing cementing operations. The CBL will confirm both the quality and actual top of the cement column behind pipe.

SECTION 7: ANTICIPATED RESERVOIR CONDITIONS

- Normal to subnormal pressure gradient expected to TD.
- Maximum anticipated surface pressure and casing design parameters determined using 0.61 psi/ft.
- Maximum anticipated BHP @ 7037' TVD: 4293 psi.
- Maximum anticipated BHT @ 7037' TVD: 186°F.
- Possible lost circulation in the Fruitland Coal (~3000') through the Mesa Verde formations (~5490' – 6250'). Lost circulation has been successfully mitigated with lost circulation materials in concentrations of up to 30% by volume. Intermediate casing will be set through this interval to ±6,940' (250' into Mancos).
- No hydrogen sulfide gas is anticipated. If H₂S is encountered the guidelines in Onshore Order No. 6 will be followed.

SECTION 8: OTHER

- **Directional Plans:** Horizontal well, directional drilling plan attached. Lateral KOP subject to mud log evaluation.
- **Completion:**
 - **Pressure test**
 - Pressure test production casing to allowable frac pressure or as per BLM requirements.
 - **Stimulation**
 - Plan is for well to be stimulated with a water frac and proppant frac design TBD
 - Number of stages and the amount of proppant will be adjusted based on the petrophysical properties of the target zone.
 - Stages will be isolated with composite bridge plugs.
 - Plugs will be drilled out using coiled tubing.
 - Flow back well according to flowback procedure.
 - **Turn well to production.**
 - It is intended to produce the well up the casing (without installing tubing) for at least 60 days or until tubing is needed to unload the well.
 - **Timing**
 - Drilling is scheduled to begin 2026.
 - Expected drilling time is roughly 35 days for the well and 105 days for the 3-well pad.
 - If possible, completion operations will commence immediately upon drilling of all wells on the pad and moving the drilling rig off location, dependent on service company availability. Otherwise completion operations will take place in 2026.

Directional Plan



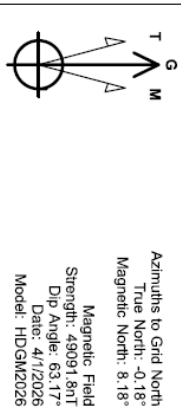
NEBU 604 7H
OH
Plan #2
GL 6501' & RKB 27.5' @ 6528.50ft (Cyclone 35)
+N/-S+E/-W Northing Easting Longitude Slot
0.00 0.00 2147469.88 2811874.56 36.9011050 -107.5296940 7H

PROJECT DETAILS: San Juan County, NM NAD83
Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Elevation: CGS 1980
Zone: New Mexico Western Zone
System Datum: Mean Sea Level



Plan: Plan #2 (NEBU 604 7H/OH)

Created By: Jamie Collins Date: 12:22, March 03 2026



CASING DETAILS

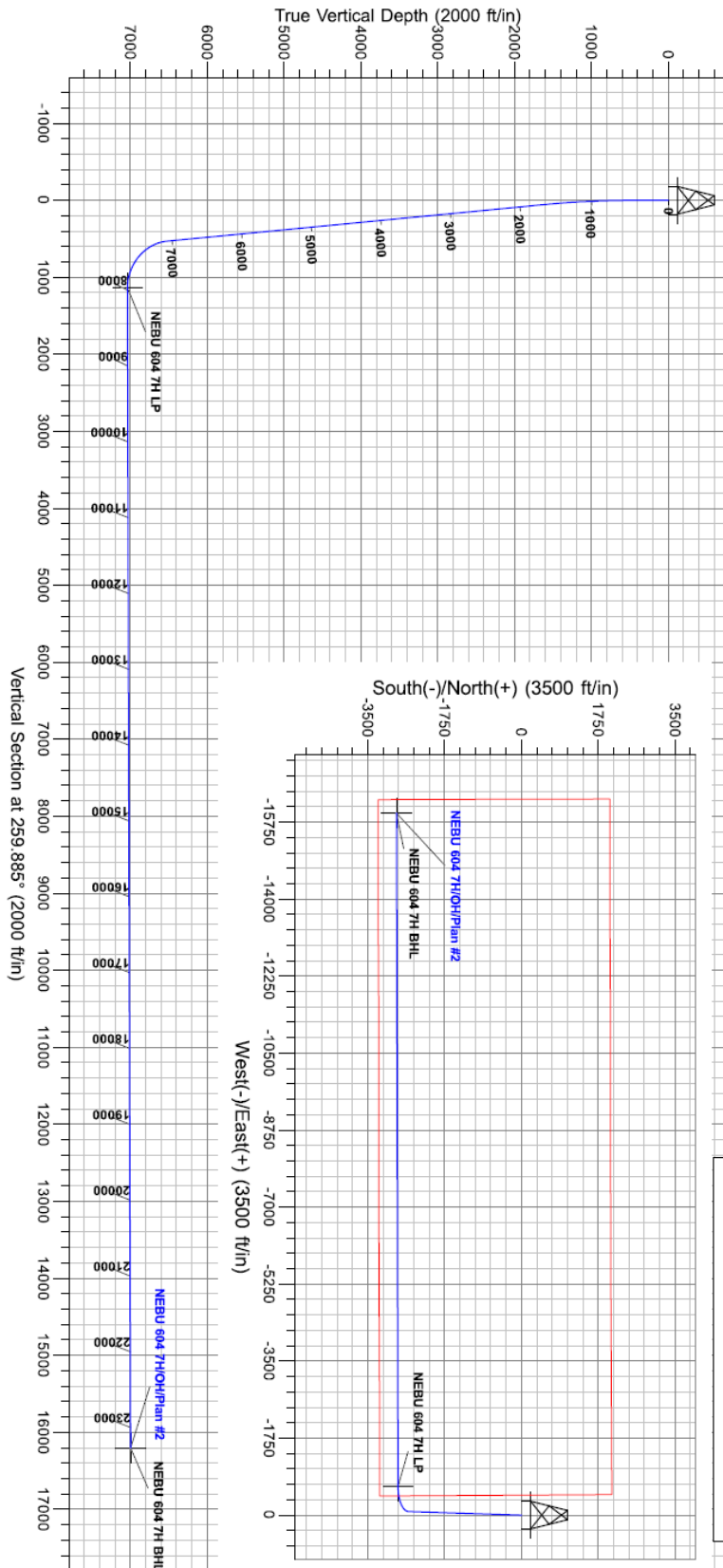
No casing data is available

PLAN DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Diag	Vsect	Annotation
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	Start Build 2.00
400.00	0.00	0.000	400.00	0.00	0.00	0.00	0.00	Start 5422.57' hold at 1655.87' MD
1655.87	25.12	181.804	1616.03	-270.76	-8.53	2.00	55.95	Start DLS 10.00' TFO 88.19'
7078.44	25.12	181.804	6525.85	-2571.35	-81.00	0.00	1138.55	Start 15298.01' hold at 7971.61' MD
7971.61	90.15	269.876	7037.00	-2812.78	-654.73	10.00	16204.52	TD at 23269.63
23269.63	90.15	269.876	6997.00	-2845.88	-15952.66	0.00		

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
NEBU 604 7H LP	7037.00	-2812.78	-654.73	2144657.07	2811219.82	36.8933847	-107.5319536
NEBU 604 7H BHL	6997.00	-2845.88	-15952.66	2144623.98	27959271.93	36.8934150	-107.5842690





Scientific Drilling
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well NEBU 604 7H - Slot 7H
Company:	Mach Natural Resources	TVD Reference:	GL 6501' & RKB 27.5' @ 6528.50ft (Cyclone 35)
Project:	San Juan County, NM NAD83	MD Reference:	GL 6501' & RKB 27.5' @ 6528.50ft (Cyclone 35)
Site:	NEBU 604 Pad	North Reference:	Grid
Well:	NEBU 604 7H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Project	San Juan County, NM NAD83		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Western Zone		

Site	NEBU 604 Pad				
Site Position:		Northing:	2,147,677.25 usft	Latitude:	36.9016743
From:	Lat/Long	Easting:	2,811,918.26 usft	Longitude:	-107.5295323
Position Uncertainty:	0.00 ft	Slot Radius:	13.20 in	Grid Convergence:	0.18 °

Well	NEBU 604 7H - Slot 7H					
Well Position	+N/-S	-207.40 ft	Northing:	2,147,469.84 usft	Latitude:	36.9011050
	+E/-W	-43.70 ft	Easting:	2,811,874.56 usft	Longitude:	-107.5296840
Position Uncertainty	0.00 ft		Wellhead Elevation:		Ground Level:	6,501.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM2026	4/1/2026	8.37	63.17	49,091.80000000

Design	Plan #2				
Audit Notes:					
Version:	Phase:	PLAN	Tie On Depth:	0.00	
Vertical Section:	Depth From (TVD)	+N/-S (ft)	+E/-W (ft)	Direction (°)	
	0.00	0.00	0.00	259.885	

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.000	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,655.87	25.12	181.804	1,616.03	-270.76	-8.53	2.00	2.00	0.00	181.80	
7,078.44	25.12	181.804	6,525.85	-2,571.35	-81.00	0.00	0.00	0.00	0.00	
7,971.61	90.15	269.876	7,037.00	-2,812.78	-654.73	10.00	7.28	9.86	88.19	NEBU 604 7H LP
23,269.63	90.15	269.876	6,997.00	-2,845.88	-15,952.66	0.00	0.00	0.00	0.00	NEBU 604 7H BHL

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
28.50	28.50	Animas		0.00	0.000	
2,510.12	2,389.50	Ojo Alamo		0.00	0.000	
2,641.54	2,508.50	Kirtland		0.00	0.000	
3,186.03	3,001.50	Fruitland		0.00	0.000	
3,556.02	3,336.50	Pictured Cliffs		0.00	0.000	
3,821.08	3,576.50	Lewis		0.00	0.000	
5,496.51	5,093.50	Cliffhouse		0.00	0.000	
5,910.67	5,468.50	Menefee		0.00	0.000	
6,222.12	5,750.50	Point Lookout		0.00	0.000	
6,689.30	6,173.50	Mancos		0.00	0.000	

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment	
		+N/-S (ft)	+E/-W (ft)		
400.00	400.00	0.00	0.00	Start Build 2.00	
1,655.87	1,616.03	-270.76	-8.53	Start 5422.57 hold at 1655.87 MD	
7,078.44	6,525.85	-2,571.35	-81.00	Start DLS 10.00 TFO 88.19	
7,971.61	7,037.00	-2,812.78	-654.73	Start 15298.01 hold at 7971.61 MD	
23,269.63	6,997.00	-2,845.90	-15,952.66	TD at 23269.63	

Sante Fe Main Office
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Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oecd/contact-us>

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

CONDITIONS

Action 566835

CONDITIONS

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 566835
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	Any previous COA's not addressed within the updated COA's still apply.	3/26/2026