

District I

625 N. French Dr., Hobbs, NM 88240

District II

1 S. First St., Artesia, NM 88210

District III

000 Rio Brazos Rd., Aztec, NM 87410

District IV

220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-104

Revised August 1, 2011

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address

Advance Energy Partners Hat Mesa, LLC

11490 Westheimer RD, Suite 950

Houston, TX

2 OGRID Number

372417

3 Reason for Filing Code/ Effective Date

NW

4 API Number

30-025-46703

5 Pool Name

WC-025 G-06 S213326D; BONE SPRING

6 Pool Code

97929

7 Property Code

319603

8 Property Name

Merchant State Unit

9 Well Number

552H

II. 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 |
| C             | 35      | 21S      | 33E   |         | 200           | North            | 1687          | West           | Lea    |

11 Bottom Hole Location

|               |         |          |       |         |               |                  |               |                |        |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| N             | 2       | 22S      | 33E   |         | 20            | SOUTH            | 1639          | WEST           | Lea    |

|             |                          |                        |                        |                         |                          |
|-------------|--------------------------|------------------------|------------------------|-------------------------|--------------------------|
| 12 Lse Code | 13 Producing Method Code | 14 Gas Connection Date | 15 C-129 Permit Number | 16 C-129 Effective Date | 17 C-129 Expiration Date |
| S           | F                        |                        |                        |                         |                          |

III. Oil and Gas Transporters

|                      |                                                                                |          |
|----------------------|--------------------------------------------------------------------------------|----------|
| 18 Transporter OGRID | 19 Transporter Name and Address                                                | 20 O/G/W |
| 214984               | Plains Marketing, L.P.<br>10 Desta Drive, Suite 200E<br>Midland, TX 79705      | O        |
| 018180               | Versado Gas Processors, LLC<br>1000 Louisiana, Suite 4300<br>Houston, TX 77022 | G        |
|                      |                                                                                |          |
|                      |                                                                                |          |
|                      |                                                                                |          |
|                      |                                                                                |          |

IV. Well Completion Data

|              |               |         |         |                 |            |
|--------------|---------------|---------|---------|-----------------|------------|
| 21 Spud Date | 22 Ready Date | 23 TD   | 24 PBTD | 25 Perforations | 26 DHC, MC |
| 01/21/2020   | 12/23/2020    | 21,553' | 21,464' | 11,470-21,450'  |            |

|              |                         |              |                 |
|--------------|-------------------------|--------------|-----------------|
| 27 Hole Size | 28 Casing & Tubing Size | 29 Depth Set | 30 Sacks Cement |
| 17.5"        | 13.375"                 | 1800         | 835             |
| 12.25"       | 9.625"                  | 5324/3920    | 1335            |
| 8.5"         | 5.5"                    | 21,538       | 3050            |
|              |                         |              |                 |

V. Well Test Data

|                 |                      |              |                |                  |                  |
|-----------------|----------------------|--------------|----------------|------------------|------------------|
| 31 Date New Oil | 32 Gas Delivery Date | 33 Test Date | 34 Test Length | 35 Tbg. Pressure | 36 Csg. Pressure |
| 12/24/20        | 12/25/20             | 01/06/21     | 24 Hrs         | 400              | 1150             |

|               |        |          |        |                |
|---------------|--------|----------|--------|----------------|
| 37 Choke Size | 38 Oil | 39 Water | 40 Gas | 41 Test Method |
| 64            | 1874   | 4180     | 1833   | F              |

42 I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Title:

ekosakowski@advanceenergypartners.com

Date:

Phone:

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Received by OCD: 2/16/2022 9:33:37 AM

Page 1 of 16

## DISTRICT I

1625 N. French Dr., Hobbs, NM 88240  
Phone (505) 393-8161 Fax: (505) 393-0720

## DISTRICT II

811 S. First St., Artesia, NM 88210  
Phone (505) 748-1283 Fax: (505) 748-0720

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone (505) 334-8178 Fax: (505) 334-8170

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-8460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102

Revised August 4, 2011

Submit one copy to appropriate  
District Office

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☒ AMENDED REPORT  
As Drilled

|                            |                                                   |                                                |
|----------------------------|---------------------------------------------------|------------------------------------------------|
| API Number<br>30-025-46703 | Pool Code<br>97929                                | Pool Name<br>WC-025 G-06 S213326D; BONE SPRING |
| Property Code<br>319603    | Property Name<br>MERCHANT STATE UNIT              | Well Number<br>552H                            |
| GRID No.<br>372417         | Operator Name<br>ADVANCE ENERGY PARTNERS HAT MESA | Elevation<br>3685'                             |

## Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | SOUTH/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C             | 35      | 21 S     | 33 E  |         | 200           | NORTH            | 1687          | WEST           | LEA    |

## Bottom Hole Location If Different From Surface

| UL or lot No.   | Section         | Township           | Range     | Lot Idn | Feet from the | SOUTH/South line | Feet from the | East/West line | County |
|-----------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| N               | 2               | 22 S               | 33 E      |         | 20            | SOUTH            | 1639          | WEST           | LEA    |
| Dedicated Acres | Joint or Infill | Consolidation Code | 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

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>SURFACE LOCATION</b><br/>Lat - N 32.441996°<br/>Long - W 103.546302°<br/>NMSPCE - N 525423.9<br/>E 784133.3<br/>(NAD-83)</p> <p><b>KICK OFF POINT</b><br/>47' FNL &amp; 1536' FWL<br/>Lat - N 32.442418°<br/>Long - W 103.546793°<br/>NMSPCE - N 525576.3<br/>E 783980.9<br/>(NAD-83)</p> <p><b>FIRST TAKE POINT</b><br/>200' FNL &amp; 1648' FWL<br/>Lat - N 32.441997°<br/>Long - W 103.546426°<br/>NMSPCE - N 525423.9<br/>E 784095.3<br/>(NAD-83)</p> <p><b>LAST TAKE POINT</b><br/>100' FNL &amp; 1636' FWL<br/>Lat - N 32.413807°<br/>Long - W 103.546456°<br/>NMSPCE - N 515168.2<br/>E 784161.6<br/>(NAD-83)</p> <p><b>BOTTOM HOLE LOCATION</b><br/>Lat - N 32.413587°<br/>Long - W 103.546445°<br/>NMSPCE - N 515088.1<br/>E 784165.3<br/>(NAD-83)</p> |  | <p><b>OPERATOR CERTIFICATION</b><br/>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.</p> <p>Signature: <i>Debbie Moughon</i> Date: <i>4-22-21</i></p> <p>Printed Name: Debbie Moughon</p> <p>Email Address: dmoughon@advanceenergypartners.com</p> <p><b>SURVEYOR CERTIFICATION</b><br/>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.</p> <p>Date Surveyed: <i>MARCH 18, 2021</i></p> <p>Signature &amp; Seal of Professional Surveyor: <i>[Signature]</i></p> <p>Certificate No. <i>7977</i></p> <p>Scale: 1" = 2000'</p> <p>WO Num.: 35327</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



# Advance Energy Partners

Lea County, NM (NAD 83 NME)  
(Merchant State)Sec35\_T-21-S\_R-33-E  
Merchant State Unit #552H

OWB

Design: AWB

## Standard Survey Report

10 March, 2020





# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

|                    |                             |                      |                |
|--------------------|-----------------------------|----------------------|----------------|
| <b>Project</b>     | Lea County, NM (NAD 83 NME) |                      |                |
| <b>Map System:</b> | US State Plane 1983         | <b>System Datum:</b> | Mean Sea Level |
| <b>Geo Datum:</b>  | North American Datum 1983   |                      |                |
| <b>Map Zone:</b>   | New Mexico Eastern Zone     |                      |                |

|                              |                                     |                          |                   |
|------------------------------|-------------------------------------|--------------------------|-------------------|
| <b>Site</b>                  | (Merchant State)Sec35_T-21-S_R-33-E |                          |                   |
| <b>Site Position:</b>        |                                     | <b>Northing:</b>         | 525,423.60 usft   |
| <b>From:</b>                 | Map                                 | <b>Easting:</b>          | 784,067.30 usft   |
| <b>Position Uncertainty:</b> | 0.0 usft                            | <b>Slot Radius:</b>      | 13-3/16 "         |
|                              |                                     | <b>Latitude:</b>         | 32° 26' 31.189 N  |
|                              |                                     | <b>Longitude:</b>        | 103° 32' 47.459 W |
|                              |                                     | <b>Grid Convergence:</b> | 0.42 °            |

|                             |                           |                            |                                  |
|-----------------------------|---------------------------|----------------------------|----------------------------------|
| <b>Well</b>                 | Merchant State Unit #552H |                            |                                  |
| <b>Well Position</b>        | <b>+N/-S</b>              | 0.0 usft                   | <b>Northing:</b> 525,423.90 usft |
|                             | <b>+E/-W</b>              | 0.0 usft                   | <b>Easting:</b> 784,133.30 usft  |
| <b>Position Uncertainty</b> | 0.0 usft                  | <b>Wellhead Elevation:</b> | usft                             |
|                             |                           | <b>Latitude:</b>           | 32° 26' 31.187 N                 |
|                             |                           | <b>Longitude:</b>          | 103° 32' 46.689 W                |
|                             |                           | <b>Ground Level:</b>       | 3,685.0 usft                     |

|                  |                   |                    |                                            |
|------------------|-------------------|--------------------|--------------------------------------------|
| <b>Wellbore</b>  | OWB               |                    |                                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b>                     |
|                  | IGRF2015          | 01/20/2020         | 6.68                                       |
|                  |                   |                    | <b>Dip Angle (°)</b> 60.23                 |
|                  |                   |                    | <b>Field Strength (nT)</b> 47,800.57973221 |

|                          |                                |                      |                             |
|--------------------------|--------------------------------|----------------------|-----------------------------|
| <b>Design</b>            | AWB                            |                      |                             |
| <b>Audit Notes:</b>      |                                |                      |                             |
| <b>Version:</b>          | 1.0                            | <b>Phase:</b>        | ACTUAL                      |
|                          |                                | <b>Tie On Depth:</b> | 0.0                         |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (usft)</b> | <b>+N/-S (usft)</b>  | <b>+E/-W (usft)</b>         |
|                          | 0.0                            | 0.0                  | 0.0                         |
|                          |                                |                      | <b>Direction (°)</b> 179.56 |

|                       |                  |                          |                  |                     |
|-----------------------|------------------|--------------------------|------------------|---------------------|
| <b>Survey Program</b> | <b>Date</b>      | 03/10/2020               |                  |                     |
| <b>From (usft)</b>    | <b>To (usft)</b> | <b>Survey (Wellbore)</b> | <b>Tool Name</b> | <b>Description</b>  |
| 141.0                 | 21,553.0         | Intrepid MWD (OWB)       | MWD              | OWSG MWD - Standard |

|                              |                        |                    |                              |                     |                     |                                |                                |                               |                              |
|------------------------------|------------------------|--------------------|------------------------------|---------------------|---------------------|--------------------------------|--------------------------------|-------------------------------|------------------------------|
| <b>Survey</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>Vertical Section (usft)</b> | <b>Dogleg Rate (°/100usft)</b> | <b>Build Rate (°/100usft)</b> | <b>Turn Rate (°/100usft)</b> |
| 0.0                          | 0.00                   | 0.00               | 0.0                          | 0.0                 | 0.0                 | 0.0                            | 0.00                           | 0.00                          | 0.00                         |
| 141.0                        | 0.44                   | 68.56              | 141.0                        | 0.2                 | 0.5                 | -0.2                           | 0.31                           | 0.31                          | 0.00                         |
| 235.0                        | 0.22                   | 206.55             | 235.0                        | 0.2                 | 0.8                 | -0.2                           | 0.66                           | -0.23                         | 146.80                       |
| 330.0                        | 0.18                   | 224.83             | 330.0                        | -0.1                | 0.6                 | 0.1                            | 0.08                           | -0.04                         | 19.24                        |
| 424.0                        | 0.35                   | 198.82             | 424.0                        | -0.5                | 0.4                 | 0.5                            | 0.22                           | 0.18                          | -27.67                       |
| 519.0                        | 0.13                   | 253.66             | 519.0                        | -0.8                | 0.2                 | 0.8                            | 0.31                           | -0.23                         | 57.73                        |
| 613.0                        | 0.04                   | 229.14             | 613.0                        | -0.8                | 0.1                 | 0.8                            | 0.10                           | -0.10                         | -26.09                       |
| 802.0                        | 0.53                   | 257.44             | 802.0                        | -1.1                | -0.9                | 1.1                            | 0.26                           | 0.26                          | 14.97                        |
| 897.0                        | 0.57                   | 255.86             | 897.0                        | -1.3                | -1.7                | 1.3                            | 0.05                           | 0.04                          | -1.66                        |
| 992.0                        | 0.22                   | 227.47             | 992.0                        | -1.5                | -2.3                | 1.5                            | 0.41                           | -0.37                         | -29.88                       |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

| 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) |  |
| 1,087.0               | 0.53            | 262.89      | 1,087.0               | -1.7         | -2.9         | 1.7                     | 0.39                    | 0.33                   | 37.28                 |  |
| 1,182.0               | 0.48            | 268.08      | 1,182.0               | -1.8         | -3.7         | 1.7                     | 0.07                    | -0.05                  | 5.46                  |  |
| 1,277.0               | 0.53            | 250.67      | 1,277.0               | -1.9         | -4.5         | 1.9                     | 0.17                    | 0.05                   | -18.33                |  |
| 1,371.0               | 0.44            | 246.37      | 1,371.0               | -2.2         | -5.3         | 2.2                     | 0.10                    | -0.10                  | -4.57                 |  |
| 1,466.0               | 0.13            | 302.79      | 1,466.0               | -2.3         | -5.7         | 2.3                     | 0.40                    | -0.33                  | 59.39                 |  |
| 1,555.0               | 0.26            | 255.86      | 1,555.0               | -2.3         | -6.0         | 2.2                     | 0.22                    | 0.15                   | -52.73                |  |
| 1,645.0               | 0.26            | 276.07      | 1,645.0               | -2.3         | -6.4         | 2.3                     | 0.10                    | 0.00                   | 22.46                 |  |
| 1,734.0               | 0.18            | 215.08      | 1,734.0               | -2.4         | -6.7         | 2.4                     | 0.26                    | -0.09                  | -68.53                |  |
| 1,914.0               | 0.49            | 79.90       | 1,914.0               | -2.5         | -6.1         | 2.5                     | 0.35                    | 0.17                   | -75.10                |  |
| 2,004.0               | 1.10            | 83.95       | 2,004.0               | -2.4         | -4.8         | 2.3                     | 0.68                    | 0.68                   | 4.50                  |  |
| 2,093.0               | 0.92            | 88.69       | 2,092.9               | -2.2         | -3.3         | 2.2                     | 0.22                    | -0.20                  | 5.33                  |  |
| 2,183.0               | 0.75            | 94.58       | 2,182.9               | -2.3         | -2.0         | 2.3                     | 0.21                    | -0.19                  | 6.54                  |  |
| 2,273.0               | 0.79            | 98.18       | 2,272.9               | -2.4         | -0.8         | 2.4                     | 0.07                    | 0.04                   | 4.00                  |  |
| 2,363.0               | 0.75            | 103.98      | 2,362.9               | -2.6         | 0.4          | 2.6                     | 0.10                    | -0.04                  | 6.44                  |  |
| 2,452.0               | 0.66            | 73.31       | 2,451.9               | -2.6         | 1.5          | 2.6                     | 0.43                    | -0.10                  | -34.46                |  |
| 2,542.0               | 1.01            | 59.60       | 2,541.9               | -2.1         | 2.7          | 2.1                     | 0.45                    | 0.39                   | -15.23                |  |
| 2,632.0               | 1.05            | 28.93       | 2,631.9               | -1.0         | 3.7          | 1.0                     | 0.61                    | 0.04                   | -34.08                |  |
| 2,722.0               | 1.36            | 19.08       | 2,721.9               | 0.8          | 4.5          | -0.7                    | 0.41                    | 0.34                   | -10.94                |  |
| 2,812.0               | 1.63            | 24.09       | 2,811.8               | 2.9          | 5.4          | -2.9                    | 0.33                    | 0.30                   | 5.57                  |  |
| 2,901.0               | 1.80            | 29.10       | 2,900.8               | 5.3          | 6.6          | -5.3                    | 0.25                    | 0.19                   | 5.63                  |  |
| 2,991.0               | 1.93            | 355.52      | 2,990.8               | 8.1          | 7.1          | -8.0                    | 1.20                    | 0.14                   | -37.31                |  |
| 3,081.0               | 1.58            | 44.48       | 3,080.7               | 10.5         | 7.9          | -10.4                   | 1.65                    | -0.39                  | 54.40                 |  |
| 3,170.0               | 1.85            | 57.23       | 3,169.7               | 12.1         | 9.9          | -12.0                   | 0.52                    | 0.30                   | 14.33                 |  |
| 3,260.0               | 1.67            | 49.76       | 3,259.6               | 13.8         | 12.2         | -13.7                   | 0.32                    | -0.20                  | -8.30                 |  |
| 3,350.0               | 0.79            | 27.87       | 3,349.6               | 15.1         | 13.5         | -15.0                   | 1.09                    | -0.98                  | -24.32                |  |
| 3,440.0               | 0.75            | 224.04      | 3,439.6               | 15.3         | 13.3         | -15.2                   | 1.69                    | -0.04                  | -182.03               |  |
| 3,529.0               | 1.10            | 201.98      | 3,528.6               | 14.1         | 12.6         | -14.0                   | 0.55                    | 0.39                   | -24.79                |  |
| 3,619.0               | 1.14            | 192.67      | 3,618.6               | 12.4         | 12.1         | -12.3                   | 0.21                    | 0.04                   | -10.34                |  |
| 3,709.0               | 1.23            | 192.67      | 3,708.6               | 10.6         | 11.7         | -10.5                   | 0.10                    | 0.10                   | 0.00                  |  |
| 3,798.0               | 1.32            | 194.86      | 3,797.5               | 8.7          | 11.2         | -8.6                    | 0.11                    | 0.10                   | 2.46                  |  |
| 3,888.0               | 1.49            | 199.96      | 3,887.5               | 6.5          | 10.5         | -6.5                    | 0.23                    | 0.19                   | 5.67                  |  |
| 3,977.0               | 1.54            | 185.81      | 3,976.5               | 4.3          | 10.0         | -4.2                    | 0.42                    | 0.06                   | -15.90                |  |
| 4,067.0               | 1.01            | 166.04      | 4,066.5               | 2.3          | 10.1         | -2.2                    | 0.76                    | -0.59                  | -21.97                |  |
| 4,157.0               | 0.44            | 115.15      | 4,156.5               | 1.4          | 10.6         | -1.3                    | 0.90                    | -0.63                  | -56.54                |  |
| 4,246.0               | 0.48            | 317.82      | 4,245.5               | 1.5          | 10.7         | -1.4                    | 1.01                    | 0.04                   | -176.78               |  |
| 4,336.0               | 1.63            | 302.27      | 4,335.4               | 2.5          | 9.3          | -2.4                    | 1.31                    | 1.28                   | -17.28                |  |
| 4,426.0               | 2.33            | 301.91      | 4,425.4               | 4.1          | 6.7          | -4.1                    | 0.78                    | 0.78                   | -0.40                 |  |
| 4,516.0               | 2.59            | 309.30      | 4,515.3               | 6.4          | 3.6          | -6.4                    | 0.46                    | 0.29                   | 8.21                  |  |
| 4,605.0               | 2.42            | 319.49      | 4,604.2               | 9.1          | 0.8          | -9.1                    | 0.53                    | -0.19                  | 11.45                 |  |
| 4,695.0               | 2.11            | 327.67      | 4,694.1               | 11.9         | -1.3         | -11.9                   | 0.50                    | -0.34                  | 9.09                  |  |
| 4,785.0               | 2.07            | 329.78      | 4,784.1               | 14.7         | -3.0         | -14.8                   | 0.10                    | -0.04                  | 2.34                  |  |
| 4,874.0               | 2.15            | 331.97      | 4,873.0               | 17.6         | -4.6         | -17.6                   | 0.13                    | 0.09                   | 2.46                  |  |
| 4,964.0               | 2.37            | 334.43      | 4,963.0               | 20.8         | -6.2         | -20.8                   | 0.27                    | 0.24                   | 2.73                  |  |
| 5,053.0               | 2.33            | 334.79      | 5,051.9               | 24.1         | -7.8         | -24.1                   | 0.05                    | -0.04                  | 0.40                  |  |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

| 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) |  |
| 5,143.0               | 2.59            | 333.64      | 5,141.8               | 27.5         | -9.5         | -27.6                   | 0.29                    | 0.29                   | -1.28                 |  |
| 5,232.0               | 2.55            | 333.73      | 5,230.7               | 31.1         | -11.2        | -31.2                   | 0.05                    | -0.04                  | 0.10                  |  |
| 5,273.0               | 2.55            | 333.47      | 5,271.7               | 32.7         | -12.1        | -32.8                   | 0.03                    | 0.00                   | -0.63                 |  |
| 5,410.0               | 2.33            | 329.42      | 5,408.5               | 37.9         | -14.8        | -38.0                   | 0.20                    | -0.16                  | -2.96                 |  |
| 5,500.0               | 3.08            | 334.61      | 5,498.4               | 41.6         | -16.8        | -41.8                   | 0.88                    | 0.83                   | 5.77                  |  |
| 5,590.0               | 5.19            | 341.73      | 5,588.2               | 47.7         | -19.1        | -47.8                   | 2.41                    | 2.34                   | 7.91                  |  |
| 5,679.0               | 6.55            | 340.59      | 5,676.7               | 56.3         | -22.1        | -56.5                   | 1.53                    | 1.53                   | -1.28                 |  |
| 5,769.0               | 6.15            | 341.29      | 5,766.2               | 65.7         | -25.3        | -65.9                   | 0.45                    | -0.44                  | 0.78                  |  |
| 5,859.0               | 5.93            | 340.85      | 5,855.7               | 74.7         | -28.4        | -74.9                   | 0.25                    | -0.24                  | -0.49                 |  |
| 5,948.0               | 6.02            | 339.88      | 5,944.2               | 83.4         | -31.5        | -83.6                   | 0.15                    | 0.10                   | -1.09                 |  |
| 6,038.0               | 6.07            | 339.09      | 6,033.7               | 92.3         | -34.8        | -92.5                   | 0.11                    | 0.06                   | -0.88                 |  |
| 6,128.0               | 5.98            | 337.42      | 6,123.2               | 101.0        | -38.3        | -101.3                  | 0.22                    | -0.10                  | -1.86                 |  |
| 6,217.0               | 5.85            | 335.49      | 6,211.7               | 109.4        | -42.0        | -109.8                  | 0.27                    | -0.15                  | -2.17                 |  |
| 6,306.0               | 6.20            | 344.72      | 6,300.2               | 118.2        | -45.1        | -118.5                  | 1.16                    | 0.39                   | 10.37                 |  |
| 6,396.0               | 6.29            | 351.04      | 6,389.7               | 127.8        | -47.2        | -128.1                  | 0.77                    | 0.10                   | 7.02                  |  |
| 6,486.0               | 5.89            | 350.69      | 6,479.2               | 137.2        | -48.7        | -137.6                  | 0.45                    | -0.44                  | -0.39                 |  |
| 6,575.0               | 5.63            | 346.30      | 6,567.7               | 145.9        | -50.5        | -146.3                  | 0.57                    | -0.29                  | -4.93                 |  |
| 6,665.0               | 5.23            | 2.91        | 6,657.3               | 154.3        | -51.3        | -154.7                  | 1.80                    | -0.44                  | 18.46                 |  |
| 6,755.0               | 5.19            | 11.96       | 6,747.0               | 162.4        | -50.3        | -162.8                  | 0.91                    | -0.04                  | 10.06                 |  |
| 6,845.0               | 5.14            | 17.59       | 6,836.6               | 170.2        | -48.2        | -170.6                  | 0.57                    | -0.06                  | 6.26                  |  |
| 6,935.0               | 5.23            | 28.13       | 6,926.2               | 177.7        | -45.0        | -178.0                  | 1.06                    | 0.10                   | 11.71                 |  |
| 7,025.0               | 4.66            | 34.46       | 7,015.9               | 184.3        | -41.0        | -184.6                  | 0.88                    | -0.63                  | 7.03                  |  |
| 7,115.0               | 4.09            | 57.84       | 7,105.7               | 189.0        | -36.2        | -189.3                  | 2.06                    | -0.63                  | 25.98                 |  |
| 7,205.0               | 3.21            | 106.62      | 7,195.5               | 190.0        | -31.1        | -190.3                  | 3.46                    | -0.98                  | 54.20                 |  |
| 7,294.0               | 3.30            | 147.23      | 7,284.4               | 187.2        | -27.3        | -187.4                  | 2.54                    | 0.10                   | 45.63                 |  |
| 7,384.0               | 3.43            | 142.22      | 7,374.2               | 182.9        | -24.3        | -183.0                  | 0.36                    | 0.14                   | -5.57                 |  |
| 7,474.0               | 1.14            | 138.61      | 7,464.1               | 180.1        | -22.0        | -180.2                  | 2.55                    | -2.54                  | -4.01                 |  |
| 7,563.0               | 0.44            | 261.40      | 7,553.1               | 179.3        | -21.8        | -179.5                  | 1.60                    | -0.79                  | 137.97                |  |
| 7,653.0               | 0.62            | 238.80      | 7,643.1               | 179.0        | -22.6        | -179.2                  | 0.30                    | 0.20                   | -25.11                |  |
| 7,743.0               | 0.48            | 245.05      | 7,733.1               | 178.6        | -23.3        | -178.8                  | 0.17                    | -0.16                  | 6.94                  |  |
| 7,833.0               | 0.70            | 238.54      | 7,823.1               | 178.2        | -24.1        | -178.4                  | 0.26                    | 0.24                   | -7.23                 |  |
| 7,923.0               | 1.01            | 233.97      | 7,913.1               | 177.4        | -25.2        | -177.6                  | 0.35                    | 0.34                   | -5.08                 |  |
| 8,012.0               | 0.97            | 231.78      | 8,002.1               | 176.5        | -26.5        | -176.7                  | 0.06                    | -0.04                  | -2.46                 |  |
| 8,102.0               | 0.97            | 225.63      | 8,092.1               | 175.5        | -27.6        | -175.7                  | 0.12                    | 0.00                   | -6.83                 |  |
| 8,192.0               | 1.14            | 212.27      | 8,182.1               | 174.2        | -28.6        | -174.4                  | 0.33                    | 0.19                   | -14.84                |  |
| 8,281.0               | 1.27            | 212.62      | 8,271.0               | 172.6        | -29.6        | -172.9                  | 0.15                    | 0.15                   | 0.39                  |  |
| 8,370.0               | 1.36            | 215.17      | 8,360.0               | 170.9        | -30.8        | -171.2                  | 0.12                    | 0.10                   | 2.87                  |  |
| 8,460.0               | 1.63            | 216.92      | 8,450.0               | 169.0        | -32.2        | -169.3                  | 0.30                    | 0.30                   | 1.94                  |  |
| 8,550.0               | 0.57            | 258.85      | 8,540.0               | 167.9        | -33.4        | -168.2                  | 1.41                    | -1.18                  | 46.59                 |  |
| 8,640.0               | 0.70            | 31.56       | 8,630.0               | 168.3        | -33.5        | -168.6                  | 1.29                    | 0.14                   | 147.46                |  |
| 8,729.0               | 0.53            | 27.17       | 8,719.0               | 169.1        | -33.0        | -169.4                  | 0.20                    | -0.19                  | -4.93                 |  |
| 8,819.0               | 0.31            | 25.06       | 8,809.0               | 169.7        | -32.8        | -170.0                  | 0.25                    | -0.24                  | -2.34                 |  |
| 8,909.0               | 0.22            | 298.57      | 8,899.0               | 170.0        | -32.8        | -170.3                  | 0.41                    | -0.10                  | -96.10                |  |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

| 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) |
| 8,999.0                               | 0.13            | 218.07      | 8,989.0               | 170.0        | -33.0        | -170.3                  | 0.26                    | -0.10                  | -89.44                |
| 9,089.0                               | 0.53            | 152.50      | 9,079.0               | 169.6        | -32.9        | -169.8                  | 0.55                    | 0.44                   | -72.86                |
| 9,179.0                               | 0.92            | 183.00      | 9,168.9               | 168.5        | -32.7        | -168.7                  | 0.60                    | 0.43                   | 33.89                 |
| 9,269.0                               | 1.27            | 181.68      | 9,258.9               | 166.8        | -32.8        | -167.0                  | 0.39                    | 0.39                   | -1.47                 |
| 9,359.0                               | 1.54            | 194.69      | 9,348.9               | 164.6        | -33.1        | -164.9                  | 0.46                    | 0.30                   | 14.46                 |
| 9,448.0                               | 1.14            | 225.54      | 9,437.9               | 162.8        | -34.1        | -163.1                  | 0.91                    | -0.45                  | 34.66                 |
| 9,538.0                               | 1.10            | 304.64      | 9,527.9               | 162.7        | -35.4        | -163.0                  | 1.59                    | -0.04                  | 87.89                 |
| 9,627.0                               | 0.66            | 281.00      | 9,616.9               | 163.3        | -36.6        | -163.6                  | 0.63                    | -0.49                  | -26.56                |
| 9,717.0                               | 0.18            | 156.46      | 9,706.9               | 163.3        | -37.1        | -163.5                  | 0.86                    | -0.53                  | -138.38               |
| 9,807.0                               | 0.31            | 148.54      | 9,796.9               | 162.9        | -36.9        | -163.2                  | 0.15                    | 0.14                   | -8.80                 |
| 9,897.0                               | 0.18            | 267.81      | 9,886.9               | 162.7        | -36.9        | -163.0                  | 0.48                    | -0.14                  | 132.52                |
| 9,987.0                               | 0.31            | 190.91      | 9,976.9               | 162.5        | -37.1        | -162.7                  | 0.36                    | 0.14                   | -85.44                |
| 10,077.0                              | 0.84            | 242.68      | 10,066.9              | 161.9        | -37.7        | -162.2                  | 0.77                    | 0.59                   | 57.52                 |
| 10,166.0                              | 0.53            | 219.65      | 10,155.8              | 161.3        | -38.6        | -161.6                  | 0.46                    | -0.35                  | -25.88                |
| 10,256.0                              | 0.48            | 215.43      | 10,245.8              | 160.7        | -39.1        | -161.0                  | 0.07                    | -0.06                  | -4.69                 |
| 10,346.0                              | 0.62            | 223.52      | 10,335.8              | 160.0        | -39.6        | -160.3                  | 0.18                    | 0.16                   | 8.99                  |
| 10,436.0                              | 0.53            | 175.35      | 10,425.8              | 159.2        | -39.9        | -159.5                  | 0.53                    | -0.10                  | -53.52                |
| 10,526.0                              | 0.62            | 165.86      | 10,515.8              | 158.4        | -39.8        | -158.7                  | 0.15                    | 0.10                   | -10.54                |
| 10,615.0                              | 0.97            | 91.42       | 10,604.8              | 157.9        | -38.9        | -158.2                  | 1.13                    | 0.39                   | -83.64                |
| 10,703.0                              | 0.88            | 114.18      | 10,692.8              | 157.6        | -37.5        | -157.9                  | 0.43                    | -0.10                  | 25.86                 |
| 10,810.0                              | 5.27            | 172.10      | 10,799.6              | 152.4        | -36.1        | -152.6                  | 4.54                    | 4.10                   | 54.13                 |
| 10,900.0                              | 16.53           | 183.70      | 10,887.9              | 135.4        | -36.4        | -135.7                  | 12.68                   | 12.51                  | 12.89                 |
| 10,990.0                              | 29.76           | 182.12      | 10,970.5              | 100.2        | -38.0        | -100.5                  | 14.71                   | 14.70                  | -1.76                 |
| 10,990.9                              | 29.88           | 182.08      | 10,971.2              | 99.7         | -38.0        | -100.0                  | 13.04                   | 12.90                  | -3.95                 |
| FTP @ 10990.9' MD, 100' FNL, 990' FEL |                 |             |                       |              |              |                         |                         |                        |                       |
| 11,079.0                              | 41.27           | 179.48      | 11,042.8              | 48.6         | -38.6        | -48.9                   | 13.04                   | 12.93                  | -2.96                 |
| 11,169.0                              | 45.27           | 179.04      | 11,108.3              | -13.1        | -37.8        | 12.8                    | 4.46                    | 4.44                   | -0.49                 |
| 11,258.0                              | 48.40           | 179.22      | 11,169.2              | -78.0        | -36.8        | 77.7                    | 3.52                    | 3.52                   | 0.20                  |
| 11,350.0                              | 58.46           | 182.29      | 11,223.9              | -151.8       | -37.9        | 151.5                   | 11.26                   | 10.93                  | 3.34                  |
| 11,439.0                              | 77.67           | 183.35      | 11,257.0              | -233.8       | -42.0        | 233.5                   | 21.61                   | 21.58                  | 1.19                  |
| 11,469.0                              | 85.23           | 184.32      | 11,261.5              | -263.4       | -44.0        | 263.1                   | 25.40                   | 25.20                  | 3.23                  |
| 11,559.0                              | 87.47           | 184.14      | 11,267.2              | -353.0       | -50.6        | 352.6                   | 2.50                    | 2.49                   | -0.20                 |
| 11,648.0                              | 86.73           | 180.36      | 11,271.7              | -441.8       | -54.1        | 441.3                   | 4.32                    | -0.83                  | -4.25                 |
| 11,738.0                              | 88.62           | 178.60      | 11,275.4              | -531.7       | -53.3        | 531.3                   | 2.87                    | 2.10                   | -1.96                 |
| 11,834.0                              | 92.00           | 177.70      | 11,274.8              | -627.6       | -50.2        | 627.2                   | 3.64                    | 3.52                   | -0.94                 |
| 11,924.0                              | 91.30           | 177.50      | 11,272.3              | -717.5       | -46.4        | 717.1                   | 0.81                    | -0.78                  | -0.22                 |
| 12,014.0                              | 90.10           | 177.55      | 11,271.2              | -807.4       | -42.5        | 807.1                   | 1.33                    | -1.33                  | 0.06                  |
| 12,104.0                              | 90.60           | 177.70      | 11,270.6              | -897.3       | -38.8        | 897.0                   | 0.58                    | 0.56                   | 0.17                  |
| 12,194.0                              | 90.60           | 178.10      | 11,269.7              | -987.3       | -35.5        | 987.0                   | 0.44                    | 0.00                   | 0.44                  |
| 12,284.0                              | 91.20           | 177.80      | 11,268.2              | -1,077.2     | -32.3        | 1,076.9                 | 0.75                    | 0.67                   | -0.33                 |
| 12,374.0                              | 92.90           | 177.90      | 11,265.0              | -1,167.1     | -28.9        | 1,166.8                 | 1.89                    | 1.89                   | 0.11                  |
| 12,463.0                              | 92.40           | 176.80      | 11,260.9              | -1,255.9     | -24.8        | 1,255.7                 | 1.36                    | -0.56                  | -1.24                 |
| 12,553.0                              | 93.10           | 178.30      | 11,256.6              | -1,345.7     | -20.9        | 1,345.5                 | 1.84                    | 0.78                   | 1.67                  |
| 12,643.0                              | 92.60           | 179.10      | 11,252.1              | -1,435.6     | -18.9        | 1,435.4                 | 1.05                    | -0.56                  | 0.89                  |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

| 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) |
| 12,733.0                               | 92.40           | 177.70      | 11,248.2              | -1,525.4     | -16.4        | 1,525.3                 | 1.57                    | -0.22                  | -1.56                 |
| 12,822.0                               | 93.50           | 176.60      | 11,243.6              | -1,614.2     | -12.0        | 1,614.1                 | 1.75                    | 1.24                   | -1.24                 |
| 12,912.0                               | 92.60           | 177.00      | 11,238.8              | -1,703.9     | -7.0         | 1,703.8                 | 1.09                    | -1.00                  | 0.44                  |
| 13,002.0                               | 88.50           | 180.80      | 11,238.0              | -1,793.9     | -5.2         | 1,793.8                 | 6.21                    | -4.56                  | 4.22                  |
| 13,091.0                               | 87.80           | 180.10      | 11,240.8              | -1,882.8     | -5.9         | 1,882.7                 | 1.11                    | -0.79                  | -0.79                 |
| 13,181.0                               | 88.00           | 179.70      | 11,244.1              | -1,972.8     | -5.8         | 1,972.7                 | 0.50                    | 0.22                   | -0.44                 |
| 13,271.0                               | 89.10           | 178.40      | 11,246.4              | -2,062.7     | -4.3         | 2,062.6                 | 1.89                    | 1.22                   | -1.44                 |
| 13,360.0                               | 90.50           | 177.50      | 11,246.7              | -2,151.7     | -1.1         | 2,151.6                 | 1.87                    | 1.57                   | -1.01                 |
| 13,450.0                               | 89.80           | 179.00      | 11,246.5              | -2,241.6     | 1.7          | 2,241.6                 | 1.84                    | -0.78                  | 1.67                  |
| 13,539.0                               | 90.90           | 178.30      | 11,245.9              | -2,330.6     | 3.8          | 2,330.5                 | 1.46                    | 1.24                   | -0.79                 |
| 13,629.0                               | 89.00           | 178.10      | 11,246.0              | -2,420.5     | 6.6          | 2,420.5                 | 2.12                    | -2.11                  | -0.22                 |
| 13,647.5                               | 88.58           | 178.35      | 11,246.4              | -2,439.0     | 7.2          | 2,439.0                 | 2.62                    | -2.25                  | 1.35                  |
| CROSS SEC LINE @ 13647.5' MD, 966' FEL |                 |             |                       |              |              |                         |                         |                        |                       |
| 13,718.0                               | 87.00           | 179.30      | 11,249.1              | -2,509.5     | 8.6          | 2,509.4                 | 2.62                    | -2.25                  | 1.35                  |
| 13,808.0                               | 88.60           | 181.10      | 11,252.6              | -2,599.4     | 8.3          | 2,599.4                 | 2.67                    | 1.78                   | 2.00                  |
| 13,898.0                               | 90.80           | 181.50      | 11,253.1              | -2,689.4     | 6.2          | 2,689.3                 | 2.48                    | 2.44                   | 0.44                  |
| 13,988.0                               | 90.90           | 180.50      | 11,251.7              | -2,779.3     | 4.7          | 2,779.3                 | 1.12                    | 0.11                   | -1.11                 |
| 14,077.0                               | 91.20           | 180.90      | 11,250.1              | -2,868.3     | 3.6          | 2,868.2                 | 0.56                    | 0.34                   | 0.45                  |
| 14,167.0                               | 91.50           | 181.70      | 11,248.0              | -2,958.3     | 1.5          | 2,958.2                 | 0.95                    | 0.33                   | 0.89                  |
| 14,257.0                               | 92.40           | 181.20      | 11,244.9              | -3,048.2     | -0.7         | 3,048.1                 | 1.14                    | 1.00                   | -0.56                 |
| 14,347.0                               | 92.30           | 180.40      | 11,241.2              | -3,138.1     | -2.0         | 3,138.0                 | 0.90                    | -0.11                  | -0.89                 |
| 14,436.0                               | 89.70           | 181.20      | 11,239.7              | -3,227.1     | -3.2         | 3,226.9                 | 3.06                    | -2.92                  | 0.90                  |
| 14,526.0                               | 86.70           | 181.20      | 11,242.5              | -3,317.0     | -5.1         | 3,316.8                 | 3.33                    | -3.33                  | 0.00                  |
| 14,615.0                               | 86.50           | 181.40      | 11,247.8              | -3,405.8     | -7.1         | 3,405.6                 | 0.32                    | -0.22                  | 0.22                  |
| 14,705.0                               | 86.50           | 181.10      | 11,253.3              | -3,495.6     | -9.1         | 3,495.4                 | 0.33                    | 0.00                   | -0.33                 |
| 14,795.0                               | 86.30           | 180.90      | 11,258.9              | -3,585.4     | -10.7        | 3,585.2                 | 0.31                    | -0.22                  | -0.22                 |
| 14,885.0                               | 86.10           | 180.30      | 11,264.9              | -3,675.2     | -11.6        | 3,675.0                 | 0.70                    | -0.22                  | -0.67                 |
| 14,974.0                               | 86.20           | 179.50      | 11,270.9              | -3,764.0     | -11.4        | 3,763.8                 | 0.90                    | 0.11                   | -0.90                 |
| 15,064.0                               | 87.00           | 179.70      | 11,276.2              | -3,853.9     | -10.8        | 3,853.7                 | 0.92                    | 0.89                   | 0.22                  |
| 15,154.0                               | 87.90           | 179.90      | 11,280.2              | -3,943.8     | -10.5        | 3,943.6                 | 1.02                    | 1.00                   | 0.22                  |
| 15,244.0                               | 88.40           | 179.50      | 11,283.1              | -4,033.7     | -10.0        | 4,033.5                 | 0.71                    | 0.56                   | -0.44                 |
| 15,333.0                               | 88.80           | 178.00      | 11,285.3              | -4,122.7     | -8.1         | 4,122.5                 | 1.74                    | 0.45                   | -1.69                 |
| 15,423.0                               | 91.00           | 177.60      | 11,285.4              | -4,212.6     | -4.6         | 4,212.4                 | 2.48                    | 2.44                   | -0.44                 |
| 15,513.0                               | 91.20           | 176.20      | 11,283.7              | -4,302.4     | 0.2          | 4,302.3                 | 1.57                    | 0.22                   | -1.56                 |
| 15,602.0                               | 89.60           | 176.60      | 11,283.1              | -4,391.3     | 5.8          | 4,391.2                 | 1.85                    | -1.80                  | 0.45                  |
| 15,692.0                               | 87.90           | 177.20      | 11,285.0              | -4,481.1     | 10.7         | 4,481.1                 | 2.00                    | -1.89                  | 0.67                  |
| 15,782.0                               | 87.40           | 176.00      | 11,288.7              | -4,570.9     | 16.0         | 4,570.9                 | 1.44                    | -0.56                  | -1.33                 |
| 15,872.0                               | 88.00           | 176.80      | 11,292.3              | -4,660.6     | 21.7         | 4,660.6                 | 1.11                    | 0.67                   | 0.89                  |
| 15,961.0                               | 87.30           | 177.50      | 11,296.0              | -4,749.4     | 26.1         | 4,749.5                 | 1.11                    | -0.79                  | 0.79                  |
| 16,051.0                               | 89.40           | 179.20      | 11,298.6              | -4,839.3     | 28.7         | 4,839.4                 | 3.00                    | 2.33                   | 1.89                  |
| 16,140.0                               | 90.60           | 179.80      | 11,298.6              | -4,928.3     | 29.5         | 4,928.4                 | 1.51                    | 1.35                   | 0.67                  |
| 16,230.0                               | 90.40           | 178.70      | 11,297.8              | -5,018.3     | 30.6         | 5,018.4                 | 1.24                    | -0.22                  | -1.22                 |
| 16,290.8                               | 91.29           | 179.18      | 11,296.9              | -5,079.1     | 31.8         | 5,079.2                 | 1.66                    | 1.46                   | 0.79                  |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

| 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) |
| <b>CROSS SEC LINE @ 16290.8' MD, 963' FEL</b>  |                 |             |                       |              |              |                         |                         |                        |                       |
| 16,319.0                                       | 91.70           | 179.40      | 11,296.2              | -5,107.3     | 32.1         | 5,107.4                 | 1.66                    | 1.46                   | 0.79                  |
| 16,409.0                                       | 91.50           | 180.90      | 11,293.7              | -5,197.3     | 31.9         | 5,197.4                 | 1.68                    | -0.22                  | 1.67                  |
| 16,499.0                                       | 87.90           | 182.10      | 11,294.1              | -5,287.2     | 29.5         | 5,287.3                 | 4.22                    | -4.00                  | 1.33                  |
| 16,589.0                                       | 86.90           | 181.20      | 11,298.2              | -5,377.1     | 26.9         | 5,377.1                 | 1.49                    | -1.11                  | -1.00                 |
| 16,678.0                                       | 88.30           | 180.20      | 11,301.9              | -5,466.0     | 25.8         | 5,466.0                 | 1.93                    | 1.57                   | -1.12                 |
| 16,768.0                                       | 89.50           | 180.90      | 11,303.7              | -5,556.0     | 25.0         | 5,556.0                 | 1.54                    | 1.33                   | 0.78                  |
| 16,858.0                                       | 88.60           | 180.40      | 11,305.2              | -5,646.0     | 24.0         | 5,646.0                 | 1.14                    | -1.00                  | -0.56                 |
| 16,947.0                                       | 88.10           | 179.60      | 11,307.7              | -5,734.9     | 24.0         | 5,734.9                 | 1.06                    | -0.56                  | -0.90                 |
| 17,037.0                                       | 87.70           | 178.90      | 11,311.0              | -5,824.8     | 25.1         | 5,824.9                 | 0.90                    | -0.44                  | -0.78                 |
| 17,126.0                                       | 88.30           | 179.30      | 11,314.1              | -5,913.8     | 26.5         | 5,913.8                 | 0.81                    | 0.67                   | 0.45                  |
| 17,216.0                                       | 88.90           | 180.40      | 11,316.3              | -6,003.8     | 26.8         | 6,003.8                 | 1.39                    | 0.67                   | 1.22                  |
| 17,306.0                                       | 88.40           | 179.60      | 11,318.4              | -6,093.7     | 26.8         | 6,093.8                 | 1.05                    | -0.56                  | -0.89                 |
| 17,396.0                                       | 87.10           | 178.20      | 11,322.0              | -6,183.6     | 28.5         | 6,183.7                 | 2.12                    | -1.44                  | -1.56                 |
| 17,486.0                                       | 91.10           | 179.10      | 11,323.4              | -6,273.6     | 30.6         | 6,273.6                 | 4.56                    | 4.44                   | 1.00                  |
| 17,576.0                                       | 88.90           | 180.20      | 11,323.4              | -6,363.6     | 31.2         | 6,363.6                 | 2.73                    | -2.44                  | 1.22                  |
| 17,666.0                                       | 87.20           | 179.50      | 11,326.5              | -6,453.5     | 31.4         | 6,453.6                 | 2.04                    | -1.89                  | -0.78                 |
| 17,755.0                                       | 86.20           | 179.20      | 11,331.6              | -6,542.4     | 32.4         | 6,542.4                 | 1.17                    | -1.12                  | -0.34                 |
| 17,845.0                                       | 84.00           | 178.40      | 11,339.3              | -6,632.0     | 34.3         | 6,632.1                 | 2.60                    | -2.44                  | -0.89                 |
| 17,935.0                                       | 85.60           | 178.90      | 11,347.4              | -6,721.6     | 36.4         | 6,721.7                 | 1.86                    | 1.78                   | 0.56                  |
| 18,024.0                                       | 87.30           | 180.70      | 11,352.9              | -6,810.4     | 36.7         | 6,810.5                 | 2.78                    | 1.91                   | 2.02                  |
| 18,114.0                                       | 89.70           | 180.90      | 11,355.3              | -6,900.4     | 35.4         | 6,900.5                 | 2.68                    | 2.67                   | 0.22                  |
| 18,204.0                                       | 90.90           | 183.50      | 11,354.8              | -6,990.3     | 32.0         | 6,990.3                 | 3.18                    | 1.33                   | 2.89                  |
| 18,293.0                                       | 91.60           | 183.40      | 11,352.9              | -7,079.1     | 26.6         | 7,079.1                 | 0.79                    | 0.79                   | -0.11                 |
| 18,383.0                                       | 90.20           | 183.90      | 11,351.5              | -7,168.9     | 20.9         | 7,168.9                 | 1.65                    | -1.56                  | 0.56                  |
| 18,472.0                                       | 88.30           | 184.20      | 11,352.6              | -7,257.7     | 14.6         | 7,257.6                 | 2.16                    | -2.13                  | 0.34                  |
| 18,562.0                                       | 88.10           | 182.80      | 11,355.5              | -7,347.5     | 9.1          | 7,347.3                 | 1.57                    | -0.22                  | -1.56                 |
| 18,652.0                                       | 87.10           | 181.20      | 11,359.2              | -7,437.3     | 6.0          | 7,437.2                 | 2.10                    | -1.11                  | -1.78                 |
| 18,741.0                                       | 87.80           | 180.60      | 11,363.2              | -7,526.2     | 4.6          | 7,526.1                 | 1.04                    | 0.79                   | -0.67                 |
| 18,831.0                                       | 84.00           | 181.80      | 11,369.6              | -7,616.0     | 2.7          | 7,615.8                 | 4.43                    | -4.22                  | 1.33                  |
| 18,921.0                                       | 83.80           | 181.50      | 11,379.2              | -7,705.4     | 0.1          | 7,705.2                 | 0.40                    | -0.22                  | -0.33                 |
| 18,935.0                                       | 84.33           | 181.44      | 11,380.6              | -7,719.3     | -0.2         | 7,719.1                 | 3.83                    | 3.80                   | -0.44                 |
| <b>CROSS SEC LINE @ 18935.0' MD, 1014' FEL</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 19,013.0                                       | 87.30           | 181.10      | 11,386.3              | -7,797.1     | -1.9         | 7,796.9                 | 3.83                    | 3.80                   | -0.43                 |
| 19,102.0                                       | 87.60           | 180.00      | 11,390.3              | -7,886.0     | -2.8         | 7,885.8                 | 1.28                    | 0.34                   | -1.24                 |
| 19,192.0                                       | 87.50           | 179.20      | 11,394.1              | -7,975.9     | -2.2         | 7,975.7                 | 0.90                    | -0.11                  | -0.89                 |
| 19,282.0                                       | 89.40           | 178.40      | 11,396.6              | -8,065.9     | -0.3         | 8,065.6                 | 2.29                    | 2.11                   | -0.89                 |
| 19,372.0                                       | 89.60           | 176.90      | 11,397.3              | -8,155.8     | 3.4          | 8,155.6                 | 1.68                    | 0.22                   | -1.67                 |
| 19,462.0                                       | 89.80           | 176.10      | 11,397.8              | -8,245.6     | 8.9          | 8,245.4                 | 0.92                    | 0.22                   | -0.89                 |
| 19,551.0                                       | 89.10           | 176.70      | 11,398.7              | -8,334.4     | 14.5         | 8,334.3                 | 1.04                    | -0.79                  | 0.67                  |
| 19,641.0                                       | 89.80           | 177.50      | 11,399.5              | -8,424.3     | 19.0         | 8,424.2                 | 1.18                    | 0.78                   | 0.89                  |
| 19,731.0                                       | 90.10           | 179.00      | 11,399.6              | -8,514.3     | 21.8         | 8,514.2                 | 1.70                    | 0.33                   | 1.67                  |
| 19,820.0                                       | 90.70           | 180.40      | 11,399.0              | -8,603.3     | 22.3         | 8,603.2                 | 1.71                    | 0.67                   | 1.57                  |
| 19,910.0                                       | 90.30           | 179.70      | 11,398.2              | -8,693.3     | 22.2         | 8,693.2                 | 0.90                    | -0.44                  | -0.78                 |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

| 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) |  |
| 20,000.0                                      | 89.10           | 180.00      | 11,398.7              | -8,783.3     | 22.4         | 8,783.2                 | 1.37                    | -1.33                  | 0.33                  |  |
| 20,090.0                                      | 89.80           | 178.70      | 11,399.5              | -8,873.3     | 23.4         | 8,873.2                 | 1.64                    | 0.78                   | -1.44                 |  |
| 20,180.0                                      | 91.60           | 178.60      | 11,398.4              | -8,963.2     | 25.6         | 8,963.1                 | 2.00                    | 2.00                   | -0.11                 |  |
| 20,270.0                                      | 90.50           | 179.60      | 11,396.8              | -9,053.2     | 27.0         | 9,053.1                 | 1.65                    | -1.22                  | 1.11                  |  |
| 20,360.0                                      | 89.50           | 181.90      | 11,396.8              | -9,143.2     | 25.8         | 9,143.1                 | 2.79                    | -1.11                  | 2.56                  |  |
| 20,449.0                                      | 89.80           | 180.90      | 11,397.3              | -9,232.1     | 23.6         | 9,232.1                 | 1.17                    | 0.34                   | -1.12                 |  |
| 20,539.0                                      | 90.90           | 180.20      | 11,396.8              | -9,322.1     | 22.8         | 9,322.0                 | 1.45                    | 1.22                   | -0.78                 |  |
| 20,629.0                                      | 90.50           | 179.00      | 11,395.7              | -9,412.1     | 23.4         | 9,412.0                 | 1.41                    | -0.44                  | -1.33                 |  |
| 20,719.0                                      | 89.90           | 179.60      | 11,395.4              | -9,502.1     | 24.5         | 9,502.0                 | 0.94                    | -0.67                  | 0.67                  |  |
| 20,809.0                                      | 90.20           | 180.00      | 11,395.3              | -9,592.1     | 24.8         | 9,592.0                 | 0.56                    | 0.33                   | 0.44                  |  |
| 20,898.0                                      | 88.70           | 180.00      | 11,396.1              | -9,681.1     | 24.8         | 9,681.0                 | 1.69                    | -1.69                  | 0.00                  |  |
| 20,988.0                                      | 89.80           | 179.90      | 11,397.3              | -9,771.1     | 24.9         | 9,771.0                 | 1.23                    | 1.22                   | -0.11                 |  |
| 21,078.0                                      | 89.40           | 180.30      | 11,398.0              | -9,861.1     | 24.7         | 9,861.0                 | 0.63                    | -0.44                  | 0.44                  |  |
| 21,168.0                                      | 88.40           | 180.60      | 11,399.7              | -9,951.1     | 24.0         | 9,951.0                 | 1.16                    | -1.11                  | 0.33                  |  |
| 21,258.0                                      | 89.10           | 179.90      | 11,401.6              | -10,041.1    | 23.6         | 10,040.9                | 1.10                    | 0.78                   | -0.78                 |  |
| 21,348.0                                      | 90.20           | 178.90      | 11,402.2              | -10,131.0    | 24.6         | 10,130.9                | 1.65                    | 1.22                   | -1.11                 |  |
| 21,437.0                                      | 91.40           | 178.00      | 11,401.0              | -10,220.0    | 27.0         | 10,219.9                | 1.69                    | 1.35                   | -1.01                 |  |
| 21,472.7                                      | 91.82           | 177.58      | 11,399.9              | -10,255.7    | 28.3         | 10,255.6                | 1.66                    | 1.18                   | -1.18                 |  |
| <b>LTP @ 21472.7' MD, 100' FSL, 1005' FEL</b> |                 |             |                       |              |              |                         |                         |                        |                       |  |
| 21,488.0                                      | 92.00           | 177.40      | 11,399.4              | -10,270.9    | 29.0         | 10,270.9                | 1.66                    | 1.18                   | -1.18                 |  |
| <b>LAST SVY</b>                               |                 |             |                       |              |              |                         |                         |                        |                       |  |
| 21,553.0                                      | 92.00           | 177.40      | 11,397.2              | -10,335.8    | 32.0         | 10,335.8                | 0.00                    | 0.00                   | 0.00                  |  |
| <b>PTD@ 21553.0' MD, 20' FSL, 1002' FEL</b>   |                 |             |                       |              |              |                         |                         |                        |                       |  |

| Design Targets                                                                                         |                   |               |              |            |              |              |                 |                |                  |                   |
|--------------------------------------------------------------------------------------------------------|-------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|------------------|-------------------|
| Target Name                                                                                            | - hit/miss target | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude         | Longitude         |
| T1 (Merchant State #5)                                                                                 | - Shape           | 0.00          | 0.00         | 11,231.2   | -2,515.6     | -17.1        | 522,908.30      | 784,116.22     | 32° 26' 6.297 N  | 103° 32' 47.105 W |
| - actual wellpath misses target center by 31.5usft at 13723.5usft MD (11249.4 TVD, -2515.0 N, 8.7 E)   |                   |               |              |            |              |              |                 |                |                  |                   |
| - Point                                                                                                |                   |               |              |            |              |              |                 |                |                  |                   |
| FTP (Merchant State #5)                                                                                | - Shape           | 0.00          | 0.00         | 11,274.9   | 99.7         | -37.6        | 525,523.60      | 784,095.70     | 32° 26' 32.176 N | 103° 32' 47.119 W |
| - actual wellpath misses target center by 198.1usft at 11200.7usft MD (11130.4 TVD, -35.8 N, -37.4 E)  |                   |               |              |            |              |              |                 |                |                  |                   |
| - Point                                                                                                |                   |               |              |            |              |              |                 |                |                  |                   |
| T2 (Merchant State #5)                                                                                 | - Shape           | 0.00          | 0.00         | 11,275.2   | -5,954.1     | 9.3          | 519,469.80      | 784,142.60     | 32° 25' 32.272 N | 103° 32' 47.092 W |
| - actual wellpath misses target center by 43.7usft at 17165.3usft MD (11315.2 TVD, -5953.1 N, 26.8 E)  |                   |               |              |            |              |              |                 |                |                  |                   |
| - Point                                                                                                |                   |               |              |            |              |              |                 |                |                  |                   |
| LTP/PBHL (Merchant State #5)                                                                           | - Shape           | 0.00          | 0.00         | 11,377.8   | -10,255.7    | 42.3         | 515,168.20      | 784,175.60     | 32° 24' 49.706 N | 103° 32' 47.077 W |
| - actual wellpath misses target center by 26.1usft at 21474.1usft MD (11399.9 TVD, -10257.0 N, 28.4 E) |                   |               |              |            |              |              |                 |                |                  |                   |
| - Point                                                                                                |                   |               |              |            |              |              |                 |                |                  |                   |



# Microsoft Survey Report



|                  |                                     |                                     |                                |
|------------------|-------------------------------------|-------------------------------------|--------------------------------|
| <b>Company:</b>  | Advance Energy Partners             | <b>Local Co-ordinate Reference:</b> | Well Merchant State Unit #552H |
| <b>Project:</b>  | Lea County, NM (NAD 83 NME)         | <b>TVD Reference:</b>               | KB @ 3710.5usft (H&P 466)      |
| <b>Site:</b>     | (Merchant State)Sec35_T-21-S_R-33-E | <b>MD Reference:</b>                | KB @ 3710.5usft (H&P 466)      |
| <b>Well:</b>     | Merchant State Unit #552H           | <b>North Reference:</b>             | Grid                           |
| <b>Wellbore:</b> | OWB                                 | <b>Survey Calculation Method:</b>   | Minimum Curvature              |
| <b>Design:</b>   | AWB                                 | <b>Database:</b>                    | EDM 10_13                      |

## Design Annotations

| Measured<br>Depth<br>(usft) | Vertical<br>Depth<br>(usft) | Local Coordinates |                 | Comment                                 |
|-----------------------------|-----------------------------|-------------------|-----------------|-----------------------------------------|
|                             |                             | +N/-S<br>(usft)   | +E/-W<br>(usft) |                                         |
| 10,990.9                    | 10,971.2                    | 99.7              | -38.0           | FTP @ 10990.9' MD, 100' FNL, 990' FEL   |
| 13,647.5                    | 11,246.4                    | -2,439.0          | 7.2             | CROSS SEC LINE @ 13647.5' MD, 966' FEL  |
| 16,290.8                    | 11,296.9                    | -5,079.1          | 31.8            | CROSS SEC LINE @ 16290.8' MD, 963' FEL  |
| 18,935.0                    | 11,380.6                    | -7,719.3          | -0.2            | CROSS SEC LINE @ 18935.0' MD, 1014' FEL |
| 21,472.7                    | 11,399.9                    | -10,255.7         | 28.3            | LTP @ 21472.7' MD, 100' FSL, 1005' FEL  |
| 21,488.0                    | 11,399.4                    | -10,270.9         | 29.0            | LAST SVY                                |
| 21,553.0                    | 11,397.2                    | -10,335.8         | 32.0            | PTD@ 21553.0' MD, 20' FSL, 1002' FEL    |

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

Submit 1 Copy To Appropriate District Office  
 District I – (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II – (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III – (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV – (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-103  
 Revised July 18, 2013

|                                                                                                                                                                                                                |  |                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)  |  | WELL API NO.<br>30-025-46703                                                                        |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>                                                                                 |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Advance Energy Partners Hat Mesa                                                                                                                                                        |  | 6. State Oil & Gas Lease No.                                                                        |
| 3. Address of Operator<br>11490 Westheimer Rd, Houston, TX 77077                                                                                                                                               |  | 7. Lease Name or Unit Agreement Name<br>MERCHANT STATE UNIT                                         |
| 4. Well Location<br>Unit Letter <u>C</u> : <u>200</u> feet from the <u>N</u> line and <u>1687</u> feet from the <u>W</u> line<br>Section <u>35</u> Township <u>21S</u> Range <u>33E</u> NMPM County <u>LEA</u> |  | 8. Well Number <u>552H</u>                                                                          |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3685'                                                                                                                                                    |  | 9. OGRID Number<br>372417                                                                           |
|                                                                                                                                                                                                                |  | 10. Pool name or Wildcat<br>WC-025 G-06 S213326D; BONE SPRING                                       |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO:                        |                                           | SUBSEQUENT REPORT OF:                            |                                          |
|------------------------------------------------|-------------------------------------------|--------------------------------------------------|------------------------------------------|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>           | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>       |                                          |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |                                           |                                                  |                                          |
| CLOSED-LOOP SYSTEM <input type="checkbox"/>    |                                           |                                                  |                                          |
| OTHER: <input type="checkbox"/>                |                                           | OTHER: <input checked="" type="checkbox"/>       |                                          |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 10/8/20: Pressure test casing to 9,800 psi for 30 minutes.
- 10/22/20 – 11/14/20: Perforate from 11,470' – 21,450' (3024). Frac with 24,919,320 lbs sand and 25,807,278 gal fluid.
- 12/11/20 – 12/12/20: Drill all plugs out and clean out to a PBTD of 21,464'.
- 12/23/20: Ready to Produce

Spud Date:

01/21/2020

Rig Release Date:

03/09/2020

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:

TITLE: Sr. Eng. Tech.

DATE: 2/16/22

PRINT NAME: Eileen M Kosakowski

E-mail address: [ekosakowski@advanceenergypartners.com](mailto:ekosakowski@advanceenergypartners.com)

PHONE: (832) 672-4604

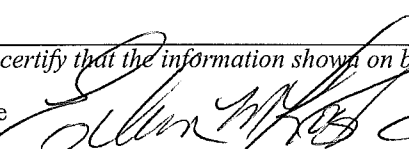
**For State Use Only**

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|--|
| Submit To Appropriate District Office<br>Two Copies<br>District I<br>1625 N. French Dr., Hobbs, NM 88240<br>District II<br>811 S. First St., Artesia, NM 88210<br>District III<br>1000 Rio Brazos Rd., Aztec, NM 87410<br>District IV<br>1220 S. St. Francis Dr., Santa Fe, NM 87505                                                                                                      |                                     | State of New Mexico<br>Energy, Minerals and Natural Resources<br><br>Oil Conservation Division<br>1220 South St. Francis Dr.<br>Santa Fe, NM 87505 |                                            |                                                               | Form C-105<br>Revised April 3, 2017             |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     | 1. WELL API NO.<br>30-025-46703                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     | 2. Type of Lease<br><input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN                     |                                            |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     | 3. State Oil & Gas Lease No.                                                                                                                       |                                            |                                                               |                                                 |                                                       |  |
| <b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>                                                                                                                                                                                                                                                                                                                                     |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| 4. Reason for filing:<br><br><input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only)<br><br><input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) |                                     |                                                                                                                                                    |                                            | 5. Lease Name or Unit Agreement Name<br>Merchant State Unit   |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            | 6. Well Number:<br># 552H                                     |                                                 |                                                       |  |
| 7. Type of Completion:<br><input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER                                                                                                                                 |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| 8. Name of Operator<br>Advance Energy Partners Hat Mesa, LLC                                                                                                                                                                                                                                                                                                                              |                                     |                                                                                                                                                    |                                            | 9. OGRID<br>372417                                            |                                                 |                                                       |  |
| 10. Address of Operator<br>11490 Westheimer RD, Suite 950<br>Houston, TX 77077                                                                                                                                                                                                                                                                                                            |                                     |                                                                                                                                                    |                                            | 11. Pool name or Wildcat<br>WC-025 G-06 S213326D; BONE SPRING |                                                 |                                                       |  |
| 12. Location                                                                                                                                                                                                                                                                                                                                                                              | Unit Ltr                            | Section                                                                                                                                            | Township                                   | Range                                                         | Lot                                             | Feet from the                                         |  |
| Surface:                                                                                                                                                                                                                                                                                                                                                                                  | C                                   | 35                                                                                                                                                 | 21S                                        | 33E                                                           |                                                 | 200                                                   |  |
| BH:                                                                                                                                                                                                                                                                                                                                                                                       | N                                   | 2                                                                                                                                                  | 22S                                        | 33E                                                           |                                                 | 20                                                    |  |
| 13. Date Spudded<br>01/21/2020                                                                                                                                                                                                                                                                                                                                                            | 14. Date T.D. Reached<br>03/07/2020 | 15. Date Rig Released<br>03/09/2020                                                                                                                |                                            | 16. Date Completed (Ready to Produce)<br>12/23/2020           |                                                 | 17. Elevations (DF and RKB, RT, GR, etc.)<br>3685'    |  |
| 18. Total Measured Depth of Well<br>21,553'                                                                                                                                                                                                                                                                                                                                               |                                     | 19. Plug Back Measured Depth<br>21,464'                                                                                                            |                                            | 20. Was Directional Survey Made?<br>YES                       |                                                 | 21. Type Electric and Other Logs Run<br>Gamma Ray     |  |
| 22. Producing Interval(s), of this completion - Top, Bottom, Name<br>11,470-21,450' BONE SPRING                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| <b>23. CASING RECORD (Report all strings set in well)</b>                                                                                                                                                                                                                                                                                                                                 |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| CASING SIZE                                                                                                                                                                                                                                                                                                                                                                               | WEIGHT LB./FT.                      |                                                                                                                                                    | DEPTH SET                                  |                                                               | HOLE SIZE                                       | CEMENTING RECORD                                      |  |
| 13.375"                                                                                                                                                                                                                                                                                                                                                                                   | 54.4#                               |                                                                                                                                                    | 1800                                       |                                                               | 17.5                                            | 835                                                   |  |
| 9.625"                                                                                                                                                                                                                                                                                                                                                                                    | 40#                                 |                                                                                                                                                    | 5324/3920                                  |                                                               | 12.25                                           | 1335                                                  |  |
| 5.5"                                                                                                                                                                                                                                                                                                                                                                                      | 20#                                 |                                                                                                                                                    | 21538                                      |                                                               | 8.5                                             | 3050                                                  |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| <b>24. LINER RECORD</b>                                                                                                                                                                                                                                                                                                                                                                   |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| SIZE                                                                                                                                                                                                                                                                                                                                                                                      | TOP                                 | BOTTOM                                                                                                                                             | SACKS CEMENT                               | SCREEN                                                        |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| <b>25. TUBING RECORD</b>                                                                                                                                                                                                                                                                                                                                                                  |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| SIZE                                                                                                                                                                                                                                                                                                                                                                                      | DEPTH SET                           |                                                                                                                                                    | PACKER SET                                 |                                                               |                                                 |                                                       |  |
| 2 7/8                                                                                                                                                                                                                                                                                                                                                                                     | 10,276'                             |                                                                                                                                                    | N/A                                        |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| <b>26. Perforation record (interval, size, and number)</b>                                                                                                                                                                                                                                                                                                                                |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| 11,470-21,450'' - 3024 holes                                                                                                                                                                                                                                                                                                                                                              |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| <b>27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.</b>                                                                                                                                                                                                                                                                                                                                    |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| DEPTH INTERVAL                                                                                                                                                                                                                                                                                                                                                                            |                                     |                                                                                                                                                    | AMOUNT AND KIND MATERIAL USED              |                                                               |                                                 |                                                       |  |
| 11,470-21,450'                                                                                                                                                                                                                                                                                                                                                                            |                                     |                                                                                                                                                    | 24,919,320 lbs sand, 25,807,278 bbls water |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| <b>28. PRODUCTION</b>                                                                                                                                                                                                                                                                                                                                                                     |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| Date First Production<br>12/24/2020                                                                                                                                                                                                                                                                                                                                                       |                                     | Production Method ( <i>Flowing, gas lift, pumping - Size and type pump</i> )<br>FLOWING                                                            |                                            |                                                               | Well Status ( <i>Prod. or Shut-in</i> )<br>Prod |                                                       |  |
| Date of Test<br>01/06/2021                                                                                                                                                                                                                                                                                                                                                                | Hours Tested<br>24 Hrs              | Choke Size<br>64                                                                                                                                   | Prod'n For Test<br>Period                  | Oil - Bbl<br>1874                                             | Gas - MCF<br>1833                               | Water - Bbl.<br>4180                                  |  |
| Flow Tubing Press.<br>400                                                                                                                                                                                                                                                                                                                                                                 | Casing Pressure<br>1150             | Calculated 24-Hour<br>Rate                                                                                                                         | Oil - Bbl.<br>1874                         | Gas - MCF<br>1833                                             | Water - Bbl.<br>4180                            | Oil Gravity - API - ( <i>Corr.</i> )<br>41.7          |  |
| 29. Disposition of Gas ( <i>Sold, used for fuel, vented, etc.</i> )<br>Sold                                                                                                                                                                                                                                                                                                               |                                     |                                                                                                                                                    |                                            |                                                               | 30. Test Witnessed By<br>Baron Chandler         |                                                       |  |
| 31. List Attachments                                                                                                                                                                                                                                                                                                                                                                      |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| 32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.                                                                                                                                                                                                                                                                                        |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| 33. Rig Release Date:                                                                                                                                                                                                                                                                                                                                                                     |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| 34. If an on-site burial was used at the well, report the exact location of the on-site burial:                                                                                                                                                                                                                                                                                           |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| Latitude _____ Longitude _____ NAD83                                                                                                                                                                                                                                                                                                                                                      |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief                                                                                                                                                                                                                                                        |                                     |                                                                                                                                                    |                                            |                                                               |                                                 |                                                       |  |
| Signature                                                                                                                                                                                                                                                                                              |                                     |                                                                                                                                                    |                                            | Date: 2/16/22                                                 |                                                 |                                                       |  |
| Printed Name: Eileen M Kosakowski                                                                                                                                                                                                                                                                                                                                                         |                                     |                                                                                                                                                    |                                            | Title: Sr. Eng. Tech                                          |                                                 | E-mail Address: ekosakowski@advanceenergypartners.com |  |

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

| Southeastern New Mexico |                  | Northwestern New Mexico |                  |
|-------------------------|------------------|-------------------------|------------------|
| T. Anhy                 | T. Canyon        | T. Ojo Alamo            | T. Penn A"       |
| T. Salt                 | T. Strawn        | T. Kirtland             | T. Penn. "B"     |
| B. Salt                 | T. Atoka         | T. Fruitland            | T. Penn. "C"     |
| T. Yates                | T. Miss          | T. Pictured Cliffs      | T. Penn. "D"     |
| T. 7 Rivers             | T. Devonian      | T. Cliff House          | T. Leadville     |
| T. Queen                | T. Silurian      | T. Menefee              | T. Madison       |
| T. Grayburg             | T. Montoya       | T. Point Lookout        | T. Elbert        |
| T. San Andres           | T. Simpson       | T. Mancos               | T. McCracken     |
| T. Glorieta             | T. McKee         | T. Gallup               | T. Ignacio Otzte |
| T. Paddock              | T. Ellenburger   | Base Greenhorn          | T. Granite       |
| T. Blinebry             | T. Gr. Wash      | T. Dakota               |                  |
| T. Tubb                 | T. Delaware Sand | T. Morrison             |                  |
| T. Drinkard             | T. Bone Springs  | T. Todilto              |                  |
| T. Abo                  | T. 1B 8539 MD    | T. Entrada              |                  |
| T. Wolfcamp             | T. AV 9060 MD    | T. Wingate              |                  |
| T. Penn                 | T. 1SS 10,074 MD | T. Chinle               |                  |
| T. Cisco (Bough C)      | T. 2SS 10,630 MD | T. Permian              |                  |

No. 1, from.....to.....  
No. 2, from.....to.....  
No. 3, from.....to.....  
No. 4, from.....to.....

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

| From | To | Thickness<br>In Feet | Lithology |
|------|----|----------------------|-----------|
|      |    |                      |           |

**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**

ACKNOWLEDGMENTS  
  
Action 82053

ACKNOWLEDGMENTS

|                                                                                                        |                                                    |
|--------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| Operator:<br>ADVANCE ENERGY PARTNERS HAT MESA, LLC<br>5400 LBJ Freeway, Suite 1500<br>Dallas, TX 75240 | OGRID:<br>372417                                   |
|                                                                                                        | Action Number:<br>82053                            |
|                                                                                                        | Action Type:<br>[C-104] Completion Packet (C-104C) |

ACKNOWLEDGMENTS

|                                     |                                                                                                                    |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | I hereby certify that the required Water Use Report has been, or will be, submitted for this wells completion.     |
| <input checked="" type="checkbox"/> | I hereby certify that the required FracFocus disclosure has been, or will be, submitted for this wells completion. |

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
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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 82053

CONDITIONS

|                                                                                                        |                                                    |
|--------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| Operator:<br>ADVANCE ENERGY PARTNERS HAT MESA, LLC<br>5400 LBJ Freeway, Suite 1500<br>Dallas, TX 75240 | OGRID:<br>372417                                   |
|                                                                                                        | Action Number:<br>82053                            |
|                                                                                                        | Action Type:<br>[C-104] Completion Packet (C-104C) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| plmartinez | None      | 7/22/2024      |