

**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 311569

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

|                                                                                                                         |                                            |                               |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------|
| 1. Operator Name and Address<br>CENTENNIAL RESOURCE PRODUCTION, LLC<br>1001 17th Street, Suite 1800<br>Denver, CO 80202 |                                            | 2. OGRID Number<br>372165     |
|                                                                                                                         |                                            | 3. API Number<br>30-025-49903 |
| 4. Property Code<br>332479                                                                                              | 5. Property Name<br>MARGARITA 12 STATE COM | 6. Well No.<br>502H           |

**7. Surface Location**

|               |               |                 |              |              |                  |               |                   |               |               |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot<br>B | Section<br>12 | Township<br>22S | Range<br>34E | Lot Idn<br>B | Feet From<br>780 | N/S Line<br>N | Feet From<br>1325 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|

**8. Proposed Bottom Hole Location**

|               |               |                 |              |              |                   |               |                  |               |               |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|---------------|
| UL - Lot<br>I | Section<br>36 | Township<br>21S | Range<br>34E | Lot Idn<br>I | Feet From<br>2543 | N/S Line<br>S | Feet From<br>770 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|--------------|-------------------|---------------|------------------|---------------|---------------|

**9. Pool Information**

|                             |       |
|-----------------------------|-------|
| GRAMA RIDGE;BONE SPRING, NE | 28435 |
|-----------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3588 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>17999 | 18. Formation<br>2nd Bone Spring Sand  | 19. Contractor          | 20. Spud Date<br>10/18/2022        |
| 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 | 17.5      | 13.375      | 54.5             | 1800          | 1533            | 0             |
| Int1 | 12.25     | 9.625       | 40               | 5800          | 1446            | 0             |
| Prod | 8.5       | 5.5         | 20               | 17999         | 1884            | 9918          |
| Prod | 8.75      | 5.5         | 20               | 10670         | 840             | 0             |

**Casing/Cement Program: Additional Comments**

|                                                                                                               |
|---------------------------------------------------------------------------------------------------------------|
| Drilling 8.75-hole size for the curve and 8.5-hole size for the lateral for the 5.5 production casing string. |
|---------------------------------------------------------------------------------------------------------------|

**22. Proposed Blowout Prevention Program**

| Type | Working Pressure | Test Pressure | Manufacturer |
|------|------------------|---------------|--------------|
| Pipe | 10000            | 5000          | Cameron      |

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:

Printed Name: Electronically filed by Sarah Ferreyros

Title: Regulatory Lead

Email Address: Sarah.Ferreyros@cdevinc.com

Date: 3/8/2022

Phone: 720-499-1454

**OIL CONSERVATION DIVISION**

Approved By: Paul F Kautz

Title: Geologist

Approved Date: 3/21/2022

Expiration Date: 3/21/2024

Conditions of Approval Attached

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

☐ AMENDED REPORT

|                                  |                                                                   |                                                         |
|----------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|
| <sup>1</sup> API Number          | <sup>2</sup> Pool Code<br>28435                                   | <sup>3</sup> Pool Name<br>Grama Ridge; Bone Spring , NE |
| <sup>4</sup> Property Code       | <sup>5</sup> Property Name<br>MARGARITA 12 STATE COM              | <sup>6</sup> Well Number<br>502H                        |
| <sup>7</sup> OGRID No.<br>372165 | <sup>8</sup> Operator Name<br>CENTENNIAL RESOURCE PRODUCTION, LLC | <sup>9</sup> Elevation<br>3588.9'                       |

|                    |               |                 |              |         |                      |                           |                       |                        |               |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no.<br>B | Section<br>12 | Township<br>22S | Range<br>34E | Lot Idn | Feet from the<br>780 | North/South line<br>NORTH | Feet from the<br>1325 | East/West line<br>EAST | County<br>LEA |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|

|                                         |               |                               |              |                                  |                       |                           |                      |                        |               |
|-----------------------------------------|---------------|-------------------------------|--------------|----------------------------------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no.<br>I                      | Section<br>36 | Township<br>21S               | Range<br>34E | Lot Idn                          | Feet from the<br>2543 | North/South line<br>SOUTH | Feet from the<br>770 | East/West line<br>EAST | County<br>LEA |
| <sup>12</sup> Dedicated Acres<br>242.64 |               | <sup>13</sup> Joint or Infill |              | <sup>14</sup> Consolidation Code |                       | <sup>15</sup> Order No.   |                      |                        |               |

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.

16

| NAD 83 (SURFACE HOLE LOCATION)          |  |
|-----------------------------------------|--|
| LATITUDE = 32°24'40.80" (32.411334°)    |  |
| LONGITUDE = 103°25'09.50" (103.419305°) |  |
| STATE PLANE NAD 83 (N.M. EAST)          |  |
| Y: 514580.66' X: 823408.38'             |  |
| UTM, NAD 83 (ZONE 13)                   |  |
| Y: 11768774.52' X: 2128088.94'          |  |

| NAD 83 (PP/FTP)                         |  |
|-----------------------------------------|--|
| LATITUDE = 32°24'49.52" (32.413754°)    |  |
| LONGITUDE = 103°25'03.02" (103.417505°) |  |
| STATE PLANE NAD 83 (N.M. EAST)          |  |
| Y: 515465.93' X: 823956.14'             |  |
| UTM, NAD 83 (ZONE 13)                   |  |
| Y: 11769663.07' X: 2128631.10'          |  |

| NAD 83 (LTP/BHL)                        |  |
|-----------------------------------------|--|
| LATITUDE = 32°26'06.77" (32.435214°)    |  |
| LONGITUDE = 103°25'02.83" (103.417453°) |  |
| STATE PLANE NAD 83 (N.M. EAST)          |  |
| Y: 523273.21' X: 823905.34'             |  |
| UTM, NAD 83 (ZONE 13)                   |  |
| Y: 11777468.89' X: 2128531.58'          |  |

| LINE TABLE |             |          |
|------------|-------------|----------|
| LINE       | DIRECTION   | LENGTH   |
| L1         | S89°41'17"W | 2642.31' |
| L2         | N31°59'18"E | 1041.19' |

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

SCALE  
DRAWN BY: S.T.O. 11-17-21

- = SURFACE HOLE LOCATION
- ◆ = PENETRATION POINT/ FIRST TAKE POINT
- = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED

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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 Conditions

Permit 311569

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                                                |                                       |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Operator Name and Address:<br>CENTENNIAL RESOURCE PRODUCTION, LLC [372165]<br>1001 17th Street, Suite 1800<br>Denver, CO 80202 | API Number:<br>30-025-49903           |
|                                                                                                                                | Well:<br>MARGARITA 12 STATE COM #502H |

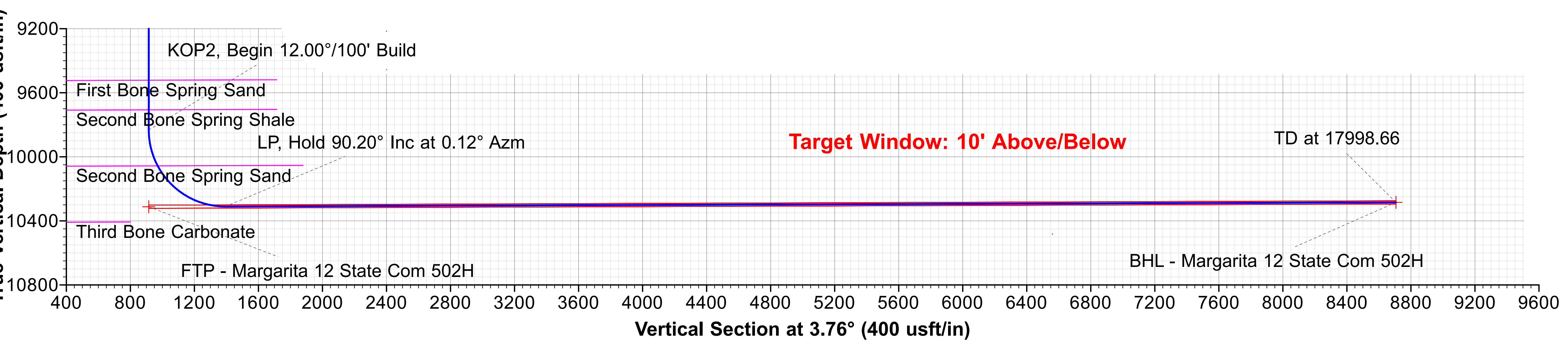
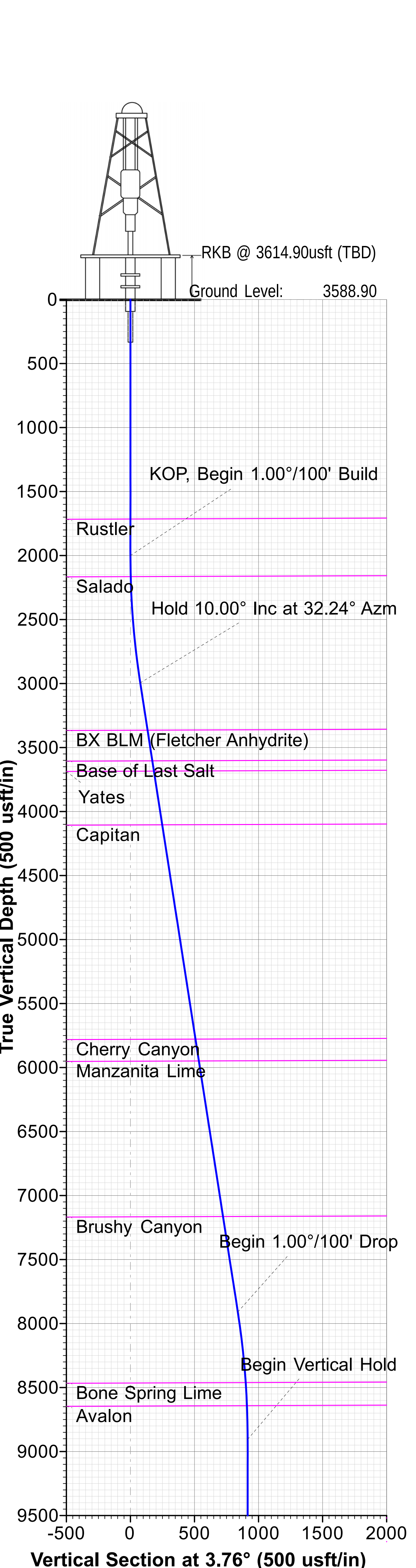
| OCD<br>Reviewer | Condition                                                                                                                                                                                                                                                            |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| pkautz          | Notify OCD 24 hours prior to casing & cement                                                                                                                                                                                                                         |
| pkautz          | Will require a File As Drilled C-102 and a Directional Survey with the C-104                                                                                                                                                                                         |
| pkautz          | 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 |
| pkautz          | 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                  |
| pkautz          | 1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --                                                                                                                       |
| pkautz          | The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud                                                                                                                                                                   |



Project: Lea County, NM (NAD83 - UTM Zone 13)  
Site: Margarita 12 State Com  
Well: 502H  
Wellbore: OH  
Design: Plan 1 01-26-22  
Rig: TBD

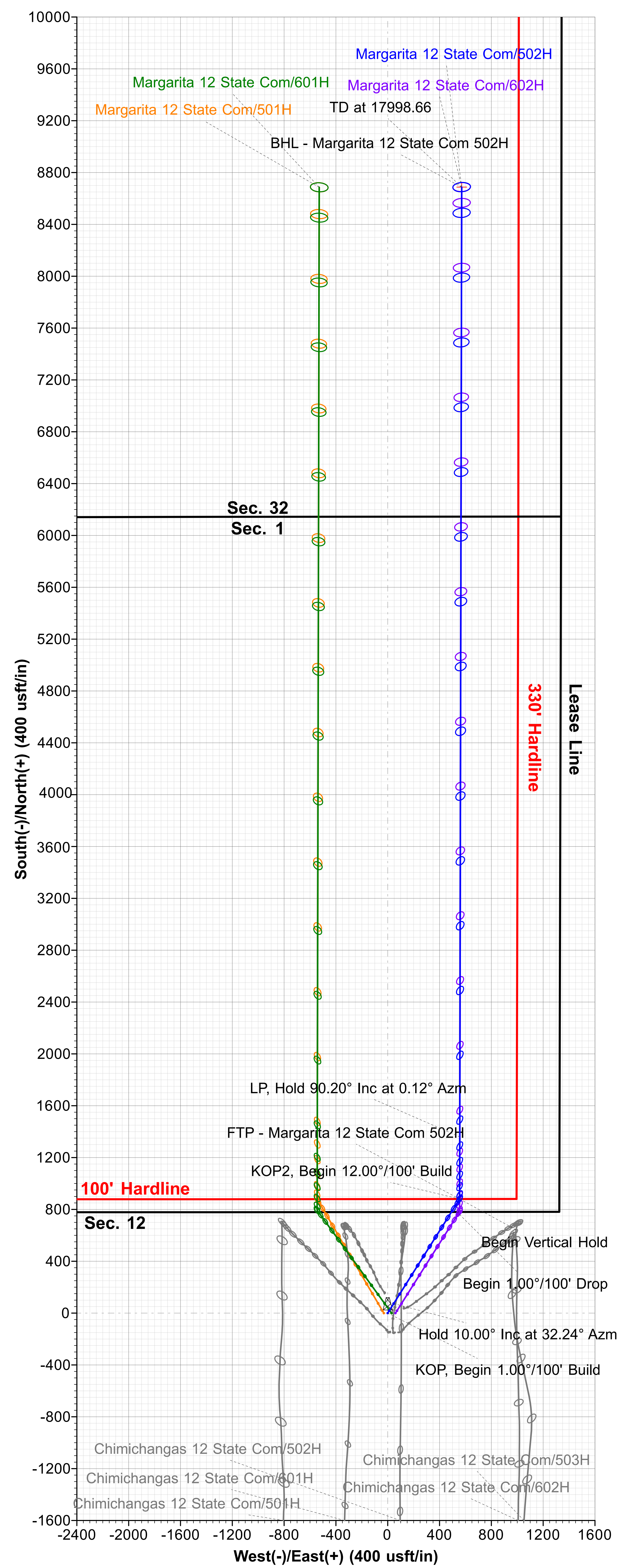
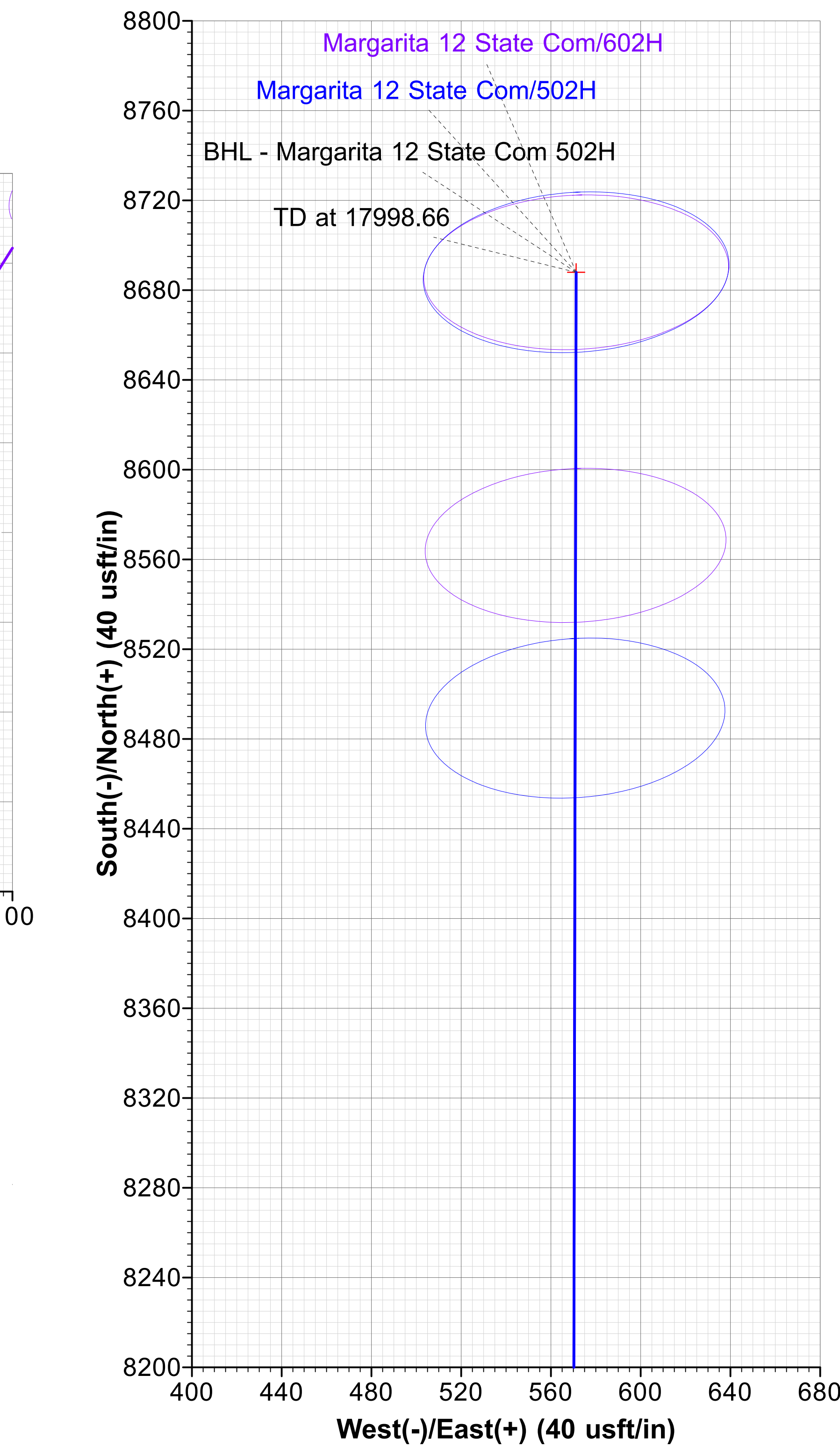


Azimuths to True North  
Magnetic North: 6.39°  
Magnetic Field  
Strength: 47767.5nT  
Dip Angle: 60.08°  
Date: 3/25/2022  
Model: MVHD



| WELL DETAILS                                                        |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
|---------------------------------------------------------------------|----------|-------|----------|---------------|---------|-----------------------------|-------|---------------------|---------|-----------------------------------|----------------------------------|------------|---------------------|---------------------|
|                                                                     |          |       |          | Ground Level: |         | 3588.90                     |       |                     |         |                                   |                                  |            |                     |                     |
| +N-S                                                                |          | +E-W  |          | Northing      |         | Easting                     |       | Latitude            |         | Longitude                         |                                  |            |                     |                     |
| 0.00                                                                |          | 0.00  |          | 11768774.52   |         | 2128088.94                  |       | 32° 24' 40.803262 N |         | 103° 25' 9.496822 W               |                                  |            |                     |                     |
| SECTION DETAILS                                                     |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Sec                                                                 | MD       | Inc   | Azi      | TVD           | +N-S    | +E-W                        | Dleg  | TFace               | VSect   | Target                            | Annotation                       |            |                     |                     |
| 1                                                                   | 0.00     | 0.00  | 0.00     | 0.00          | 0.00    | 0.00                        | 0.00  | 0.00                | 0.00    |                                   |                                  |            |                     |                     |
| 2                                                                   | 2000.00  | 0.00  | 0.00     | 2000.00       | 0.00    | 0.00                        | 0.00  | 0.00                | 0.00    |                                   | KOP, Begin 1.00°/100' Build      |            |                     |                     |
| 3                                                                   | 3000.30  | 10.00 | 32.24    | 2995.22       | 73.67   | 46.46                       | 1.00  | 32.24               | 76.56   |                                   | Hold 10.00° Inc at 32.24° Azm    |            |                     |                     |
| 4                                                                   | 7990.71  | 10.00 | 32.24    | 7909.78       | 806.88  | 508.85                      | 0.00  | 0.00                | 838.52  |                                   | Begin 1.00°/100' Drop            |            |                     |                     |
| 5                                                                   | 8991.01  | 0.00  | 0.00     | 8905.00       | 880.55  | 555.31                      | 1.00  | 180.00              | 915.08  |                                   | Begin Vertical Hold              |            |                     |                     |
| 6                                                                   | 9918.63  | 0.00  | 0.00     | 9832.63       | 880.55  | 555.31                      | 0.00  | 0.00                | 915.08  |                                   | KOP2, Begin 12.00°/100' Build    |            |                     |                     |
| 7                                                                   | 10670.30 | 90.20 | 0.12     | 10310.09      | 1359.68 | 556.29                      | 12.00 | 0.12                | 1393.25 |                                   | LP, Hold 90.20° Inc at 0.12° Azm |            |                     |                     |
| 8                                                                   | 17998.66 | 90.20 | 0.12     | 10284.51      | 8687.98 | 571.26                      | 0.00  | 0.00                | 8706.74 | BHL - Margarita 12 State Com 502H | TD at 17998.66                   |            |                     |                     |
| DESIGN TARGET DETAILS                                               |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Name                                                                |          |       |          | TVD           |         | +N-S                        |       | +E-W                |         | Northing                          |                                  | Easting    | Latitude            | Longitude           |
| BHL - Margarita 12 State Com 502H                                   |          |       |          | 10284.51      |         | 8687.98                     |       | 571.26              |         | 11777468.89                       |                                  | 2128531.58 | 32° 26' 6.769454 N  | 103° 25' 2.831150 W |
| FTP - Margarita 12 State Com 502H                                   |          |       |          | 10311.71      |         | 880.55                      |       | 555.31              |         | 11769663.07                       |                                  | 2128631.10 | 32° 24' 49.516108 N | 103° 25' 3.019108 W |
| Map System: Universal Transverse Mercator (US Survey Feet)          |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Datum: North American Datum 1983                                    |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Ellipsoid: GRS 1980                                                 |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Zone Name: Zone 13N (108 W to 102 W)                                |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Local Origin: Well 502H, True North                                 |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Latitude: 32° 24' 40.803262 N                                       |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Longitude: 103° 25' 9.496822 W                                      |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Grid East: 2128088.94                                               |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Grid North: 11768774.52                                             |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Scale Factor: 1.000                                                 |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Geomagnetic Model: MVHD                                             |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Sample Date: 25-Mar-22                                              |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Magnetic Declination: 6.39°                                         |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Dip Angle from Horizontal: 60.08°                                   |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| Magnetic Field Strength: 47767.48662351nT                           |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| To convert a Magnetic Direction to a Grid Direction, Add 5.54°      |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| To convert a Magnetic Direction to a True Direction, Add 6.39° East |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| To convert a True Direction to a Grid Direction, Subtract 0.85°     |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| FORMATION TOP DETAILS                                               |          |       |          |               |         |                             |       |                     |         |                                   |                                  |            |                     |                     |
| TVDPth                                                              |          |       | MDPth    |               |         | Formation                   |       |                     |         |                                   |                                  |            |                     |                     |
| 1714.90                                                             |          |       | 1714.90  |               |         | Rustler                     |       |                     |         |                                   |                                  |            |                     |                     |
| 2164.89                                                             |          |       | 2164.92  |               |         | Salado                      |       |                     |         |                                   |                                  |            |                     |                     |
| 3364.43                                                             |          |       | 3375.21  |               |         | BX BLM (Fletcher Anhydrite) |       |                     |         |                                   |                                  |            |                     |                     |
| 3604.30                                                             |          |       | 3618.78  |               |         | Base of Last Salt           |       |                     |         |                                   |                                  |            |                     |                     |
| 3684.26                                                             |          |       | 3699.97  |               |         | Yates                       |       |                     |         |                                   |                                  |            |                     |                     |
| 4104.03                                                             |          |       | 4126.22  |               |         | Capitan                     |       |                     |         |                                   |                                  |            |                     |                     |
| 5778.13                                                             |          |       | 5826.16  |               |         | Cherry Canyon               |       |                     |         |                                   |                                  |            |                     |                     |
| 5949.03                                                             |          |       | 5999.70  |               |         | Manzanita Lime              |       |                     |         |                                   |                                  |            |                     |                     |
| 7164.38                                                             |          |       | 7233.81  |               |         | Brushy Canyon               |       |                     |         |                                   |                                  |            |                     |                     |
| 8461.76                                                             |          |       | 8547.32  |               |         | Bone Spring Lime            |       |                     |         |                                   |                                  |            |                     |                     |
| 8641.72                                                             |          |       | 8727.64  |               |         | Avalon                      |       |                     |         |                                   |                                  |            |                     |                     |
| 9521.71                                                             |          |       | 9607.71  |               |         | First Bone Spring Sand      |       |                     |         |                                   |                                  |            |                     |                     |
| 9706.71                                                             |          |       | 9792.71  |               |         | Second Bone Spring Shale    |       |                     |         |                                   |                                  |            |                     |                     |
| 10056.51                                                            |          |       | 10151.66 |               |         | Second Bone Spring Sand     |       |                     |         |                                   |                                  |            |                     |                     |

| LEGEND                                 |  |
|----------------------------------------|--|
| 501H, OH, Plan 1 01-26-22 V0           |  |
| 601H, OH, Plan 1 01-14-22 V0           |  |
| 601H, OH, Plan 1 04-22-21 V0           |  |
| 602H, OH / 67668, Surveys (H&P 653) V0 |  |
| 503H, OH / 68827, Surveys (H&P 313) V0 |  |
| 501H, OH / 68825, Surveys (H&P 313) V0 |  |
| 502H, OH / 68826, Surveys (H&P 313) V0 |  |
| 601H, OH, Surveys V0                   |  |
| 602H, OH, Plan 1 01-26-22 V0           |  |
| 601H, OH, Plan 1 01-26-22 V0           |  |
| Plan 1 01-26-22                        |  |





# **Centennial Resources Development, Inc.**

**Lea County, NM (NAD83 - UTM Zone 13)  
Margarita 12 State Com  
502H**

**OH**

**Plan: Plan 1 01-26-22**

## **Standard Planning Report**

**26 January, 2022**





## Planning Report



|                  |                                        |                                     |                         |
|------------------|----------------------------------------|-------------------------------------|-------------------------|
| <b>Database:</b> | USA Compass                            | <b>Local Co-ordinate Reference:</b> | Well 502H               |
| <b>Company:</b>  | Centennial Resources Development, Inc. | <b>TVD Reference:</b>               | RKB @ 3614.90usft (TBD) |
| <b>Project:</b>  | Lea County, NM (NAD83 - UTM Zone 13)   | <b>MD Reference:</b>                | RKB @ 3614.90usft (TBD) |
| <b>Site:</b>     | Margarita 12 State Com                 | <b>North Reference:</b>             | True                    |
| <b>Well:</b>     | 502H                                   | <b>Survey Calculation Method:</b>   | Minimum Curvature       |
| <b>Wellbore:</b> | OH                                     |                                     |                         |
| <b>Design:</b>   | Plan 1 01-26-22                        |                                     |                         |

|                    |                                              |                      |                             |
|--------------------|----------------------------------------------|----------------------|-----------------------------|
| <b>Project</b>     | Lea County, NM (NAD83 - UTM Zone 13)         |                      |                             |
| <b>Map System:</b> | Universal Transverse Mercator (US Survey Fee | <b>System Datum:</b> | Mean Sea Level              |
| <b>Geo Datum:</b>  | North American Datum 1983                    |                      |                             |
| <b>Map Zone:</b>   | Zone 13N (108 W to 102 W)                    |                      | Using geodetic scale factor |

|                              |                        |                     |                     |
|------------------------------|------------------------|---------------------|---------------------|
| <b>Site</b>                  | Margarita 12 State Com |                     |                     |
| <b>Site Position:</b>        |                        | <b>Northing:</b>    | 11,768,774.05 usft  |
| <b>From:</b>                 | Map                    | <b>Easting:</b>     | 2,128,058.95 usft   |
| <b>Position Uncertainty:</b> | 0.00 usft              | <b>Slot Radius:</b> | 13-3/16 "           |
|                              |                        | <b>Latitude:</b>    | 32° 24' 40.803001 N |
|                              |                        | <b>Longitude:</b>   | 103° 25' 9.846733 W |

|                             |              |                            |                                       |
|-----------------------------|--------------|----------------------------|---------------------------------------|
| <b>Well</b>                 | 502H         |                            |                                       |
| <b>Well Position</b>        | <b>+N/-S</b> | 0.03 usft                  | <b>Northing:</b> 11,768,774.52 usft   |
|                             | <b>+E/-W</b> | 30.00 usft                 | <b>Easting:</b> 2,128,088.94 usft     |
| <b>Position Uncertainty</b> | 1.00 usft    | <b>Wellhead Elevation:</b> | <b>Latitude:</b> 32° 24' 40.803263 N  |
|                             |              |                            | <b>Longitude:</b> 103° 25' 9.496822 W |
|                             |              |                            | <b>Ground Level:</b> 3,588.90 usft    |

|           |            |             |                 |               |                     |
|-----------|------------|-------------|-----------------|---------------|---------------------|
| Wellbore  | OH         |             |                 |               |                     |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
|           | MVHD       | 3/25/2022   | 6.39            | 60.08         | 47,767.48662350     |

|                   |                            |                 |                 |                  |
|-------------------|----------------------------|-----------------|-----------------|------------------|
| Design            | Plan 1 01-26-22            |                 |                 |                  |
| Audit Notes:      |                            |                 |                 |                  |
| Version:          | Phase:                     | PLAN            | Tie On Depth:   | 0.00             |
| Vertical Section: | Depth From (TVD)<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Direction<br>(°) |
|                   | 0.00                       | 0.00            | 0.00            | 3.76             |

|                                 |                        |                          |                      |                        |
|---------------------------------|------------------------|--------------------------|----------------------|------------------------|
| <b>Plan Survey Tool Program</b> | <b>Date</b>            | 1/26/2022                |                      |                        |
| <b>Depth From (usft)</b>        | <b>Depth To (usft)</b> | <b>Survey (Wellbore)</b> | <b>Tool Name</b>     | <b>Remarks</b>         |
| 1                               | 0.00                   | 17,998.67                | Plan 1 01-26-22 (OH) | MWD+IFR1+MS            |
|                                 |                        |                          |                      | OWSG MWD + IFR1 + Mult |

|                              |                        |                    |                              |                     |                     |                                |                               |                              |                |                    |
|------------------------------|------------------------|--------------------|------------------------------|---------------------|---------------------|--------------------------------|-------------------------------|------------------------------|----------------|--------------------|
| <b>Plan Sections</b>         |                        |                    |                              |                     |                     |                                |                               |                              |                |                    |
| <b>Measured Depth (usft)</b> | <b>Inclination (°)</b> | <b>Azimuth (°)</b> | <b>Vertical Depth (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b> | <b>Dogleg Rate (°/100usft)</b> | <b>Build Rate (°/100usft)</b> | <b>Turn Rate (°/100usft)</b> | <b>TFO (°)</b> | <b>Target</b>      |
| 0.00                         | 0.00                   | 0.00               | 0.00                         | 0.00                | 0.00                | 0.00                           | 0.00                          | 0.00                         | 0.00           |                    |
| 2,000.00                     | 0.00                   | 0.00               | 2,000.00                     | 0.00                | 0.00                | 0.00                           | 0.00                          | 0.00                         | 0.00           |                    |
| 3,000.30                     | 10.00                  | 32.24              | 2,995.22                     | 73.67               | 46.46               | 1.00                           | 1.00                          | 0.00                         | 32.24          |                    |
| 7,990.71                     | 10.00                  | 32.24              | 7,909.78                     | 806.88              | 508.85              | 0.00                           | 0.00                          | 0.00                         | 0.00           |                    |
| 8,991.01                     | 0.00                   | 0.00               | 8,905.00                     | 880.55              | 555.31              | 1.00                           | -1.00                         | 0.00                         | 180.00         |                    |
| 9,918.64                     | 0.00                   | 0.00               | 9,832.63                     | 880.55              | 555.31              | 0.00                           | 0.00                          | 0.00                         | 0.00           |                    |
| 10,670.30                    | 90.20                  | 0.12               | 10,310.09                    | 1,359.68            | 556.29              | 12.00                          | 12.00                         | 0.00                         | 0.12           |                    |
| 17,998.67                    | 90.20                  | 0.12               | 10,284.51                    | 8,687.98            | 571.26              | 0.00                           | 0.00                          | 0.00                         | 0.00           | BHL - Margarita 12 |



## Planning Report



|                  |                                        |                                     |                         |
|------------------|----------------------------------------|-------------------------------------|-------------------------|
| <b>Database:</b> | USA Compass                            | <b>Local Co-ordinate Reference:</b> | Well 502H               |
| <b>Company:</b>  | Centennial Resources Development, Inc. | <b>TVD Reference:</b>               | RKB @ 3614.90usft (TBD) |
| <b>Project:</b>  | Lea County, NM (NAD83 - UTM Zone 13)   | <b>MD Reference:</b>                | RKB @ 3614.90usft (TBD) |
| <b>Site:</b>     | Margarita 12 State Com                 | <b>North Reference:</b>             | True                    |
| <b>Well:</b>     | 502H                                   | <b>Survey Calculation Method:</b>   | Minimum Curvature       |
| <b>Wellbore:</b> | OH                                     |                                     |                         |
| <b>Design:</b>   | Plan 1 01-26-22                        |                                     |                         |

| Planned Survey                       |                 |             |                       |              |              |                         |                         |                        |                       |
|--------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft)                | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.00                                 | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,714.90                             | 0.00            | 0.00        | 1,714.90              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| <b>Rustler</b>                       |                 |             |                       |              |              |                         |                         |                        |                       |
| 2,000.00                             | 0.00            | 0.00        | 2,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| <b>KOP, Begin 1.00°/100' Build</b>   |                 |             |                       |              |              |                         |                         |                        |                       |
| 2,100.00                             | 1.00            | 32.24       | 2,099.99              | 0.74         | 0.47         | 0.77                    | 1.00                    | 1.00                   | 0.00                  |
| 2,164.92                             | 1.65            | 32.24       | 2,164.89              | 2.01         | 1.27         | 2.09                    | 1.00                    | 1.00                   | 0.00                  |
| <b>Salado</b>                        |                 |             |                       |              |              |                         |                         |                        |                       |
| 2,200.00                             | 2.00            | 32.24       | 2,199.96              | 2.95         | 1.86         | 3.07                    | 1.00                    | 1.00                   | 0.00                  |
| 2,300.00                             | 3.00            | 32.24       | 2,299.86              | 6.64         | 4.19         | 6.90                    | 1.00                    | 1.00                   | 0.00                  |
| 2,400.00                             | 4.00            | 32.24       | 2,399.68              | 11.81        | 7.45         | 12.27                   | 1.00                    | 1.00                   | 0.00                  |
| 2,500.00                             | 5.00            | 32.24       | 2,499.37              | 18.44        | 11.63        | 19.17                   | 1.00                    | 1.00                   | 0.00                  |
| 2,600.00                             | 6.00            | 32.24       | 2,598.90              | 26.55        | 16.74        | 27.59                   | 1.00                    | 1.00                   | 0.00                  |
| 2,700.00                             | 7.00            | 32.24       | 2,698.26              | 36.12        | 22.78        | 37.54                   | 1.00                    | 1.00                   | 0.00                  |
| 2,800.00                             | 8.00            | 32.24       | 2,797.40              | 47.16        | 29.74        | 49.01                   | 1.00                    | 1.00                   | 0.00                  |
| 2,900.00                             | 9.00            | 32.24       | 2,896.30              | 59.67        | 37.63        | 62.01                   | 1.00                    | 1.00                   | 0.00                  |
| 3,000.00                             | 10.00           | 32.24       | 2,994.93              | 73.63        | 46.43        | 76.51                   | 1.00                    | 1.00                   | 0.00                  |
| 3,000.30                             | 10.00           | 32.24       | 2,995.22              | 73.67        | 46.46        | 76.56                   | 1.00                    | 1.00                   | 0.00                  |
| <b>Hold 10.00° Inc at 32.24° Azm</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 3,100.00                             | 10.00           | 32.24       | 3,093.41              | 88.32        | 55.70        | 91.78                   | 0.00                    | 0.00                   | 0.00                  |
| 3,200.00                             | 10.00           | 32.24       | 3,191.89              | 103.01       | 64.96        | 107.05                  | 0.00                    | 0.00                   | 0.00                  |
| 3,300.00                             | 10.00           | 32.24       | 3,290.37              | 117.70       | 74.23        | 122.32                  | 0.00                    | 0.00                   | 0.00                  |
| 3,375.21                             | 10.00           | 32.24       | 3,364.43              | 128.75       | 81.20        | 133.80                  | 0.00                    | 0.00                   | 0.00                  |
| <b>BX BLM (Fletcher Anhydrite)</b>   |                 |             |                       |              |              |                         |                         |                        |                       |
| 3,400.00                             | 10.00           | 32.24       | 3,388.85              | 132.40       | 83.49        | 137.59                  | 0.00                    | 0.00                   | 0.00                  |
| 3,500.00                             | 10.00           | 32.24       | 3,487.33              | 147.09       | 92.76        | 152.86                  | 0.00                    | 0.00                   | 0.00                  |
| 3,600.00                             | 10.00           | 32.24       | 3,585.81              | 161.78       | 102.03       | 168.13                  | 0.00                    | 0.00                   | 0.00                  |
| 3,618.78                             | 10.00           | 32.24       | 3,604.30              | 164.54       | 103.77       | 170.99                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Base of Last Salt</b>             |                 |             |                       |              |              |                         |                         |                        |                       |
| 3,699.97                             | 10.00           | 32.24       | 3,684.26              | 176.47       | 111.29       | 183.39                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Yates</b>                         |                 |             |                       |              |              |                         |                         |                        |                       |
| 3,700.00                             | 10.00           | 32.24       | 3,684.29              | 176.47       | 111.29       | 183.39                  | 0.00                    | 0.00                   | 0.00                  |
| 3,800.00                             | 10.00           | 32.24       | 3,782.77              | 191.16       | 120.56       | 198.66                  | 0.00                    | 0.00                   | 0.00                  |
| 3,900.00                             | 10.00           | 32.24       | 3,881.25              | 205.86       | 129.82       | 213.93                  | 0.00                    | 0.00                   | 0.00                  |
| 4,000.00                             | 10.00           | 32.24       | 3,979.73              | 220.55       | 139.09       | 229.20                  | 0.00                    | 0.00                   | 0.00                  |
| 4,100.00                             | 10.00           | 32.24       | 4,078.21              | 235.24       | 148.35       | 244.47                  | 0.00                    | 0.00                   | 0.00                  |
| 4,126.22                             | 10.00           | 32.24       | 4,104.03              | 239.09       | 150.78       | 248.47                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Capitan</b>                       |                 |             |                       |              |              |                         |                         |                        |                       |
| 4,200.00                             | 10.00           | 32.24       | 4,176.69              | 249.93       | 157.62       | 259.74                  | 0.00                    | 0.00                   | 0.00                  |
| 4,300.00                             | 10.00           | 32.24       | 4,275.17              | 264.63       | 166.89       | 275.01                  | 0.00                    | 0.00                   | 0.00                  |
| 4,400.00                             | 10.00           | 32.24       | 4,373.65              | 279.32       | 176.15       | 290.27                  | 0.00                    | 0.00                   | 0.00                  |
| 4,500.00                             | 10.00           | 32.24       | 4,472.13              | 294.01       | 185.42       | 305.54                  | 0.00                    | 0.00                   | 0.00                  |
| 4,600.00                             | 10.00           | 32.24       | 4,570.61              | 308.70       | 194.68       | 320.81                  | 0.00                    | 0.00                   | 0.00                  |
| 4,700.00                             | 10.00           | 32.24       | 4,669.09              | 323.40       | 203.95       | 336.08                  | 0.00                    | 0.00                   | 0.00                  |
| 4,800.00                             | 10.00           | 32.24       | 4,767.57              | 338.09       | 213.21       | 351.35                  | 0.00                    | 0.00                   | 0.00                  |
| 4,900.00                             | 10.00           | 32.24       | 4,866.05              | 352.78       | 222.48       | 366.62                  | 0.00                    | 0.00                   | 0.00                  |
| 5,000.00                             | 10.00           | 32.24       | 4,964.53              | 367.47       | 231.75       | 381.89                  | 0.00                    | 0.00                   | 0.00                  |
| 5,100.00                             | 10.00           | 32.24       | 5,063.01              | 382.16       | 241.01       | 397.15                  | 0.00                    | 0.00                   | 0.00                  |
| 5,200.00                             | 10.00           | 32.24       | 5,161.49              | 396.86       | 250.28       | 412.42                  | 0.00                    | 0.00                   | 0.00                  |
| 5,300.00                             | 10.00           | 32.24       | 5,259.97              | 411.55       | 259.54       | 427.69                  | 0.00                    | 0.00                   | 0.00                  |
| 5,400.00                             | 10.00           | 32.24       | 5,358.45              | 426.24       | 268.81       | 442.96                  | 0.00                    | 0.00                   | 0.00                  |
| 5,500.00                             | 10.00           | 32.24       | 5,456.93              | 440.93       | 278.07       | 458.23                  | 0.00                    | 0.00                   | 0.00                  |
| 5,600.00                             | 10.00           | 32.24       | 5,555.41              | 455.63       | 287.34       | 473.50                  | 0.00                    | 0.00                   | 0.00                  |



## Planning Report



|                  |                                        |                                     |                         |
|------------------|----------------------------------------|-------------------------------------|-------------------------|
| <b>Database:</b> | USA Compass                            | <b>Local Co-ordinate Reference:</b> | Well 502H               |
| <b>Company:</b>  | Centennial Resources Development, Inc. | <b>TVD Reference:</b>               | RKB @ 3614.90usft (TBD) |
| <b>Project:</b>  | Lea County, NM (NAD83 - UTM Zone 13)   | <b>MD Reference:</b>                | RKB @ 3614.90usft (TBD) |
| <b>Site:</b>     | Margarita 12 State Com                 | <b>North Reference:</b>             | True                    |
| <b>Well:</b>     | 502H                                   | <b>Survey Calculation Method:</b>   | Minimum Curvature       |
| <b>Wellbore:</b> | OH                                     |                                     |                         |
| <b>Design:</b>   | Plan 1 01-26-22                        |                                     |                         |

| Planned Survey                       |                 |             |                       |              |              |                         |                         |                        |                       |
|--------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft)                | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 5,700.00                             | 10.00           | 32.24       | 5,653.89              | 470.32       | 296.60       | 488.77                  | 0.00                    | 0.00                   | 0.00                  |
| 5,800.00                             | 10.00           | 32.24       | 5,752.37              | 485.01       | 305.87       | 504.03                  | 0.00                    | 0.00                   | 0.00                  |
| 5,826.16                             | 10.00           | 32.24       | 5,778.13              | 488.85       | 308.29       | 508.03                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Cherry Canyon</b>                 |                 |             |                       |              |              |                         |                         |                        |                       |
| 5,900.00                             | 10.00           | 32.24       | 5,850.85              | 499.70       | 315.14       | 519.30                  | 0.00                    | 0.00                   | 0.00                  |
| 5,999.70                             | 10.00           | 32.24       | 5,949.03              | 514.35       | 324.37       | 534.53                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Manzanita Lime</b>                |                 |             |                       |              |              |                         |                         |                        |                       |
| 6,000.00                             | 10.00           | 32.24       | 5,949.33              | 514.40       | 324.40       | 534.57                  | 0.00                    | 0.00                   | 0.00                  |
| 6,100.00                             | 10.00           | 32.24       | 6,047.81              | 529.09       | 333.67       | 549.84                  | 0.00                    | 0.00                   | 0.00                  |
| 6,200.00                             | 10.00           | 32.24       | 6,146.29              | 543.78       | 342.93       | 565.11                  | 0.00                    | 0.00                   | 0.00                  |
| 6,300.00                             | 10.00           | 32.24       | 6,244.77              | 558.47       | 352.20       | 580.38                  | 0.00                    | 0.00                   | 0.00                  |
| 6,400.00                             | 10.00           | 32.24       | 6,343.25              | 573.16       | 361.46       | 595.65                  | 0.00                    | 0.00                   | 0.00                  |
| 6,500.00                             | 10.00           | 32.24       | 6,441.73              | 587.86       | 370.73       | 610.91                  | 0.00                    | 0.00                   | 0.00                  |
| 6,600.00                             | 10.00           | 32.24       | 6,540.21              | 602.55       | 380.00       | 626.18                  | 0.00                    | 0.00                   | 0.00                  |
| 6,700.00                             | 10.00           | 32.24       | 6,638.69              | 617.24       | 389.26       | 641.45                  | 0.00                    | 0.00                   | 0.00                  |
| 6,800.00                             | 10.00           | 32.24       | 6,737.17              | 631.93       | 398.53       | 656.72                  | 0.00                    | 0.00                   | 0.00                  |
| 6,900.00                             | 10.00           | 32.24       | 6,835.65              | 646.63       | 407.79       | 671.99                  | 0.00                    | 0.00                   | 0.00                  |
| 7,000.00                             | 10.00           | 32.24       | 6,934.13              | 661.32       | 417.06       | 687.26                  | 0.00                    | 0.00                   | 0.00                  |
| 7,100.00                             | 10.00           | 32.24       | 7,032.61              | 676.01       | 426.32       | 702.53                  | 0.00                    | 0.00                   | 0.00                  |
| 7,200.00                             | 10.00           | 32.24       | 7,131.09              | 690.70       | 435.59       | 717.79                  | 0.00                    | 0.00                   | 0.00                  |
| 7,233.81                             | 10.00           | 32.24       | 7,164.38              | 695.67       | 438.72       | 722.96                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Brushy Canyon</b>                 |                 |             |                       |              |              |                         |                         |                        |                       |
| 7,300.00                             | 10.00           | 32.24       | 7,229.57              | 705.39       | 444.85       | 733.06                  | 0.00                    | 0.00                   | 0.00                  |
| 7,400.00                             | 10.00           | 32.24       | 7,328.05              | 720.09       | 454.12       | 748.33                  | 0.00                    | 0.00                   | 0.00                  |
| 7,500.00                             | 10.00           | 32.24       | 7,426.53              | 734.78       | 463.39       | 763.60                  | 0.00                    | 0.00                   | 0.00                  |
| 7,600.00                             | 10.00           | 32.24       | 7,525.00              | 749.47       | 472.65       | 778.87                  | 0.00                    | 0.00                   | 0.00                  |
| 7,700.00                             | 10.00           | 32.24       | 7,623.48              | 764.16       | 481.92       | 794.14                  | 0.00                    | 0.00                   | 0.00                  |
| 7,800.00                             | 10.00           | 32.24       | 7,721.96              | 778.86       | 491.18       | 809.40                  | 0.00                    | 0.00                   | 0.00                  |
| 7,900.00                             | 10.00           | 32.24       | 7,820.44              | 793.55       | 500.45       | 824.67                  | 0.00                    | 0.00                   | 0.00                  |
| 7,990.71                             | 10.00           | 32.24       | 7,909.78              | 806.88       | 508.85       | 838.52                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Begin 1.00°/100' Drop</b>         |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,000.00                             | 9.91            | 32.24       | 7,918.93              | 808.23       | 509.71       | 839.94                  | 1.00                    | -1.00                  | 0.00                  |
| 8,100.00                             | 8.91            | 32.24       | 8,017.58              | 822.06       | 518.43       | 854.31                  | 1.00                    | -1.00                  | 0.00                  |
| 8,200.00                             | 7.91            | 32.24       | 8,116.50              | 834.43       | 526.23       | 867.16                  | 1.00                    | -1.00                  | 0.00                  |
| 8,300.00                             | 6.91            | 32.24       | 8,215.67              | 845.34       | 533.11       | 878.50                  | 1.00                    | -1.00                  | 0.00                  |
| 8,400.00                             | 5.91            | 32.24       | 8,315.04              | 854.79       | 539.07       | 888.31                  | 1.00                    | -1.00                  | 0.00                  |
| 8,500.00                             | 4.91            | 32.24       | 8,414.59              | 862.76       | 544.10       | 896.60                  | 1.00                    | -1.00                  | 0.00                  |
| 8,547.32                             | 4.44            | 32.24       | 8,461.76              | 866.02       | 546.15       | 899.99                  | 1.00                    | -1.00                  | 0.00                  |
| <b>Bone Spring Lime</b>              |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,600.00                             | 3.91            | 32.24       | 8,514.30              | 869.27       | 548.20       | 903.36                  | 1.00                    | -1.00                  | 0.00                  |
| 8,700.00                             | 2.91            | 32.24       | 8,614.12              | 874.30       | 551.37       | 908.59                  | 1.00                    | -1.00                  | 0.00                  |
| 8,727.64                             | 2.63            | 32.24       | 8,641.72              | 875.43       | 552.09       | 909.76                  | 1.00                    | -1.00                  | 0.00                  |
| <b>Avalon</b>                        |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,800.00                             | 1.91            | 32.24       | 8,714.03              | 877.85       | 553.62       | 912.29                  | 1.00                    | -1.00                  | 0.00                  |
| 8,900.00                             | 0.91            | 32.24       | 8,814.00              | 879.93       | 554.93       | 914.45                  | 1.00                    | -1.00                  | 0.00                  |
| 8,991.01                             | 0.00            | 0.00        | 8,905.00              | 880.55       | 555.31       | 915.08                  | 1.00                    | -1.00                  | 0.00                  |
| <b>Begin Vertical Hold</b>           |                 |             |                       |              |              |                         |                         |                        |                       |
| 9,607.71                             | 0.00            | 0.00        | 9,521.71              | 880.55       | 555.31       | 915.08                  | 0.00                    | 0.00                   | 0.00                  |
| <b>First Bone Spring Sand</b>        |                 |             |                       |              |              |                         |                         |                        |                       |
| 9,792.71                             | 0.00            | 0.00        | 9,706.71              | 880.55       | 555.31       | 915.08                  | 0.00                    | 0.00                   | 0.00                  |
| <b>Second Bone Spring Shale</b>      |                 |             |                       |              |              |                         |                         |                        |                       |
| 9,918.64                             | 0.00            | 0.00        | 9,832.63              | 880.55       | 555.31       | 915.08                  | 0.00                    | 0.00                   | 0.00                  |
| <b>KOP2, Begin 12.00°/100' Build</b> |                 |             |                       |              |              |                         |                         |                        |                       |



## Planning Report



|                  |                                        |                                     |                         |
|------------------|----------------------------------------|-------------------------------------|-------------------------|
| <b>Database:</b> | USA Compass                            | <b>Local Co-ordinate Reference:</b> | Well 502H               |
| <b>Company:</b>  | Centennial Resources Development, Inc. | <b>TVD Reference:</b>               | RKB @ 3614.90usft (TBD) |
| <b>Project:</b>  | Lea County, NM (NAD83 - UTM Zone 13)   | <b>MD Reference:</b>                | RKB @ 3614.90usft (TBD) |
| <b>Site:</b>     | Margarita 12 State Com                 | <b>North Reference:</b>             | True                    |
| <b>Well:</b>     | 502H                                   | <b>Survey Calculation Method:</b>   | Minimum Curvature       |
| <b>Wellbore:</b> | OH                                     |                                     |                         |
| <b>Design:</b>   | Plan 1 01-26-22                        |                                     |                         |

| Planned Survey                          |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft)                   | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 10,000.00                               | 9.76            | 0.12        | 9,913.60              | 887.46       | 555.33       | 921.99                  | 12.00                   | 12.00                  | 0.00                  |
| 10,100.00                               | 21.76           | 0.12        | 10,009.66             | 914.58       | 555.38       | 949.05                  | 12.00                   | 12.00                  | 0.00                  |
| 10,151.66                               | 27.96           | 0.12        | 10,056.51             | 936.29       | 555.43       | 970.72                  | 12.00                   | 12.00                  | 0.00                  |
| <b>Second Bone Spring Sand</b>          |                 |             |                       |              |              |                         |                         |                        |                       |
| 10,200.00                               | 33.76           | 0.12        | 10,097.99             | 961.08       | 555.48       | 995.45                  | 12.00                   | 12.00                  | 0.00                  |
| 10,300.00                               | 45.76           | 0.12        | 10,174.72             | 1,024.92     | 555.61       | 1,059.17                | 12.00                   | 12.00                  | 0.00                  |
| 10,400.00                               | 57.76           | 0.12        | 10,236.49             | 1,103.33     | 555.77       | 1,137.41                | 12.00                   | 12.00                  | 0.00                  |
| 10,500.00                               | 69.76           | 0.12        | 10,280.62             | 1,192.86     | 555.95       | 1,226.77                | 12.00                   | 12.00                  | 0.00                  |
| 10,600.00                               | 81.76           | 0.12        | 10,305.17             | 1,289.61     | 556.15       | 1,323.32                | 12.00                   | 12.00                  | 0.00                  |
| 10,670.30                               | 90.20           | 0.12        | 10,310.09             | 1,359.68     | 556.29       | 1,393.25                | 12.00                   | 12.00                  | 0.00                  |
| <b>LP, Hold 90.20° Inc at 0.12° Azm</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 10,700.00                               | 90.20           | 0.12        | 10,309.98             | 1,389.38     | 556.35       | 1,422.88                | 0.00                    | 0.00                   | 0.00                  |
| 10,800.00                               | 90.20           | 0.12        | 10,309.64             | 1,489.37     | 556.56       | 1,522.68                | 0.00                    | 0.00                   | 0.00                  |
| 10,900.00                               | 90.20           | 0.12        | 10,309.29             | 1,589.37     | 556.76       | 1,622.48                | 0.00                    | 0.00                   | 0.00                  |
| 11,000.00                               | 90.20           | 0.12        | 10,308.94             | 1,689.37     | 556.97       | 1,722.28                | 0.00                    | 0.00                   | 0.00                  |
| 11,100.00                               | 90.20           | 0.12        | 10,308.59             | 1,789.37     | 557.17       | 1,822.07                | 0.00                    | 0.00                   | 0.00                  |
| 11,200.00                               | 90.20           | 0.12        | 10,308.24             | 1,889.37     | 557.37       | 1,921.87                | 0.00                    | 0.00                   | 0.00                  |
| 11,300.00                               | 90.20           | 0.12        | 10,307.89             | 1,989.37     | 557.58       | 2,021.67                | 0.00                    | 0.00                   | 0.00                  |
| 11,400.00                               | 90.20           | 0.12        | 10,307.54             | 2,089.37     | 557.78       | 2,121.46                | 0.00                    | 0.00                   | 0.00                  |
| 11,500.00                               | 90.20           | 0.12        | 10,307.19             | 2,189.37     | 557.99       | 2,221.26                | 0.00                    | 0.00                   | 0.00                  |
| 11,600.00                               | 90.20           | 0.12        | 10,306.84             | 2,289.37     | 558.19       | 2,321.06                | 0.00                    | 0.00                   | 0.00                  |
| 11,700.00                               | 90.20           | 0.12        | 10,306.49             | 2,389.37     | 558.40       | 2,420.86                | 0.00                    | 0.00                   | 0.00                  |
| 11,800.00                               | 90.20           | 0.12        | 10,306.15             | 2,489.37     | 558.60       | 2,520.65                | 0.00                    | 0.00                   | 0.00                  |
| 11,900.00                               | 90.20           | 0.12        | 10,305.80             | 2,589.37     | 558.80       | 2,620.45                | 0.00                    | 0.00                   | 0.00                  |
| 12,000.00                               | 90.20           | 0.12        | 10,305.45             | 2,689.36     | 559.01       | 2,720.25                | 0.00                    | 0.00                   | 0.00                  |
| 12,100.00                               | 90.20           | 0.12        | 10,305.10             | 2,789.36     | 559.21       | 2,820.04                | 0.00                    | 0.00                   | 0.00                  |
| 12,200.00                               | 90.20           | 0.12        | 10,304.75             | 2,889.36     | 559.42       | 2,919.84                | 0.00                    | 0.00                   | 0.00                  |
| 12,300.00                               | 90.20           | 0.12        | 10,304.40             | 2,989.36     | 559.62       | 3,019.64                | 0.00                    | 0.00                   | 0.00                  |
| 12,400.00                               | 90.20           | 0.12        | 10,304.05             | 3,089.36     | 559.82       | 3,119.44                | 0.00                    | 0.00                   | 0.00                  |
| 12,500.00                               | 90.20           | 0.12        | 10,303.70             | 3,189.36     | 560.03       | 3,219.23                | 0.00                    | 0.00                   | 0.00                  |
| 12,600.00                               | 90.20           | 0.12        | 10,303.35             | 3,289.36     | 560.23       | 3,319.03                | 0.00                    | 0.00                   | 0.00                  |
| 12,700.00                               | 90.20           | 0.12        | 10,303.00             | 3,389.36     | 560.44       | 3,418.83                | 0.00                    | 0.00                   | 0.00                  |
| 12,800.00                               | 90.20           | 0.12        | 10,302.65             | 3,489.36     | 560.64       | 3,518.62                | 0.00                    | 0.00                   | 0.00                  |
| 12,900.00                               | 90.20           | 0.12        | 10,302.31             | 3,589.36     | 560.85       | 3,618.42                | 0.00                    | 0.00                   | 0.00                  |
| 13,000.00                               | 90.20           | 0.12        | 10,301.96             | 3,689.36     | 561.05       | 3,718.22                | 0.00                    | 0.00                   | 0.00                  |
| 13,100.00                               | 90.20           | 0.12        | 10,301.61             | 3,789.36     | 561.25       | 3,818.01                | 0.00                    | 0.00                   | 0.00                  |
| 13,200.00                               | 90.20           | 0.12        | 10,301.26             | 3,889.35     | 561.46       | 3,917.81                | 0.00                    | 0.00                   | 0.00                  |
| 13,300.00                               | 90.20           | 0.12        | 10,300.91             | 3,989.35     | 561.66       | 4,017.61                | 0.00                    | 0.00                   | 0.00                  |
| 13,400.00                               | 90.20           | 0.12        | 10,300.56             | 4,089.35     | 561.87       | 4,117.41                | 0.00                    | 0.00                   | 0.00                  |
| 13,500.00                               | 90.20           | 0.12        | 10,300.21             | 4,189.35     | 562.07       | 4,217.20                | 0.00                    | 0.00                   | 0.00                  |
| 13,600.00                               | 90.20           | 0.12        | 10,299.86             | 4,289.35     | 562.28       | 4,317.00                | 0.00                    | 0.00                   | 0.00                  |
| 13,700.00                               | 90.20           | 0.12        | 10,299.51             | 4,389.35     | 562.48       | 4,416.80                | 0.00                    | 0.00                   | 0.00                  |
| 13,800.00                               | 90.20           | 0.12        | 10,299.16             | 4,489.35     | 562.68       | 4,516.59                | 0.00                    | 0.00                   | 0.00                  |
| 13,900.00                               | 90.20           | 0.12        | 10,298.81             | 4,589.35     | 562.89       | 4,616.39                | 0.00                    | 0.00                   | 0.00                  |
| 14,000.00                               | 90.20           | 0.12        | 10,298.47             | 4,689.35     | 563.09       | 4,716.19                | 0.00                    | 0.00                   | 0.00                  |
| 14,100.00                               | 90.20           | 0.12        | 10,298.12             | 4,789.35     | 563.30       | 4,815.99                | 0.00                    | 0.00                   | 0.00                  |
| 14,200.00                               | 90.20           | 0.12        | 10,297.77             | 4,889.35     | 563.50       | 4,915.78                | 0.00                    | 0.00                   | 0.00                  |
| 14,300.00                               | 90.20           | 0.12        | 10,297.42             | 4,989.35     | 563.70       | 5,015.58                | 0.00                    | 0.00                   | 0.00                  |
| 14,400.00                               | 90.20           | 0.12        | 10,297.07             | 5,089.34     | 563.91       | 5,115.38                | 0.00                    | 0.00                   | 0.00                  |
| 14,500.00                               | 90.20           | 0.12        | 10,296.72             | 5,189.34     | 564.11       | 5,215.17                | 0.00                    | 0.00                   | 0.00                  |
| 14,600.00                               | 90.20           | 0.12        | 10,296.37             | 5,289.34     | 564.32       | 5,314.97                | 0.00                    | 0.00                   | 0.00                  |
| 14,700.00                               | 90.20           | 0.12        | 10,296.02             | 5,389.34     | 564.52       | 5,414.77                | 0.00                    | 0.00                   | 0.00                  |
| 14,800.00                               | 90.20           | 0.12        | 10,295.67             | 5,489.34     | 564.73       | 5,514.57                | 0.00                    | 0.00                   | 0.00                  |
| 14,900.00                               | 90.20           | 0.12        | 10,295.32             | 5,589.34     | 564.93       | 5,614.36                | 0.00                    | 0.00                   | 0.00                  |



## Planning Report



|                  |                                        |                                     |                         |
|------------------|----------------------------------------|-------------------------------------|-------------------------|
| <b>Database:</b> | USA Compass                            | <b>Local Co-ordinate Reference:</b> | Well 502H               |
| <b>Company:</b>  | Centennial Resources Development, Inc. | <b>TVD Reference:</b>               | RKB @ 3614.90usft (TBD) |
| <b>Project:</b>  | Lea County, NM (NAD83 - UTM Zone 13)   | <b>MD Reference:</b>                | RKB @ 3614.90usft (TBD) |
| <b>Site:</b>     | Margarita 12 State Com                 | <b>North Reference:</b>             | True                    |
| <b>Well:</b>     | 502H                                   | <b>Survey Calculation Method:</b>   | Minimum Curvature       |
| <b>Wellbore:</b> | OH                                     |                                     |                         |
| <b>Design:</b>   | Plan 1 01-26-22                        |                                     |                         |

| Planned Survey        |                 |             |                       |              |              |                         |                         |                        |                       |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 15,000.00             | 90.20           | 0.12        | 10,294.98             | 5,689.34     | 565.13       | 5,714.16                | 0.00                    | 0.00                   | 0.00                  |
| 15,100.00             | 90.20           | 0.12        | 10,294.63             | 5,789.34     | 565.34       | 5,813.96                | 0.00                    | 0.00                   | 0.00                  |
| 15,200.00             | 90.20           | 0.12        | 10,294.28             | 5,889.34     | 565.54       | 5,913.75                | 0.00                    | 0.00                   | 0.00                  |
| 15,300.00             | 90.20           | 0.12        | 10,293.93             | 5,989.34     | 565.75       | 6,013.55                | 0.00                    | 0.00                   | 0.00                  |
| 15,400.00             | 90.20           | 0.12        | 10,293.58             | 6,089.34     | 565.95       | 6,113.35                | 0.00                    | 0.00                   | 0.00                  |
| 15,500.00             | 90.20           | 0.12        | 10,293.23             | 6,189.34     | 566.16       | 6,213.15                | 0.00                    | 0.00                   | 0.00                  |
| 15,600.00             | 90.20           | 0.12        | 10,292.88             | 6,289.34     | 566.36       | 6,312.94                | 0.00                    | 0.00                   | 0.00                  |
| 15,700.00             | 90.20           | 0.12        | 10,292.53             | 6,389.33     | 566.56       | 6,412.74                | 0.00                    | 0.00                   | 0.00                  |
| 15,800.00             | 90.20           | 0.12        | 10,292.18             | 6,489.33     | 566.77       | 6,512.54                | 0.00                    | 0.00                   | 0.00                  |
| 15,900.00             | 90.20           | 0.12        | 10,291.83             | 6,589.33     | 566.97       | 6,612.33                | 0.00                    | 0.00                   | 0.00                  |
| 16,000.00             | 90.20           | 0.12        | 10,291.48             | 6,689.33     | 567.18       | 6,712.13                | 0.00                    | 0.00                   | 0.00                  |
| 16,100.00             | 90.20           | 0.12        | 10,291.14             | 6,789.33     | 567.38       | 6,811.93                | 0.00                    | 0.00                   | 0.00                  |
| 16,200.00             | 90.20           | 0.12        | 10,290.79             | 6,889.33     | 567.59       | 6,911.73                | 0.00                    | 0.00                   | 0.00                  |
| 16,300.00             | 90.20           | 0.12        | 10,290.44             | 6,989.33     | 567.79       | 7,011.52                | 0.00                    | 0.00                   | 0.00                  |
| 16,400.00             | 90.20           | 0.12        | 10,290.09             | 7,089.33     | 567.99       | 7,111.32                | 0.00                    | 0.00                   | 0.00                  |
| 16,500.00             | 90.20           | 0.12        | 10,289.74             | 7,189.33     | 568.20       | 7,211.12                | 0.00                    | 0.00                   | 0.00                  |
| 16,600.00             | 90.20           | 0.12        | 10,289.39             | 7,289.33     | 568.40       | 7,310.91                | 0.00                    | 0.00                   | 0.00                  |
| 16,700.00             | 90.20           | 0.12        | 10,289.04             | 7,389.33     | 568.61       | 7,410.71                | 0.00                    | 0.00                   | 0.00                  |
| 16,800.00             | 90.20           | 0.12        | 10,288.69             | 7,489.33     | 568.81       | 7,510.51                | 0.00                    | 0.00                   | 0.00                  |
| 16,900.00             | 90.20           | 0.12        | 10,288.34             | 7,589.32     | 569.01       | 7,610.31                | 0.00                    | 0.00                   | 0.00                  |
| 17,000.00             | 90.20           | 0.12        | 10,287.99             | 7,689.32     | 569.22       | 7,710.10                | 0.00                    | 0.00                   | 0.00                  |
| 17,100.00             | 90.20           | 0.12        | 10,287.64             | 7,789.32     | 569.42       | 7,809.90                | 0.00                    | 0.00                   | 0.00                  |
| 17,200.00             | 90.20           | 0.12        | 10,287.30             | 7,889.32     | 569.63       | 7,909.70                | 0.00                    | 0.00                   | 0.00                  |
| 17,300.00             | 90.20           | 0.12        | 10,286.95             | 7,989.32     | 569.83       | 8,009.49                | 0.00                    | 0.00                   | 0.00                  |
| 17,400.00             | 90.20           | 0.12        | 10,286.60             | 8,089.32     | 570.04       | 8,109.29                | 0.00                    | 0.00                   | 0.00                  |
| 17,500.00             | 90.20           | 0.12        | 10,286.25             | 8,189.32     | 570.24       | 8,209.09                | 0.00                    | 0.00                   | 0.00                  |
| 17,600.00             | 90.20           | 0.12        | 10,285.90             | 8,289.32     | 570.44       | 8,308.89                | 0.00                    | 0.00                   | 0.00                  |
| 17,700.00             | 90.20           | 0.12        | 10,285.55             | 8,389.32     | 570.65       | 8,408.68                | 0.00                    | 0.00                   | 0.00                  |
| 17,800.00             | 90.20           | 0.12        | 10,285.20             | 8,489.32     | 570.85       | 8,508.48                | 0.00                    | 0.00                   | 0.00                  |
| 17,900.00             | 90.20           | 0.12        | 10,284.85             | 8,589.32     | 571.06       | 8,608.28                | 0.00                    | 0.00                   | 0.00                  |
| 17,998.67             | 90.20           | 0.12        | 10,284.51             | 8,687.98     | 571.26       | 8,706.74                | 0.00                    | 0.00                   | 0.00                  |
| TD at 17998.66        |                 |             |                       |              |              |                         |                         |                        |                       |

| Design Targets                                                                                   |               |              |            |              |              |                 |                |                    |                    |
|--------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|--------------------|--------------------|
| Target Name                                                                                      | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude           | Longitude          |
| - hit/miss target                                                                                |               |              |            |              |              |                 |                |                    |                    |
| - Shape                                                                                          |               |              |            |              |              |                 |                |                    |                    |
| BHL - Margarita 12 St                                                                            | -0.20         | 0.12         | 10,284.51  | 8,687.98     | 571.26       | 11,777,468.89   | 2,128,531.58   | 32° 26' 6.769454 N | 03° 25' 2.831150 W |
| - plan hits target center                                                                        |               |              |            |              |              |                 |                |                    |                    |
| - Rectangle (sides W0.00 H7,807.50 D20.00)                                                       |               |              |            |              |              |                 |                |                    |                    |
| FTP - Margarita 12 St                                                                            | 0.00          | 0.00         | 10,311.71  | 880.55       | 555.31       | 11,769,663.07   | 2,128,631.10   | 2° 24' 49.516108 N | 03° 25' 3.019108 W |
| - plan misses target center by 199.02usft at 10300.00usft MD (10174.72 TVD, 1024.92 N, 555.61 E) |               |              |            |              |              |                 |                |                    |                    |
| - Point                                                                                          |               |              |            |              |              |                 |                |                    |                    |



## Planning Report



|                  |                                        |                                     |                         |
|------------------|----------------------------------------|-------------------------------------|-------------------------|
| <b>Database:</b> | USA Compass                            | <b>Local Co-ordinate Reference:</b> | Well 502H               |
| <b>Company:</b>  | Centennial Resources Development, Inc. | <b>TVD Reference:</b>               | RKB @ 3614.90usft (TBD) |
| <b>Project:</b>  | Lea County, NM (NAD83 - UTM Zone 13)   | <b>MD Reference:</b>                | RKB @ 3614.90usft (TBD) |
| <b>Site:</b>     | Margarita 12 State Com                 | <b>North Reference:</b>             | True                    |
| <b>Well:</b>     | 502H                                   | <b>Survey Calculation Method:</b>   | Minimum Curvature       |
| <b>Wellbore:</b> | OH                                     |                                     |                         |
| <b>Design:</b>   | Plan 1 01-26-22                        |                                     |                         |

| Formations            |                       |                             |           |         |                   |  |
|-----------------------|-----------------------|-----------------------------|-----------|---------|-------------------|--|
| Measured Depth (usft) | Vertical Depth (usft) | Name                        | Lithology | Dip (°) | Dip Direction (°) |  |
| 1,714.90              | 1,714.90              | Rustler                     |           | -0.20   | 3.76              |  |
| 2,164.92              | 2,164.89              | Salado                      |           | -0.20   | 3.76              |  |
| 3,375.21              | 3,364.43              | BX BLM (Fletcher Anhydrite) |           | -0.20   | 3.76              |  |
| 3,618.78              | 3,604.30              | Base of Last Salt           |           | -0.20   | 3.76              |  |
| 3,699.97              | 3,684.26              | Yates                       |           | -0.20   | 3.76              |  |
| 4,126.22              | 4,104.03              | Capitan                     |           | -0.20   | 3.76              |  |
| 5,826.16              | 5,778.13              | Cherry Canyon               |           | -0.20   | 3.76              |  |
| 5,999.70              | 5,949.03              | Manzanita Lime              |           | -0.20   | 3.76              |  |
| 7,233.81              | 7,164.38              | Brushy Canyon               |           | -0.20   | 3.76              |  |
| 8,547.32              | 8,461.76              | Bone Spring Lime            |           | -0.20   | 3.76              |  |
| 8,727.64              | 8,641.72              | Avalon                      |           | -0.20   | 3.76              |  |
| 9,607.71              | 9,521.71              | First Bone Spring Sand      |           | -0.20   | 3.76              |  |
| 9,792.71              | 9,706.71              | Second Bone Spring Shale    |           | -0.20   | 3.76              |  |
| 10,151.66             | 10,056.51             | Second Bone Spring Sand     |           | -0.20   | 3.76              |  |

| Plan Annotations      |                       |                   |              |                                  |  |
|-----------------------|-----------------------|-------------------|--------------|----------------------------------|--|
| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates |              |                                  |  |
|                       |                       | +N/-S (usft)      | +E/-W (usft) | Comment                          |  |
| 2,000.00              | 2,000.00              | 0.00              | 0.00         | KOP, Begin 1.00°/100' Build      |  |
| 3,000.30              | 2,995.22              | 73.67             | 46.46        | Hold 10.00° Inc at 32.24° Azm    |  |
| 7,990.71              | 7,909.78              | 806.88            | 508.85       | Begin 1.00°/100' Drop            |  |
| 8,991.01              | 8,905.00              | 880.55            | 555.31       | Begin Vertical Hold              |  |
| 9,918.64              | 9,832.63              | 880.55            | 555.31       | KOP2, Begin 12.00°/100' Build    |  |
| 10,670.30             | 10,310.09             | 1,359.68          | 556.29       | LP, Hold 90.20° Inc at 0.12° Azm |  |
| 17,998.67             | 10,284.51             | 8,687.98          | 571.26       | TD at 17998.66                   |  |

Intent ☐ As Drilled ☐

|                |                |             |
|----------------|----------------|-------------|
| API #          |                |             |
| Operator Name: | Property Name: | Well Number |

## Kick Off Point (KOP)

|          |         |          |       |     |           |          |      |          |        |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| UL       | Section | Township | Range | Lot | Feet      | From N/S | Feet | From E/W | County |
| Latitude |         |          |       |     | Longitude |          |      |          | NAD    |

## First Take Point (FTP)

|          |         |          |       |     |           |          |      |          |        |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| UL       | Section | Township | Range | Lot | Feet      | From N/S | Feet | From E/W | County |
| Latitude |         |          |       |     | Longitude |          |      |          | NAD    |

## Last Take Point (LTP)

|          |         |          |       |     |           |          |      |          |        |
|----------|---------|----------|-------|-----|-----------|----------|------|----------|--------|
| UL       | Section | Township | Range | Lot | Feet      | From N/S | Feet | From E/W | County |
| Latitude |         |          |       |     | Longitude |          |      |          | NAD    |

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

Submit Electronically  
Via E-permitting

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

## 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:** Centennial Resource Prod, LLC OGRID: 372165 Date: 02 / 03 / 22

**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 |
|-----------------------------|-----|--------------|----------------|-----------------------|-----------------------|----------------------------------|
| Margarita 12 State Com 501H |     | B-12-22S-34E | 780FNL&1355FEL | 3600 BBL/D            | 4320 MCF/D            | 16200 BBL/D                      |
| Margarita 12 State Com 502H |     | B-12-22S-34E | 780FNL&1325FEL | 3600 BBL/D            | 4320 MCF/D            | 16200 BBL/D                      |
| Margarita 12 State Com 601H |     | A-12-22S-34E | 780FNL&1295FEL | 3800 BBL/D            | 4560 MCF/D            | 15200 BBL/D                      |
| Margarita 12 State Com 602H |     | A-12-22S-34E | 780FNL&1265FEL | 3800 BBL/D            | 4560 MCF/D            | 15200 BBL/D                      |

**IV. Central Delivery Point Name:** Chimichanga 12 State 601H CDP [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 |
|-----------------------------|-----|-----------|-----------------|------------------------------|------------------------|-----------------------|
| Margarita 12 State Com 501H |     | 10/31/22  | 11/8/22         | 12/1/22                      | 12/15/22               | 12/15/22              |
| Margarita 12 State Com 502H |     | 10/17/22  | 10/25/22        | 12/1/22                      | 12/15/22               | 12/15/22              |
| Margarita 12 State Com 601H |     | 5/16/22   | 5/24/22         | 8/2/22                       | 9/12/22                | 9/12/22               |
| Margarita 12 State Com 602H |     | 5/31/22   | 6/8/22          | 8/2/22                       | 9/12/22                | 9/12/22               |

**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.

Page 8

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:      |
| Printed Name: Stewart MacCallum                                                                  |
| Title: Director of Marketing                                                                     |
| E-mail Address: Stewart.MacCallum@cdevinc.com                                                    |
| Date: 3/3/2022                                                                                   |
| Phone: (720) 499-1458                                                                            |
| <b>OIL CONSERVATION DIVISION</b><br><b>(Only applicable when submitted as a standalone form)</b> |
| Approved By:                                                                                     |
| Title:                                                                                           |
| Approval Date:                                                                                   |
| Conditions of Approval:                                                                          |

## Centennial Resource Production, LLC (372165)

**Natural Gas Management Plan Descriptions****VI. Separation Equipment:**

Centennial utilizes a production forecast from our Reservoir Engineering team to appropriately size each permanent, 3-phase separator and heater treater utilized for production operations. Our goal is to maintain 5 minutes of retention time in the test vessel and 20 minutes in the heater treater at peak production rates. The gas produced is routed from the separator to the gas sales line.

**VII. Operational Practices:***Drilling*

During Centennial's drilling operations it is uncommon for venting or flaring to occur. If flaring is needed due to safety concerns, gas will be routed to a flare and volumes will be estimated.

*Flowback*

During completion/recompletion flowback operations, after separation flowback begins and as soon as it is technically feasible, Centennial routes gas through a permanent separator and the controlled facility where the gas is either sold or flared through a high-pressure flare if needed.

*Production*

Per 19.15.27.8.D, Centennial's facilities are designed to minimize waste. Our produced gas will only be vented or flared in an emergency or malfunction situation, except as allowed for normal operations noted in 19.15.27.8.D(2) & (4). All gas that is flared is metered. All gas that may be vented will be estimated.

*Performance Standards*

Centennial utilizes a production forecast from our Reservoir Engineering team to appropriately size each permanent, 3-phase separator and heater treater utilized for production operations.

All of Centennial's permanent storage tanks associated with production operations which are routed to a flare or control device are equipped with an automatic gauging system.

All of Centennial's flare stacks, both currently installed and for future installation, are:

- 1) Appropriately sized and designed to ensure proper combustion efficiency.
- 2) Equipped with an automatic ignitor or continuous pilot.
- 3) Anchored and located at least 100 feet from the well and storage tanks.

Centennial's field operations and HSE teams have implemented an AVO inspection schedule that adheres to the requirements of 19.15.27.8.E(5).

All of our operations and facilities are designed to minimize waste. We routinely employ the following methods and practices:

- Closed-loop systems
- Enclosed and properly sized tanks

## Centennial Resource Production, LLC (372165)

- Vapor recovery units to maximize recovery of low-pressure gas streams and potential unauthorized emissions
- Low-emitting or electric engines whenever practical
- Combustors and flare stacks in the event of a malfunction or emergency
- Routine facility inspections to identify leaking components, functioning control devices, such as flares and combustors, and repair / replacement of malfunctioning components where applicable

*Measurement or estimation*

Centennial measures or estimates the volumes of natural gas vented, flared and/or beneficially used for all of our drilling, completing and producing wells. We utilize accepted industry standards and methodology which can be independently verified. Annual GOR testing is completed on our wells and will be submitted as required by the OCD. None of our equipment is designed to allow diversion around metering elements except during inspection, maintenance and repair operations.

**VIII. Best Management Practices:**

Centennial utilizes the following BMPs to minimize venting during active and planned maintenance activities:

- Use a closed-loop process wherever possible during planned maintenance activities, such as blowdowns, liquid removal, and work over operations.
- Employ low-emitting or electric engines for equipment, such as compressors
- Adhere to a strict preventative maintenance program which includes routine facility inspections, identification of component malfunctions, and repairing or replacing components such as hatches, seals, valves, etc. where applicable
- Utilize vapor recovery units (VRU's) to maximize recovery of volumes of low-pressure gas streams and potential unauthorized emissions
- Route low pressure gas and emissions streams to a combustion device to prevent venting where necessary