Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: NMNM0033865

6. If Indian, Allotee or Tribe Name:

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.:

8. Lease Name and Well No.: RED LAKE 33 FEDERAL COM 7H

2. Name of Operator: SPUR ENERGY PARTNERS LLC

9. API Well No.: 30-015-49408

3a. Address: 920 MEMORIAL CITY WAY STE 1000 HOUSTON TX 770

3b. Phone No. *(include area code)*: (281)795-2286

10. Field and Pool, or Exploratory: RED LAKE / GLORIETA-YESO

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface: NESW / 2171 FSL / 2290 FWL / LAT 32.7894246 / LONG -104.2843821

At proposed prod. zone: NWSW / 2340 FSL / 50 FWL / LAT 32.7904772 / LONG -104.3089954

11. Sec., T. R. M. or Blk. and Survey or Area: SEC 33 / T17S / R27E / NMP

14. Distance in miles and direction from nearest town or post office*

12. County or Parish: EDDY

13. State: NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any): 1 feet

16. No of acres in lease:

17. Spacing Unit dedicated to this well: 240

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: 20 feet

19. Proposed Depth: 3650 feet / 11514 feet

20. BLM/BIA Bond No. in file:

21. Elevations (Show whether DF, KDB, RT, GL, etc.): 3521 feet

22. Approximate date work will start*: 05/01/2022

23. Estimated duration: 10 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature: (Electronic Submission)

Name *(Printed/Typed)*: SARAH CHAPMAN / Ph: (832)930-8613

Date: 03/01/2019

Title: Regulatory Directory

Approved by *(Signature)*: (Electronic Submission)

Name *(Printed/Typed)*: Cody Layton / Ph: (575)234-5959

Date: 03/07/2022

Title: Assistant Field Manager Lands & Minerals

Office: CARLSBAD

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVED WITH CONDITIONS

(Continued on page 2)

*(Instructions on page 2)

Approval Date: 03/07/2022

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-015- 49408	51120	RED LAKE; GLORIETA-YESO

4 Property Code	5 Property Name	6 Well Number
332720	RED LAKE 33 FEDERAL COM	7H

7 OGRID NO.	8 Operator Name	9 Elevation
328947	SPUR ENERGY PARTNERS LLC.	3521'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
K	33	17S	27E		2171	SOUTH	2290	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	32	17S	27E		2340	SOUTH	50	WEST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
240			

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

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GEODETIC DATA
NAD 83 GRID – NM EAST

SURFACE LOCATION (SL)
N: 650928.4 – E: 556380.4
LAT: 32.7894246° N
LONG: 104.2843821° W

FIRST TAKE POINT (FTP)
2516' FSL & 2515' FWL SEC 33
N: 651264.6 – E: 556598.4
LAT: 32.7903483° N
LONG: 104.2836720° W

LAST TAKE POINT (LTP)
2341' FSL & 100' FWL SEC 32
N: 651308.4 – E: 548866.5
LAT: 32.7904761° N
LONG: 104.3088328° W

BOTTOM HOLE (BH)
N: 651308.8 – E: 548816.5
LAT: 32.7904772° N
LONG: 104.3089954° W

CORNER DATA
NAD 83 GRID – NM EAST

A: FOUND BRASS CAP "1941"
N: 648970.6 – E: 548724.7

B: FOUND BRASS CAP "1941"
N: 651525.8 – E: 548770.4

C: FOUND BRASS CAP "1941"
N: 654078.0 – E: 548816.7

D: FOUND BRASS CAP "1941"
N: 654056.4 – E: 551501.0

E: FOUND BRASS CAP "1941"
N: 654037.2 – E: 554186.5

F: FOUND BRASS CAP "1941"
N: 654033.7 – E: 556720.4

G: FOUND BRASS CAP "1941"
N: 654030.2 – E: 559253.9

H: FOUND BRASS CAP "1941"
N: 651379.9 – E: 559254.2

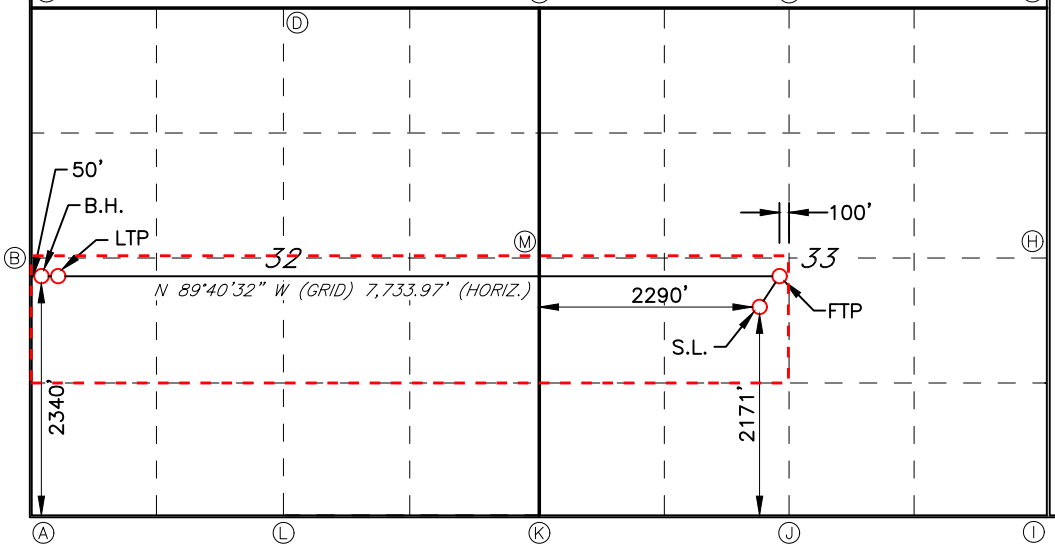
I: FOUND BRASS CAP "1941"
N: 648731.5 – E: 559255.2

J: FOUND BRASS CAP "1941"
N: 648746.6 – E: 556678.3

K: FOUND BRASS CAP "1941"
N: 648833.7 – E: 553990.1

L: FOUND BRASS CAP "1941"
N: 648902.9 – E: 551358.1

M: FOUND BRASS CAP "1941"
N: 651435.4 – E: 554088.9



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Sarah Chapman 04/21/2021
Signature Date

SARAH CHAPMAN
Printed Name

SCHAPMAN@SPUREPLLC.COM
E-mail Address

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

12-21-2020
Date of Survey

Signature and Seal of Professional Surveyor:

ROBERT M. HOWETT
NEW MEXICO
19680
PROFESSIONAL SURVEYOR

19680
Certificate Number

REV:BH, LTP & FTP MOVE-3/16/21

LS20120813R

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: SPUR ENERGY PARTNERS LLC **OGRID:** 328947 **Date:** 03 / 24 / 2022

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

If Other, please describe: _____

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

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
RED LAKE 33 FEDERAL COM 4H	30-015-	K-33-17S-27E	2169' FSL 2230' FWL	304 BBL/D	608 MCF/D	2738 BBL/D
RED LAKE 33 FEDERAL COM 5H	30-015-	K-33-17S-27E	2170' FSL 2270' FWL	147 BBL/D	147 MCF/D	1616 BBL/D
RED LAKE 33 FEDERAL COM 6H	30-015-	K-33-17S-27E	2172' FSL 2310' FWL	207 BBL/D	145 MCF/D	1425 BBL/D
RED LAKE 33 FEDERAL COM 7H	30-015-	K-33-17S-27E	2171' FSL 2290' FWL	259 BBL/D	181 MCF/D	1425 BBL/D
RED LAKE 33 FEDERAL COM 8H	30-015-	K-33-17S-27E	2170' FSL 2250' FWL	243 BBL/D	730 MCF/D	2738 BBL/D

IV. Central Delivery Point Name: RED LAKE 33 FEDERAL COM NORTH TANK BATTERY [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
RED LAKE 33 FEDERAL COM 4H	30-015-	12/19/2023	12/28/2023	01/05/2024	01/18/2024	01/18/2024
RED LAKE 33 FEDERAL COM 5H	30-015-	12/10/2023	12/18/2023	01/05/2024	01/18/2024	01/18/2024
RED LAKE 33 FEDERAL COM 6H	30-015-	12/01/2023	12/08/2023	01/05/2024	01/18/2024	01/18/2024
RED LAKE 33 FEDERAL COM 7H	30-015-	11/22/2023	11/30/2023	01/05/2024	01/18/2024	01/18/2024
RED LAKE 33 FEDERAL COM 8H	30-015-	12/29/2023	01/04/2024	01/05/2024	01/18/2024	01/18/2024

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

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

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

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

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

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

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

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

Section 3 - Certifications

Effective May 25, 2021

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

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

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

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

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

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

Section 4 - Notices

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

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

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

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

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

Signature:	Sarah Chapman
Printed Name:	SARAH CHAPMAN
Title:	REGULATORY DIRECTOR
E-mail Address:	SCHAPMAN@SPURENERGY.COM
Date:	03/24/2022
Phone:	832-930-8613

OIL CONSERVATION DIVISION

(Only applicable when submitted as a standalone form)

Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

Spur Energy Partners LLC – Red Lake 33 Federal Com 7H

1. Geologic Formations

TVD of target	3650'
MD at TD	11514'

Formation	Depth	Lithology	Expected Fluids
Quaternary	0'	Dolomite, other: Caliche	Useable Water
Seven Rivers	275'	Sandstone, Dolomite	Natural Gas, Oil
Queen	775'	Sandstone, Dolomite	Natural Gas, Oil
Grayburg	970'	Limestone, Dolomite	Natural Gas, Oil
San Andres	1485'	Limestone, Dolomite	Natural Gas, Oil
Glorieta	2825'	Dolomite, Siltstone	Natural Gas, Oil
Top Yeso	2905'	Dolomite	Natural Gas, Oil
Drinkard	4460'	Dolomite	Natural Gas, Oil
Base of Yeso	5000'	Dolomite	Natural Gas, Oil

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Primary Plan:

Hole Size (in)	Casing Interval		Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	Body SF Tension	Joint SF Tension
	From (ft)	To (ft)								
12.25	0	1500	9.625	36	J-55	BTC	1.125	1.2	1.4	1.4
8.75	0	4050	7	32	L-80	BK-HT	1.125	1.2	1.4	1.4
8.75	4050	11514	5.5	20	L-80	BK-HT	1.125	1.2	1.4	1.4
							SF Values will meet or Exceed			

Spur Energy Partners LLC – Red Lake 33 Federal Com 7H

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Primary Plan:

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	0	950	100%
Surface (Tail)	950	1500	165%
Production (Lead)	0	3050	0%
Production (Tail)	3050	11514	50%

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	270	12.2	2.31	13.48	8:12	Clas C Premium Plus Cement
Surface (Tail)	259	13.2	1.84	9.92	6:59	Clas C Premium Plus Cement
Production (Lead)	191	10.8	2.54	15.29	N/A	Clas C Premium Plus Cement
Production (Tail)	1691	13	1.81	9.81	N/A	Clas C Premium Plus Cement

Spur Energy Partners LLC – Red Lake 33 Federal Com 7H

4. Pressure Control Equipment

Spur Energy Partners LLC variance for flex hose

1. Spur requests a variance to use a flex line from the BOP to the choke manifold. Documentation will be attached in the APD and be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no bends).

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12.25" Hole	13-5/8”	5M	Annular	✓	70% of working pressure
		5M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram	✓	
			Double Ram		
			Other*		
8.75" Hole	13-5/8”	5M	Annular	✓	70% of working pressure
		5M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram	✓	
			Double Ram		
			Other*		

Spur Energy Partners LLC will be utilizing a 5M BOP

Condition	Specify what type and where?
BH Pressure at deepest TVD	1727 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	110°F

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.	
	Y	Are anchors required by manufacturer?

Spur Energy Partners LLC – Red Lake 33 Federal Com 7H

	A conventional wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. See attached schematics.

5. BOP Break Testing Request

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as follows:

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill the production section, where the surface casing point is shallower than the 3 Bone Spring or 10,000 TVD.
- When skidding to drill a production section that does not penetrate the 3rd Bone Spring or deeper.

If the kill line is broken prior to skid, four tests will be performed.

1) The void between the wellhead and the spool (this consists of two tests)
2) The spool between the kill lines and the choke manifold (this consists of two tests)

If the kill line is not broken prior to skid, two tests will be performed.

1) The void between the wellhead and the pipe rams

6. Mud Program

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Spur will use a closed mud system.

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	1500	Water-Based Mud	8.6-8.9	32-36	N/C
1500	11514	Water-Based Mud	8.6-8.9	32-36	N/C

What will be used to monitor the loss or gain of fluid?	PVT/PASON/Visual Monitoring

Spur Energy Partners LLC – Red Lake 33 Federal Com 7H

7. Logging and Testing Procedures

Logging, Coring and Testing.	
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned		**Interval**
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	ICP - TD
No	PEX	

8. Drilling Conditions

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

Total estimated cuttings volume: 1075 bbls**.**

Spur Energy Partners LLC – Red Lake 33 Federal Com 7H

9. Other facets of operation

	Yes/No
Will more than one drilling rig be used for drilling operations? If yes, describe. Spur Energy Partners LLC. requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Spur Energy Partners LLC. would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Attachments
_x__ Directional Plan
_x__ H2S Contingency Plan
_x__ Akita 57 Attachments
_x__ BOP Schematics
_x__ Transcend Spudder Rig Attachments

10. Company Personnel

Name	Title	Office Phone	Mobile Phone
Christopher Hollis	Drilling Manager	832-930-8629	713-380-7754
Johnny Nabors	Senior Vice President Operations	832-930-8502	281-904-8811

Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME)
RED LAKE 33 FED COM
#7H

Wellbore #1

Plan: Plan #1

Standard Planning Report

28 April, 2021

SPUR ENERGY PARTNERS

Planning Report

WELLBENDERS DIRECTIONAL SERVICES

Database:	WBDS_SQL_2	**Local Co-ordinate Reference:**	Well #7H
Company:	Spur Energy Partners, LLC	**TVD Reference:**	RKB = 20' @ 3541.00usft
Project:	Eddy County, NM (NAD 83 - NME)	**MD Reference:**	RKB = 20' @ 3541.00usft
Site:	RED LAKE 33 FED COM	**North Reference:**	Grid
Well:	#7H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Project Eddy County, NM (NAD 83 - NME)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site RED LAKE 33 FED COM

Site Position:		**Northing:**	653,242.90 usft	**Latitude:**	32.7957871
From:	Map	**Easting:**	555,677.40 usft	**Longitude:**	-104.2866662
Position Uncertainty:	0.00 usft	**Slot Radius:**	13.200 in	**Grid Convergence:**	0.025 °

Well #7H

Well Position	**+N/-S**	-2,314.50 usft	**Northing:**	650,928.40 usft	**Latitude:**	32.7894245
	+E/-W	703.00 usft	**Easting:**	556,380.40 usft	**Longitude:**	-104.2843819
Position Uncertainty		0.00 usft	**Wellhead Elevation:**		**Ground Level:**	3,521.00 usft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2020	4/26/2021	6.936	60.311	47,766.85168082

Design Plan #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	270.33

Plan Survey Tool Program **Date** 4/26/2021

	Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	11,514.84	Plan #1 (Wellbore #1)	MWD+IGRF	
				OWSG MWD + IGRF or WM	

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.000	
1,049.76	15.00	61.52	1,041.23	46.52	85.75	2.00	2.00	0.00	61.519	
2,840.75	15.00	61.52	2,771.23	267.50	493.07	0.00	0.00	0.00	0.000	
3,757.54	60.00	270.33	3,553.00	335.96	152.52	8.00	4.91	-16.49	-154.174	
3,957.54	60.00	270.33	3,653.00	336.95	-20.69	0.00	0.00	0.00	0.000	
4,263.84	90.63	270.33	3,729.73	338.64	-313.46	10.00	10.00	0.00	0.000	
11,514.84	90.63	270.33	3,650.00	380.40	-7,563.90	0.00	0.00	0.00	0.000	PLAT 7H BHL: 234(

SPUR ENERGY PARTNERS

Planning Report

WELLBENDERS DIRECTIONAL SERVICES

Database:	WBDS_SQL_2	**Local Co-ordinate Reference:**	Well #7H
Company:	Spur Energy Partners, LLC	**TVD Reference:**	RKB = 20' @ 3541.00usft
Project:	Eddy County, NM (NAD 83 - NME)	**MD Reference:**	RKB = 20' @ 3541.00usft
Site:	RED LAKE 33 FED COM	**North Reference:**	Grid
Well:	#7H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PLAT 7H SHL: 2171' FSL & 2290' FWL									
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	2.00	61.52	399.98	0.83	1.53	-1.53	2.00	2.00	0.00
500.00	4.00	61.52	499.84	3.33	6.13	-6.11	2.00	2.00	0.00
600.00	6.00	61.52	599.45	7.48	13.79	-13.75	2.00	2.00	0.00
700.00	8.00	61.52	698.70	13.29	24.51	-24.43	2.00	2.00	0.00
800.00	10.00	61.52	797.47	20.75	38.26	-38.14	2.00	2.00	0.00
900.00	12.00	61.52	895.62	29.85	55.03	-54.85	2.00	2.00	0.00
1,000.00	14.00	61.52	993.06	40.58	74.80	-74.56	2.00	2.00	0.00
1,049.76	15.00	61.52	1,041.23	46.52	85.75	-85.48	2.00	2.00	0.00
1,100.00	15.00	61.52	1,089.76	52.72	97.17	-96.87	0.00	0.00	0.00
1,200.00	15.00	61.52	1,186.35	65.06	119.92	-119.54	0.00	0.00	0.00
1,300.00	15.00	61.52	1,282.95	77.40	142.66	-142.21	0.00	0.00	0.00
1,400.00	15.00	61.52	1,379.54	89.73	165.40	-164.88	0.00	0.00	0.00
1,500.00	15.00	61.52	1,476.14	102.07	188.14	-187.55	0.00	0.00	0.00
1,600.00	15.00	61.52	1,572.73	114.41	210.89	-210.22	0.00	0.00	0.00
1,700.00	15.00	61.52	1,669.33	126.75	233.63	-232.89	0.00	0.00	0.00
1,800.00	15.00	61.52	1,765.92	139.09	256.37	-255.57	0.00	0.00	0.00
1,900.00	15.00	61.52	1,862.52	151.42	279.11	-278.24	0.00	0.00	0.00
2,000.00	15.00	61.52	1,959.11	163.76	301.86	-300.91	0.00	0.00	0.00
2,100.00	15.00	61.52	2,055.71	176.10	324.60	-323.58	0.00	0.00	0.00
2,200.00	15.00	61.52	2,152.30	188.44	347.34	-346.25	0.00	0.00	0.00
2,300.00	15.00	61.52	2,248.90	200.78	370.08	-368.92	0.00	0.00	0.00
2,400.00	15.00	61.52	2,345.49	213.12	392.83	-391.59	0.00	0.00	0.00
2,500.00	15.00	61.52	2,442.09	225.45	415.57	-414.26	0.00	0.00	0.00
2,600.00	15.00	61.52	2,538.68	237.79	438.31	-436.94	0.00	0.00	0.00
2,700.00	15.00	61.52	2,635.27	250.13	461.05	-459.61	0.00	0.00	0.00
2,800.00	15.00	61.52	2,731.87	262.47	483.80	-482.28	0.00	0.00	0.00
2,840.75	15.00	61.52	2,771.23	267.50	493.07	-491.52	0.00	0.00	0.00
PLAN 7H KOP: 2840.75' MD									
2,850.00	14.33	60.22	2,780.18	268.64	495.11	-493.56	8.00	-7.16	-14.08
2,900.00	10.92	50.57	2,828.97	274.72	504.14	-502.55	8.00	-6.82	-19.30
2,950.00	8.06	33.35	2,878.29	280.66	509.73	-508.11	8.00	-5.72	-34.43
3,000.00	6.52	3.77	2,927.90	286.43	511.85	-510.19	8.00	-3.08	-59.15
3,050.00	7.21	330.31	2,977.56	291.99	510.48	-508.79	8.00	1.37	-66.94
3,100.00	9.66	308.38	3,027.03	297.32	505.63	-503.91	8.00	4.90	-43.85
3,150.00	12.90	296.26	3,076.06	302.39	497.34	-495.59	8.00	6.49	-24.23
3,200.00	16.48	289.13	3,124.43	307.19	485.63	-483.85	8.00	7.15	-14.27
3,250.00	20.21	284.53	3,171.88	311.68	470.56	-468.76	8.00	7.46	-9.21
3,300.00	24.02	281.32	3,218.19	315.85	452.22	-450.39	8.00	7.63	-6.41
3,350.00	27.89	278.95	3,263.14	319.67	430.68	-428.83	8.00	7.73	-4.73
3,400.00	31.78	277.12	3,306.51	323.12	406.05	-404.18	8.00	7.79	-3.66
3,450.00	35.70	275.66	3,348.08	326.19	378.46	-376.57	8.00	7.83	-2.93
3,500.00	39.63	274.45	3,387.65	328.87	348.03	-346.13	8.00	7.86	-2.42
3,550.00	43.57	273.42	3,425.04	331.13	314.92	-313.01	8.00	7.88	-2.05
3,600.00	47.52	272.54	3,460.05	332.98	279.28	-277.36	8.00	7.90	-1.77
3,650.00	51.48	271.76	3,492.51	334.40	241.30	-239.37	8.00	7.91	-1.56
3,700.00	55.44	271.06	3,522.28	335.38	201.15	-199.21	8.00	7.92	-1.40
3,750.00	59.40	270.42	3,549.20	335.91	159.03	-157.09	8.00	7.93	-1.27
3,757.54	60.00	270.33	3,553.00	335.96	152.52	-150.58	8.00	7.93	-1.21

SPUR ENERGY PARTNERS

Planning Report

WELLBENDERS DIRECTIONAL SERVICES

Database:	WBDS_SQL_2	**Local Co-ordinate Reference:**	Well #7H
Company:	Spur Energy Partners, LLC	**TVD Reference:**	RKB = 20' @ 3541.00usft
Project:	Eddy County, NM (NAD 83 - NME)	**MD Reference:**	RKB = 20' @ 3541.00usft
Site:	RED LAKE 33 FED COM	**North Reference:**	Grid
Well:	#7H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,791.83	60.00	270.33	3,570.15	336.13	122.82	-120.88	0.00	0.00	0.00
PLAT 7H FTP: 2516' FSL & 2515' FWL									
3,800.00	60.00	270.33	3,574.23	336.17	115.75	-113.81	0.00	0.00	0.00
3,900.00	60.00	270.33	3,624.23	336.67	29.15	-27.21	0.00	0.00	0.00
3,957.54	60.00	270.33	3,653.00	336.95	-20.69	22.63	0.00	0.00	0.00
4,000.00	64.25	270.33	3,672.85	337.17	-58.21	60.15	10.00	10.00	0.00
4,050.00	69.25	270.33	3,692.58	337.43	-104.13	106.07	10.00	10.00	0.00
4,100.00	74.25	270.33	3,708.24	337.71	-151.60	153.54	10.00	10.00	0.00
4,150.00	79.25	270.33	3,719.70	337.99	-200.25	202.19	10.00	10.00	0.00
4,200.00	84.25	270.33	3,726.88	338.27	-249.72	251.66	10.00	10.00	0.00
4,250.00	89.25	270.33	3,729.71	338.56	-299.62	301.56	10.00	10.00	0.00
4,263.84	90.63	270.33	3,729.73	338.64	-313.46	315.40	10.00	10.00	0.00
PLAN 7H LP: 4263.84' MD									
4,300.00	90.63	270.33	3,729.33	338.85	-349.62	351.56	0.00	0.00	0.00
4,400.00	90.63	270.33	3,728.23	339.42	-449.61	451.56	0.00	0.00	0.00
4,500.00	90.63	270.33	3,727.13	340.00	-549.60	551.55	0.00	0.00	0.00
4,600.00	90.63	270.33	3,726.03	340.58	-649.59	651.54	0.00	0.00	0.00
4,700.00	90.63	270.33	3,724.93	341.15	-749.59	751.54	0.00	0.00	0.00
4,800.00	90.63	270.33	3,723.83	341.73	-849.58	851.53	0.00	0.00	0.00
4,900.00	90.63	270.33	3,722.73	342.30	-949.57	951.53	0.00	0.00	0.00
5,000.00	90.63	270.33	3,721.63	342.88	-1,049.56	1,051.52	0.00	0.00	0.00
5,100.00	90.63	270.33	3,720.53	343.46	-1,149.55	1,151.51	0.00	0.00	0.00
5,200.00	90.63	270.33	3,719.43	344.03	-1,249.55	1,251.51	0.00	0.00	0.00
5,300.00	90.63	270.33	3,718.33	344.61	-1,349.54	1,351.50	0.00	0.00	0.00
5,400.00	90.63	270.33	3,717.23	345.18	-1,449.53	1,451.50	0.00	0.00	0.00
5,500.00	90.63	270.33	3,716.14	345.76	-1,549.52	1,551.49	0.00	0.00	0.00
5,600.00	90.63	270.33	3,715.04	346.34	-1,649.52	1,651.48	0.00	0.00	0.00
5,700.00	90.63	270.33	3,713.94	346.91	-1,749.51	1,751.48	0.00	0.00	0.00
5,800.00	90.63	270.33	3,712.84	347.49	-1,849.50	1,851.47	0.00	0.00	0.00
5,900.00	90.63	270.33	3,711.74	348.06	-1,949.49	1,951.47	0.00	0.00	0.00
6,000.00	90.63	270.33	3,710.64	348.64	-2,049.49	2,051.46	0.00	0.00	0.00
6,100.00	90.63	270.33	3,709.54	349.21	-2,149.48	2,151.45	0.00	0.00	0.00
6,200.00	90.63	270.33	3,708.44	349.79	-2,249.47	2,251.45	0.00	0.00	0.00
6,300.00	90.63	270.33	3,707.34	350.37	-2,349.46	2,351.44	0.00	0.00	0.00
6,400.00	90.63	270.33	3,706.24	350.94	-2,449.45	2,451.43	0.00	0.00	0.00
6,500.00	90.63	270.33	3,705.14	351.52	-2,549.45	2,551.43	0.00	0.00	0.00
6,600.00	90.63	270.33	3,704.04	352.09	-2,649.44	2,651.42	0.00	0.00	0.00
6,700.00	90.63	270.33	3,702.94	352.67	-2,749.43	2,751.42	0.00	0.00	0.00
6,800.00	90.63	270.33	3,701.84	353.25	-2,849.42	2,851.41	0.00	0.00	0.00
6,900.00	90.63	270.33	3,700.74	353.82	-2,949.42	2,951.40	0.00	0.00	0.00
7,000.00	90.63	270.33	3,699.64	354.40	-3,049.41	3,051.40	0.00	0.00	0.00
7,100.00	90.63	270.33	3,698.54	354.97	-3,149.40	3,151.39	0.00	0.00	0.00
7,200.00	90.63	270.33	3,697.44	355.55	-3,249.39	3,251.39	0.00	0.00	0.00
7,300.00	90.63	270.33	3,696.34	356.13	-3,349.38	3,351.38	0.00	0.00	0.00
7,400.00	90.63	270.33	3,695.24	356.70	-3,449.38	3,451.37	0.00	0.00	0.00
7,500.00	90.63	270.33	3,694.14	357.28	-3,549.37	3,551.37	0.00	0.00	0.00
7,600.00	90.63	270.33	3,693.05	357.85	-3,649.36	3,651.36	0.00	0.00	0.00
7,700.00	90.63	270.33	3,691.95	358.43	-3,749.35	3,751.36	0.00	0.00	0.00
7,800.00	90.63	270.33	3,690.85	359.01	-3,849.35	3,851.35	0.00	0.00	0.00
7,900.00	90.63	270.33	3,689.75	359.58	-3,949.34	3,951.34	0.00	0.00	0.00
8,000.00	90.63	270.33	3,688.65	360.16	-4,049.33	4,051.34	0.00	0.00	0.00
8,100.00	90.63	270.33	3,687.55	360.73	-4,149.32	4,151.33	0.00	0.00	0.00
8,200.00	90.63	270.33	3,686.45	361.31	-4,249.32	4,251.33	0.00	0.00	0.00
8,300.00	90.63	270.33	3,685.35	361.89	-4,349.31	4,351.32	0.00	0.00	0.00

Planning Report

Database:	WBDS_SQL_2	**Local Co-ordinate Reference:**	Well #7H
Company:	Spur Energy Partners, LLC	**TVD Reference:**	RKB = 20' @ 3541.00usft
Project:	Eddy County, NM (NAD 83 - NME)	**MD Reference:**	RKB = 20' @ 3541.00usft
Site:	RED LAKE 33 FED COM	**North Reference:**	Grid
Well:	#7H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,400.00	90.63	270.33	3,684.25	362.46	-4,449.30	4,451.31	0.00	0.00	0.00
8,500.00	90.63	270.33	3,683.15	363.04	-4,549.29	4,551.31	0.00	0.00	0.00
8,600.00	90.63	270.33	3,682.05	363.61	-4,649.28	4,651.30	0.00	0.00	0.00
8,700.00	90.63	270.33	3,680.95	364.19	-4,749.28	4,751.30	0.00	0.00	0.00
8,800.00	90.63	270.33	3,679.85	364.76	-4,849.27	4,851.29	0.00	0.00	0.00
8,900.00	90.63	270.33	3,678.75	365.34	-4,949.26	4,951.28	0.00	0.00	0.00
9,000.00	90.63	270.33	3,677.65	365.92	-5,049.25	5,051.28	0.00	0.00	0.00
9,100.00	90.63	270.33	3,676.55	366.49	-5,149.25	5,151.27	0.00	0.00	0.00
9,200.00	90.63	270.33	3,675.45	367.07	-5,249.24	5,251.27	0.00	0.00	0.00
9,300.00	90.63	270.33	3,674.35	367.64	-5,349.23	5,351.26	0.00	0.00	0.00
9,400.00	90.63	270.33	3,673.25	368.22	-5,449.22	5,451.25	0.00	0.00	0.00
9,500.00	90.63	270.33	3,672.15	368.80	-5,549.22	5,551.25	0.00	0.00	0.00
9,600.00	90.63	270.33	3,671.05	369.37	-5,649.21	5,651.24	0.00	0.00	0.00
9,700.00	90.63	270.33	3,669.95	369.95	-5,749.20	5,751.24	0.00	0.00	0.00
9,800.00	90.63	270.33	3,668.86	370.52	-5,849.19	5,851.23	0.00	0.00	0.00
9,900.00	90.63	270.33	3,667.76	371.10	-5,949.18	5,951.22	0.00	0.00	0.00
10,000.00	90.63	270.33	3,666.66	371.68	-6,049.18	6,051.22	0.00	0.00	0.00
10,100.00	90.63	270.33	3,665.56	372.25	-6,149.17	6,151.21	0.00	0.00	0.00
10,200.00	90.63	270.33	3,664.46	372.83	-6,249.16	6,251.21	0.00	0.00	0.00
10,300.00	90.63	270.33	3,663.36	373.40	-6,349.15	6,351.20	0.00	0.00	0.00
10,400.00	90.63	270.33	3,662.26	373.98	-6,449.15	6,451.19	0.00	0.00	0.00
10,500.00	90.63	270.33	3,661.16	374.56	-6,549.14	6,551.19	0.00	0.00	0.00
10,600.00	90.63	270.33	3,660.06	375.13	-6,649.13	6,651.18	0.00	0.00	0.00
10,700.00	90.63	270.33	3,658.96	375.71	-6,749.12	6,751.18	0.00	0.00	0.00
10,800.00	90.63	270.33	3,657.86	376.28	-6,849.12	6,851.17	0.00	0.00	0.00
10,900.00	90.63	270.33	3,656.76	376.86	-6,949.11	6,951.16	0.00	0.00	0.00
11,000.00	90.63	270.33	3,655.66	377.43	-7,049.10	7,051.16	0.00	0.00	0.00
11,100.00	90.63	270.33	3,654.56	378.01	-7,149.09	7,151.15	0.00	0.00	0.00
11,200.00	90.63	270.33	3,653.46	378.59	-7,249.08	7,251.14	0.00	0.00	0.00
11,300.00	90.63	270.33	3,652.36	379.16	-7,349.08	7,351.14	0.00	0.00	0.00
11,400.00	90.63	270.33	3,651.26	379.74	-7,449.07	7,451.13	0.00	0.00	0.00
11,464.84	90.63	270.33	3,650.55	380.11	-7,513.90	7,515.96	0.00	0.00	0.00
PLAT 7H LTP: 2341' FSL & 100' FWL									
11,500.00	90.63	270.33	3,650.16	380.31	-7,549.06	7,551.13	0.00	0.00	0.00
11,514.84	90.63	270.33	3,650.00	380.40	-7,563.90	7,565.97	0.00	0.00	0.00
PLAT 7H BHL: 2340' FSL & 50' FWL									

Planning Report

Database:	WBDS_SQL_2	**Local Co-ordinate Reference:**	Well #7H
Company:	Spur Energy Partners, LLC	**TVD Reference:**	RKB = 20' @ 3541.00usft
Project:	Eddy County, NM (NAD 83 - NME)	**MD Reference:**	RKB = 20' @ 3541.00usft
Site:	RED LAKE 33 FED COM	**North Reference:**	Grid
Well:	#7H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Design Targets

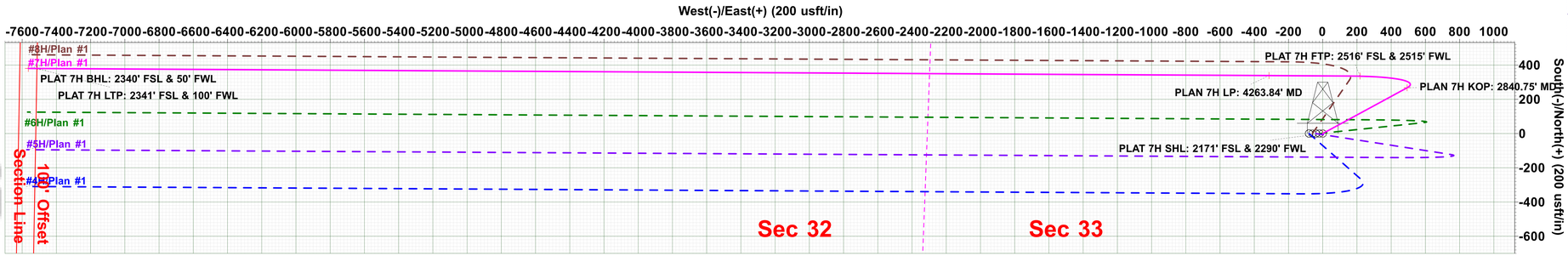
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PLAT 7H SHL: 2171' F - plan hits target center - Point	0.00	0.00	0.00	0.00	0.00	650,928.40	556,380.40	32.7894245	-104.2843819
PLAN 7H KOP: 2840. - plan hits target center - Point	0.00	0.00	2,771.23	267.50	493.07	651,195.90	556,873.47	32.7901591	-104.2827770
PLAT 7H BHL: 2340' F - plan hits target center - Point	0.00	0.00	3,650.00	380.40	-7,563.90	651,308.80	548,816.50	32.7904773	-104.3089955
PLAT 7H LTP: 2341' F - plan misses target center by 0.11usft at 11464.84usft MD (3650.55 TVD, 380.11 N, -7513.90 E) - Point	0.00	0.01	3,650.55	380.00	-7,513.90	651,308.40	548,866.50	32.7904762	-104.3088328
PLAN 7H LP: 4263.84 - plan hits target center - Point	0.00	0.00	3,729.73	338.64	-313.46	651,267.04	556,066.94	32.7903557	-104.2854014
PLAT 7H FTP: 2516' F - plan misses target center by 190.36usft at 3791.83usft MD (3570.15 TVD, 336.13 N, 122.82 E) - Point	0.00	0.01	3,735.00	336.20	218.00	651,264.60	556,598.40	32.7903483	-104.2836720

Company: Spur Energy Partners, LLC
Project: Eddy County, NM (NAD 83 - NME)
Site: RED LAKE 33 FED COM
Well: #7H
Wellbore: Wellbore #1
Rig:
Design: Plan #1 / 9:01, April 28 2021

WELL DETAILS: #7H

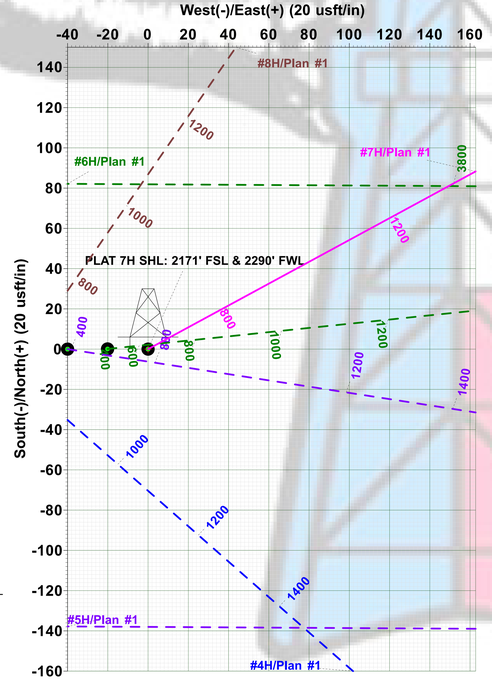
RKB = 20' @ 3541.00usft
3521.00

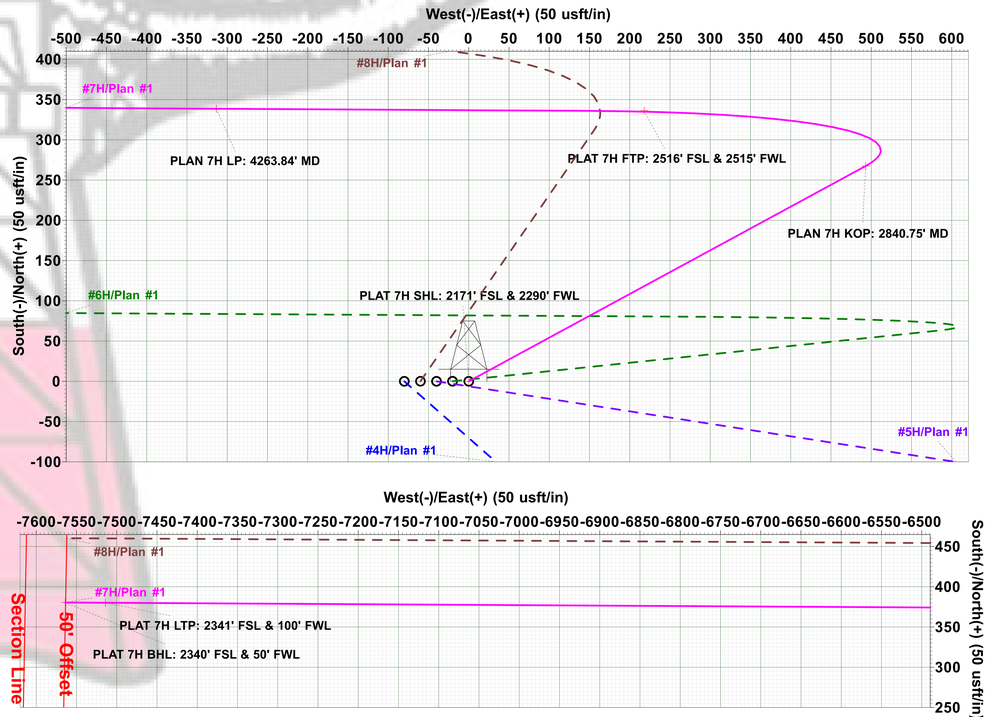
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	650928.40	556380.40	32.7894245	-104.2843819



DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
PLAT 7H SHL: 2171' FSL & 2290' FWL	0.00	0.00	0.00	650928.40	556380.40	32.7894245	-104.2843819
PLAN 7H KOP: 2840.75' MD	2771.23	267.50	493.06	651195.90	556873.46	32.7901591	-104.2827770
PLAT 7H BHL: 2340' FSL & 50' FWL	3650.00	380.40	-7563.90	651308.80	548816.50	32.7904773	-104.3089955
PLAT 7H LTP: 2341' FSL & 100' FWL	3650.55	380.00	-7513.90	651308.40	548866.50	32.7904761	-104.3088328
PLAN 7H LP: 4263.84' MD	3729.73	338.64	-313.46	651267.04	556066.94	32.7903557	-104.2854015
PLAT 7H FTP: 2516' FSL & 2515' FWL	3735.00	336.20	218.00	651264.60	556598.40	32.7903483	-104.2836720





SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	VSect
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00
3	1049.76	15.00	61.52	1041.23	46.52	85.75	2.00	-85.48
4	2840.75	15.00	61.52	2771.23	267.50	493.07	0.00	-491.52
5	3757.54	60.00	270.33	3553.00	335.96	152.52	8.00	-150.58
6	3957.54	60.00	270.33	3653.00	336.95	-20.69	0.00	22.63
7	4263.84	90.63	270.33	3729.73	338.64	-313.46	10.00	315.40
8	11514.84	90.63	270.33	3650.00	380.40	-7563.90	0.00	7565.97

CORRECTION REFERENCE DATA:

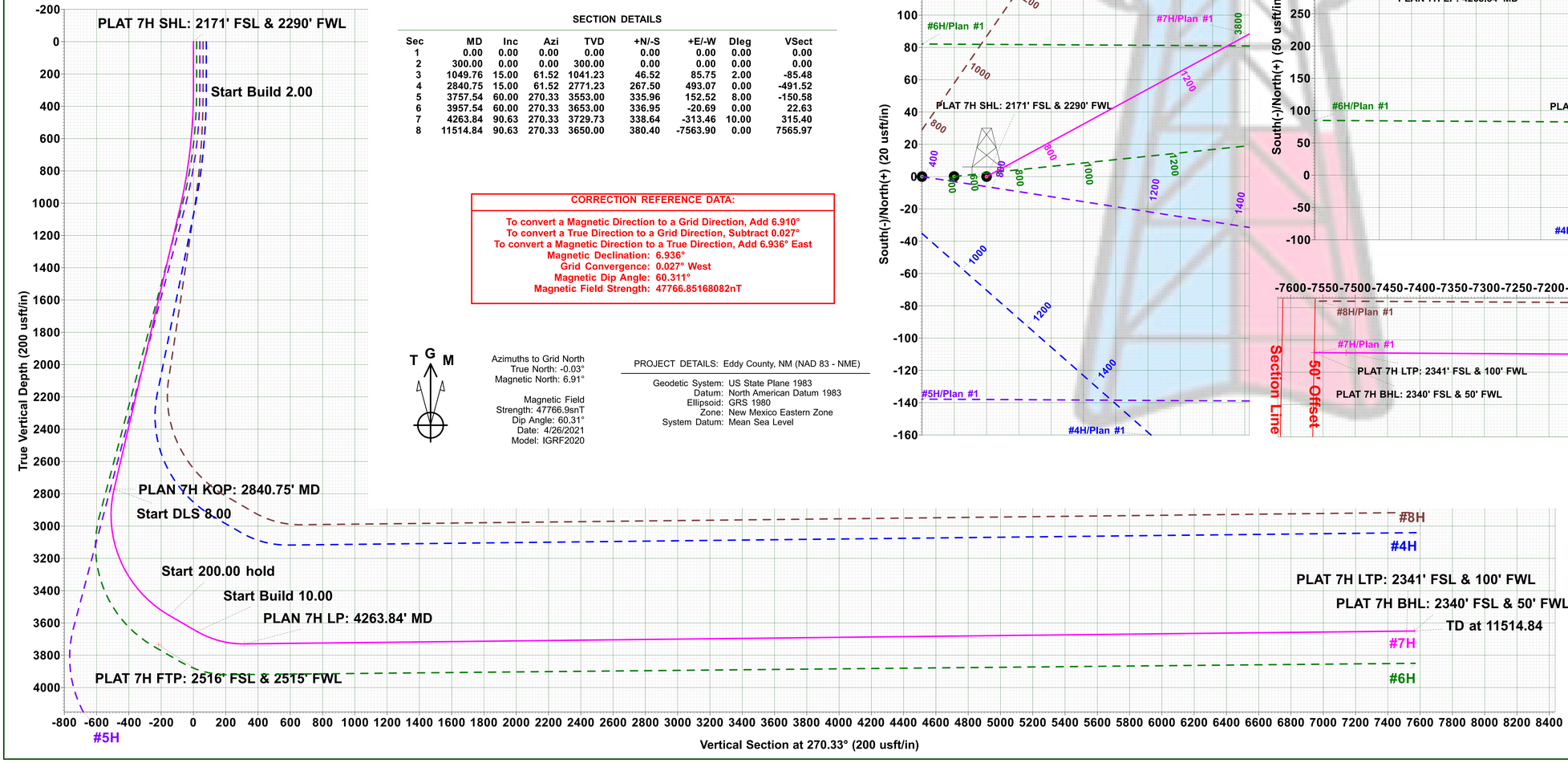
To convert a Magnetic Direction to a Grid Direction, Add 6.910°
To convert a True Direction to a Grid Direction, Subtract 0.027°
To convert a Magnetic Direction to a True Direction, Add 6.936° East
Magnetic Declination: 6.936°
Grid Convergence: 0.027° West
Magnetic Dip Angle: 60.311°
Magnetic Field Strength: 47766.85168082nT

Azimuths to Grid North
True North: -0.03°
Magnetic North: 6.91°

Magnetic Field
Strength: 47766.9snT
Dip Angle: 60.31°
Date: 4/26/2021
Model: IGRF2020

PROJECT DETAILS: Eddy County, NM (NAD 83 - NME)

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level



WELLBENDERS DIRECTIONAL SERVICES LLC

Disclaimer:
All Plan Details, boundary lines and offset well location/ survey data is provided by customer and subject to customer approval.

Plan: Plan #1 (#7H/Wellbore #1)

Created By: Matthew May Date: 9:01, April 28 2021

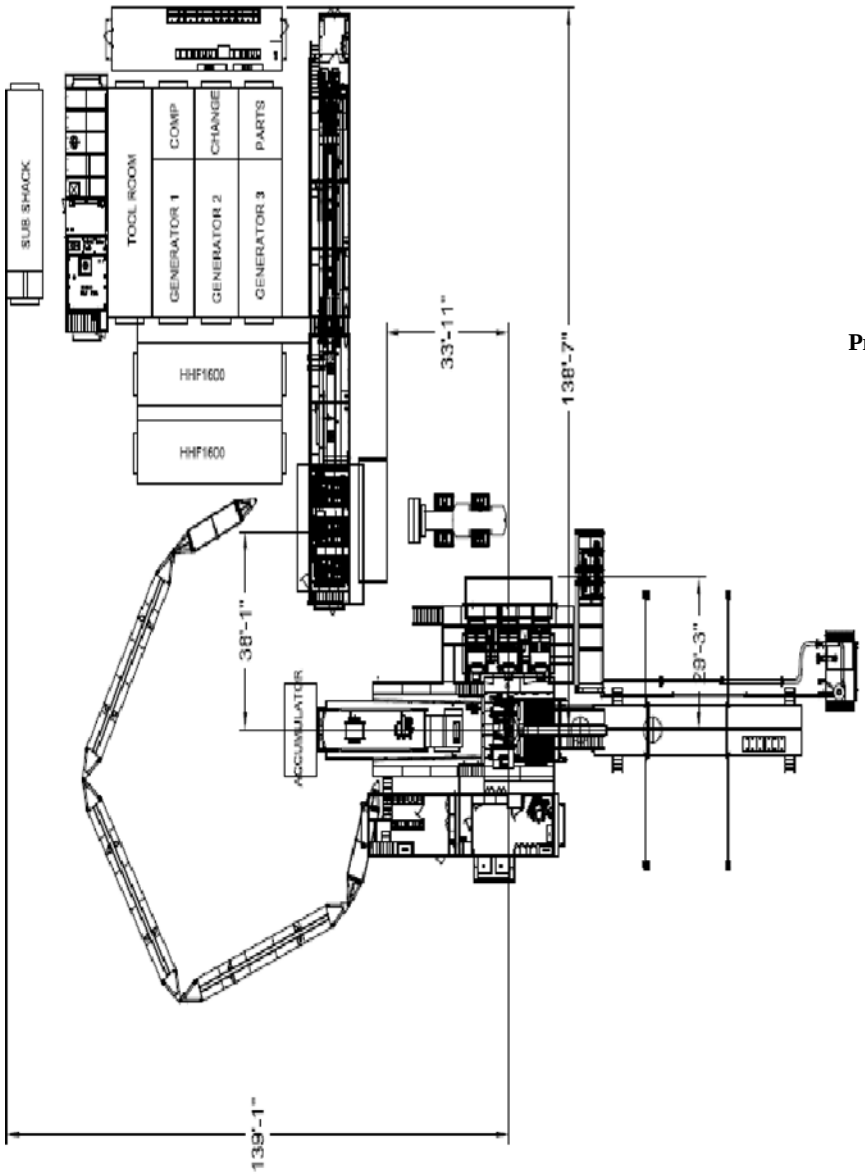
Permian Drilling
Hydrogen Sulfide Drilling Operations Plan
Red Lake 33 Federal Com 7H

Open drill site. No homes or buildings are near the proposed location.

1. Escape

   Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.

Secondary Briefing Area



Primary Briefing Area

Exit to road. Caution sign placed here.

N

Secondary Egress

WIND: Prevailing winds are from the Southwest

RIG # 57 1,150 HP Double Mast Drilling Rig

SUBSTRUCTURE
One Piece Step Down
Floor Height: 18' 9" (on 4' pony sub moving system)
Clear Height (beneath rotary beams): 15' 5"
Rotary Capacity: 400,000 lbf
Max Pipe Setback: 400,000 lbf
Note: All floor heights above are based on the substructure sitting on 6" mats & 4' pony sub moving system

MAST
106' telescoping, Drill Line: 1-1/8"
Static Hook Load: 440,000 lbf
Racking Capacity: 18,000' of 4" DP, 12,500' of 5" DP

DRAWWORKS
TSM 850 425,000lbs w/ 10 Lines
Input Power: 1,150 hp AC traction motor
Main Brake: 1,150 hp AC traction motor (Dynamic)
Aux Parking Brake: Eaton brake & drum / band brake system

TOP DRIVE
Tesco EXI 600 AC 350 Ton: Max speed 220 rpm,
Continuous Drill Torque: 30,000 ft-lbs
Max Torque (Make / Break): 45,000 ft-lbs
600 hp AC induction motor & drive system with PLC
250 Ton 5 x 36" Becket Block Assembly

IRON ROUGHNECK
NOV ST-80C Conn Range: 4 ½" to 8 ½"
Spin Speed: 75 rpm nominal on 5" drill pipe
Spin Torque: 1,750 ft-lbs
Maximum Make-up torque: 60,000 ft-lbs
Maximum Break-out torque: 80,000 ft-lbs

ROTARY TABLE
National 27 ½" 500 Ton with hydraulic drive to position tools only
27 ½" Diameter opening

POWER SYSTEM
VFD, MCC, Eaton Drives, Current Power Systems Controls, three Caterpillar C32 gen sets, 1220 BHP.

MUD PUMP #1
HHF1600 Triplex Rated Power: 1600 hp
Stroke: 12"
Input Power: 1500 hp AC traction motor
Pressure Rating: 5000 psi

MUD PUMP #2
HHF1600 Triplex Rated Power: 1600 hp
Stroke: 12"
Input Power: 1500 hp AC traction motor
Pressure Rating: 5000 psi

MUD TANKS
Two Tank system w/ 1200 bbls total capacity
Shakers: Three MI Swaco Mongoose 4 panel dual motion
Mud Gas Separator: MI Swaco 4' OD x 12' tall
Pill Tank: 54 bbls

MUD SYSTEM
5000 psi Max Pressure
5" Main plumbing and standpipe

SCALPING TANK
Main Tank: 186 bbls capacity
Trip Tank: 24 bbls capacity
Shakers: Three NOV Venom shakers dual motion

BOP (NACE)
11" x 5000 psi WP Spherical Annular
11" x 5000 psi WP Double Ram
11" x 5000 psi WP Single Ram (Optional)

MANIFOLD
3-1/8" 5,000 psi c/w two 3 1/8" manual chokes

ACCUMULATOR
CTI: 160 gal 6 station 3000 psi, c/w N2 Backup & electric triplex pump

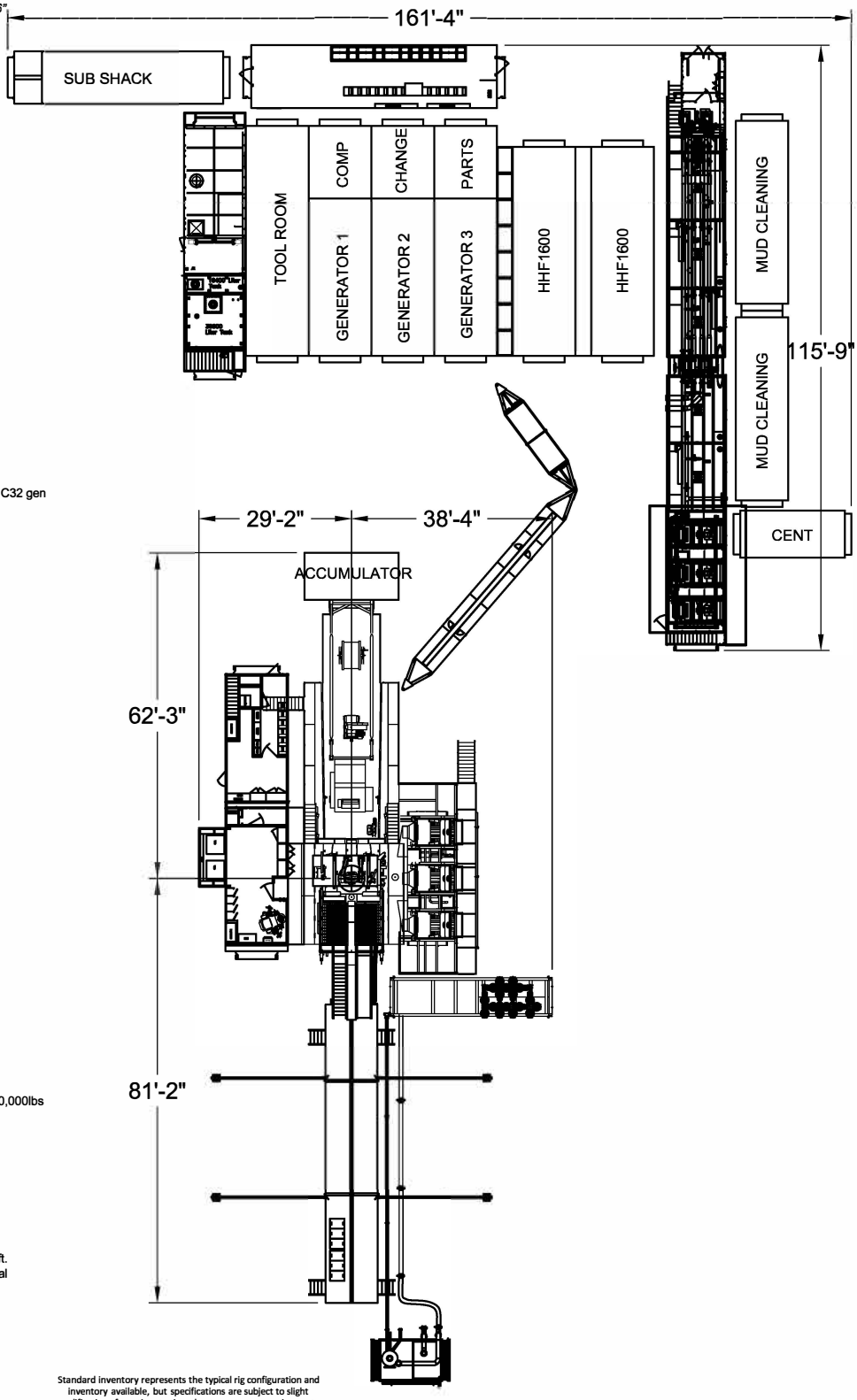
CATWALK
Ja-co Power Catwalk, tubular max length 47' 6", max OD 13 ⅝", max weight 10,000lbs

TUBULARS
Drill Pipe: Supplied as needed, per availability
Drill Collars & heaviwate: Supplied as needed, per availability

MISC.
Water Tank: 409 bbls; Fuel Tank 189 bbls; Screw Compressor
Boiler: 125 hp with Full Winterization

MOVING SYSTEM:
Walking beam hydraulic pony sub moving system for linear motion & side shift. 350' of Utility Suitcase style [50' lengths] connection for hydraulic and electrical supply.

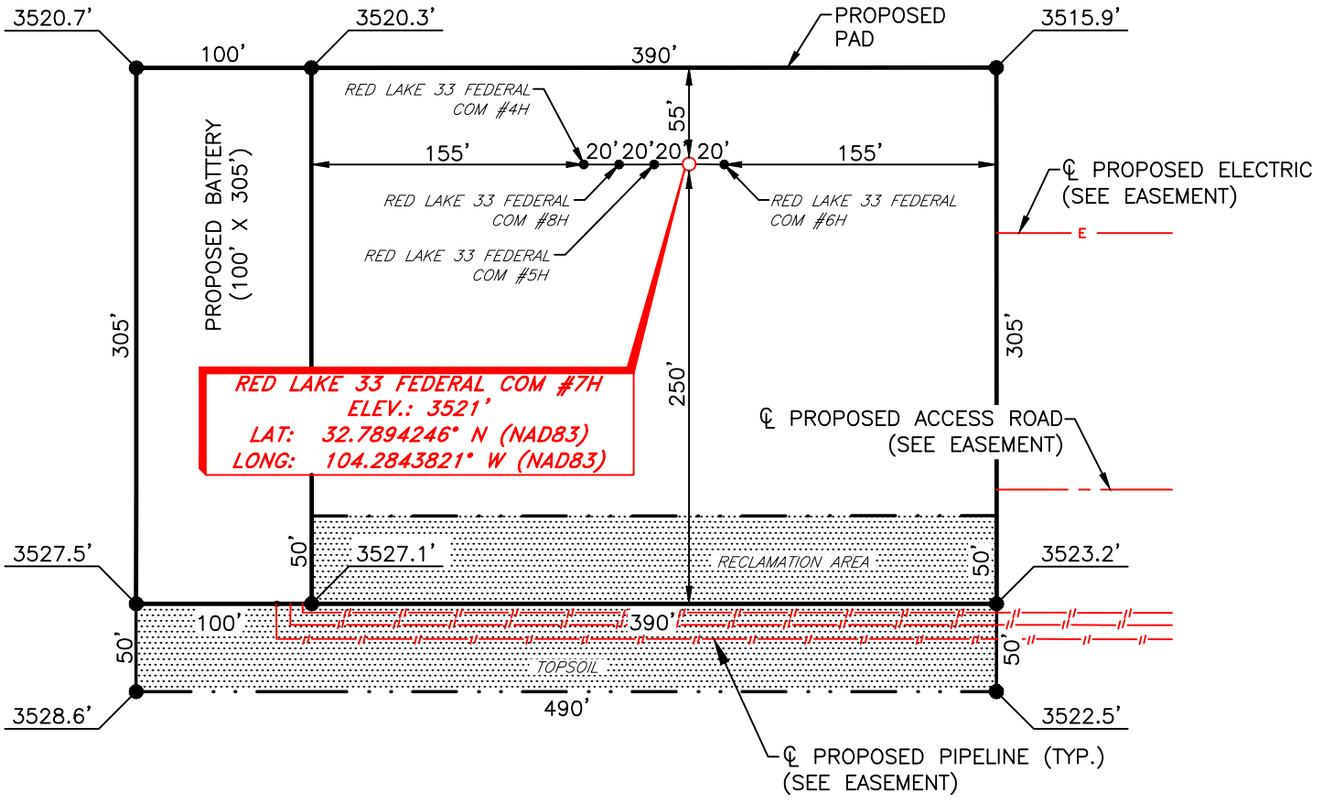
TOOL/ STORAGE/ CAMP
Parts Storage Room and Tool House Room
Rig Manage Trailer: 14' x 44' skid mounted



Standard inventory represents the typical rig configuration and inventory available, but specifications are subject to slight modifications from time to time due to customer requirements.

All ratings quoted herin are manufacturer specifications. AKITA's normal operating parameters are 90% of manufacturer mast ratings and 80% of mud pump manufacturer pressure rating. Operation of rig equipment beyond these parameters requires approval from AKITA field office management.

SPUR ENERGY PARTNERS LLC.
RED LAKE 33 FEDERAL COM #7H
(2171' FSL & 2290' FWL)
SECTION 33, T17S, R27E
N. M. P. M., EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

From the intersection of CR #201 (Chalk Bluff Rd.) and U.S. Hwy 82 (Lovington Hwy);

Go South on CR #201 approx. 3.4 miles to a lease road on the left;

Turn left and go East approx. 0.3 miles to a "Y";

Keep left at "Y" and continue East approx. 0.2 miles road turns left;

Turn left and go Northeast approx. 0.2 miles to a lease road on the right;

Turn right and go South approx. 425 feet to a proposed road on the right;

Turn right and go West approx. 400 feet to location on right.

SCALE: 1" = 100'
0 50 100

BEARINGS ARE NAD 83 GRID – NM EAST DISTANCES ARE GROUND

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this unclassified survey of a well location from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howett

Robert M. Howett NM PS 19680

ROBERT M. HOWETT NEW MEXICO 19680 01/06/21 PROFESSIONAL SURVEYOR

NO.	REVISION	DATE

JOB NO.: LS20120813
DWG. NO.: 20120813–4

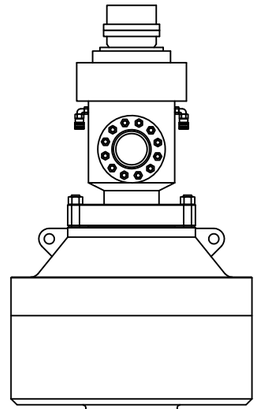
RRC

701 S. CECIL ST., HOBBS, NM 88240 (575) 964–8200

SCALE: 1" = 100'
DATE: 12–21–2020
SURVEYED BY: JF/JH
DRAWN BY: GA
APPROVED BY: RMH
SHEET: 1 OF 1

TRANSCEND RIG 4	Contractor Specification
Make	Schram
Model	TXD 130
Year of Manufacture	2006
Truck Mounted	YES
Rated Drilling Depth	130,000# hook load
Rated Depth with Tubing	
Derrick Height	69’ 9’’
Derrick Type	Telescoping Hydraulic
Derrick Capacity	130,000#
Elevators	N/A
Drawworks	760 HP Detroit
Wire Diameter	Hydraulic
Workfloor Max Height	8’
Tongs	Hydraulic Iron Roughneck
Slips	Manual Slips
Included Tubing Handling Tools	• 13 3/8’’ handling tools
Included Rod Handling Tools	85jts of 4.5’’ drill pipe
BOP Class Compatibility	
Weight Indicator	Hydraulic
Rig Safety Equipment	Eye wash station, fire extengushers, wind sock
Pad Size Requirements/Limitations	60’ x 60’
Guy Line Spacing	N/A
Other Supplied Rig Equipment 1- F800 pump 1- Pill pit 80bbl 1- 400 bbl mud mix 1- Shaker 150mesh 1- 500 bbl fresh water frac tank	Standard Rig Hand Tools: • (2) 36” pipe wrenches • (2) 24” pipe wrenches • (2) 18” pipe wrenches • (1) 24” crescent wrench • (2) 12” crescent wrenches • (1) 4 lb shop hammer • (1) 12 lb sledge hammer • (1) 4 foot pry bar • Vehicles for Contractor personnel • Air Impact Wrench with Sockets • Mud Scales (as needed)

ANNULAR
13 5/8" 5,000 psi SHAFFER STYLE



DOUBLE GATE
13 5/8" 5,000 psi SHAFFER LWS STYLE

PIPE RAM

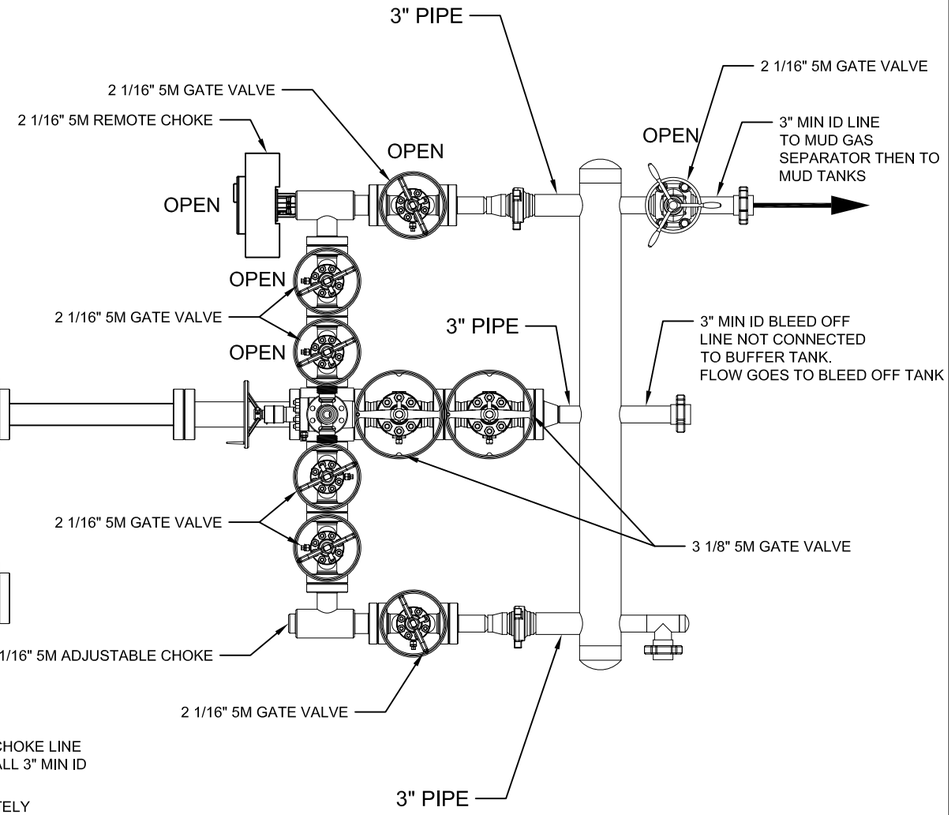
BLIND RAM

MUD CROSS
13 5/8" 5,000 psi, 3 1/8" 5M OUTLETS

CHOKE LINE
ALL 3" MIN ID

3 1/8" 5M REMOTELY
OPERATED VALVE

3 1/8" 5M GATE VALVE



Notes
-
-
-
-

No.	Revision	Date

AKITA DRILLING LTD.
2302 8th Street, Nisku Alberta
T9E 7Z2 Tel: (780) 955-6700

Date	Scale
5-6-2021	NTS
Dwn / Chk'd By: BG	File Name: R57 13 5M dou..
Project: R57	

RIG 57 BOP SCHEMATIC

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

CONDITIONS

Action 93528

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 93528
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify OCD 24 hours prior to casing & cement	3/29/2022
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104	3/29/2022
kpickford	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	3/29/2022
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing	3/29/2022
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	3/29/2022