Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. NMNM63016 BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. ✓ DRILL REENTER 1a. Type of work: 1b. Type of Well: ✓ Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing ✓ Single Zone Multiple Zone DOUBLE STAMP FED COM 131H 2. Name of Operator 9. API Well No. TAP ROCK OPERATING LLC 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 602 PARK POINT DRIVE SUITE 200, GOLDEN, CO 8040 (720) 460-3316 SALT LAKE/BONE SPRING 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area SEC 14/T20S/R32E/NMP At surface SESW / 408 FSL / 1924 FWL / LAT 32.5670494 / LONG -103.7392252 At proposed prod. zone NWNW / 5 FNL / 331 FWL / LAT 32.5949469 / LONG -103.7443922 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13 State LEA NM 20 miles 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well 408 feet location to nearest property or lease line, ft. 640.0 (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, 25 feet 10673 feet / 21227 feet FED: NMB105800930 applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 3532 feet 03/01/2024 60 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above) 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the SUPO must be filed with the appropriate Forest Service Office). 25. Signature Name (Printed/Typed) Date BRIAN WOOD / Ph: (720) 460-3316 (Electronic Submission) 06/12/2023 Title Permitting Agent Approved by (Signature) Name (Printed/Typed) Date (Electronic Submission) CODY LAYTON / Ph: (575) 234-5959 11/22/2024 Title Office Assistant Field Manager Lands & Minerals Carlsbad Field Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction



*(Instructions on page 2)

20-S

14

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811.8 First St. Artesia, NM 88210 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 87410

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

N

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

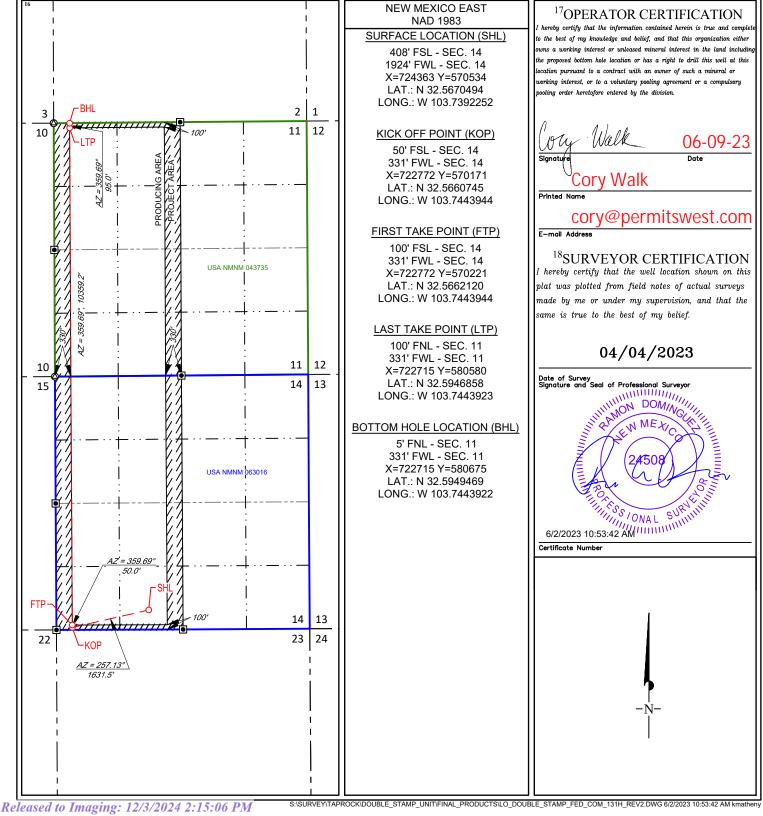
| 30-025-54009 | ² Pool Code 53560 SALT LAKE; BONE SI | | | IE SPRING | ì | | | |
|--------------------------------|--|-------|---------|----------------------------|------------------|---------------|---------------|--------------------------|
| ⁴ Property Code | Code SProperty Name | | | | | | | ⁶ Well Number |
| 336539 | DOUBLE STAMP FED COM | | | | | | 131H | |
| ⁷ OGRID No. | ⁷ OGRID No. | | | ⁸ Operator Name | | | | ⁹ Elevation |
| #372043 | TAP ROCK OPERATING, LLC. | | | | 3532' | | | |
| ¹⁰ Surface Location | | | | | | | | |
| III. or lot no Section | n Townshin | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West lin | e County |

32-E 408 SOUTH 1924' WEST LEA

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------------------------|--------------------------|------------------------|-----------------|----------------------|---------------|------------------|---------------|----------------|--------|
| D | 11 | 20-S | 32-E | _ | 5' | NORTH | 331' | WEST | LEA |
| ¹² Dedicated Acres 640 | ¹³ Joint or 1 | nfill ¹⁴ Co | onsolidation Co | de ¹⁵ Ord | er 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.



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description Effective May 25, 2021

| I. Operator: TAP ROC | K OPERATIN | NG, LLC OG | RID: <u>3725043</u> | Date: <u>11/18</u> | <u>3/2024</u> | | | |
|--|---------------|---------------------|----------------------------|---------------------------|--------------------------|--|--|--|
| II. Type: ⊠ Original □ Amendment due to □ 19.15.27.9.D(6)(a) NMAC □ 19.15.27.9.D(6)(b) NMAC □ Other. | | | | | | | | |
| If Other, please describe: | | | | | | | | |
| III. Well(s): Provide the be recompleted from a sin | | | | | wells proposed to | be drilled or proposed to | | |
| be recompleted from a si | ngie wen pad | or connected to a c | entrar derivery p | omt. | | | | |
| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D | | |
| SEE ATTACHED | | | | | | | | |
| | | | | | | | | |
| IV. Central Delivery Point Name: DOUBLE STAMP E2 CTB [See 19.15.27.9(D)(1) NMAC] V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point. Well Name API Spud Date TD Reached Completion Initial Flow First Production | | | | | | | | |
| | | 1 | Date | Commencement | | | | |
| SEE ATTACHED | | | | | | | | |
| VI. Separation Equipmo | ant. M Attacl | n a complete descri | ntion of how On | arator will size son | eration againman | t to ontimize gos conture | | |
| vi. Separation Equipme | ent: 🖂 Attaci | n a complete descri | puon or now Op | erator will size sep | aration equipment | t to optimize gas capture. | | |
| VII. Operational Practices: ⊠ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC. | | | | | | | | |
| VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance. | | | | | | | | |
| | | | | | | | | |

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

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

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

| \Box | A 44 1- / | O | 1 | | | • | 4 - 41 1 | 1 1' | |
|--------|-----------|----------|----------|----------|------------|-------------|--------------|------------------|------|
| 1 1 | Amach (| pperator | s nian i | o manage | production | in response | to the incre | eased line press | sure |

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

Section 3 - Certifications <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 🖂 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: (a) power generation on lease; **(b)** power generation for grid; (c) compression on lease; (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and (h)

Section 4 - Notices

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

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

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

| Signature: William Ramsey |
|---|
| Printed Name: Bill Ramsey |
| Title: Sr. Environmental & Regulatory Specialist |
| E-mail Address: bramsey@taprk.com |
| Date: 11/18/2024 |
| Phone: (720) 238-2787 |
| OIL CONSERVATION DIVISION |
| (Only applicable when submitted as a standalone form) |
| Approved By: |
| Title: |
| Approval Date: |
| Conditions of Approval: |
| |
| |
| |
| |

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

| Well Name | АРІ | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|---------------------------|-----|--------------------|----------------------|-----------------------|--------------------------|-------------------------------------|
| DOUBLE STAMP FED COM 111H | TBD | N Sec 14 20-S 32-E | 574' FSL / 1590' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 112H | TBD | N Sec 14 20-S 32-E | 573' FSL / 1720' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 115H | TBD | N Sec 14 20-S 32-E | 574' FSL / 1615' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 121H | TBD | N Sec 14 20-S 32-E | 549' FSL / 1589' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 122H | TBD | N Sec 14 20-S 32-E | 549' FSL / 1694' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 125H | TBD | N Sec 14 20-S 32-E | 549' FSL / 1614' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 127H | TBD | N Sec 14 20-S 32-E | 548' FSL / 1719' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 131H | TBD | N Sec 14 20-S 32-E | 408' FSL / 1924' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 132H | TBD | N Sec 14 20-S 32-E | 408' FSL / 1974' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 135H | TBD | N Sec 14 20-S 32-E | 433' FSL / 1949' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 151H | TBD | N Sec 14 20-S 32-E | 433' FSL / 1924' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 152H | TBD | N Sec 14 20-S 32-E | 433' FSL / 1974' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 171H | TBD | N Sec 14 20-S 32-E | 573' FSL / 1800' FWL | 515 | 810 | 1770 |
| DOUBLE STAMP FED COM 172H | TBD | N Sec 14 20-S 32-E | 548' FSL / 1799' FWL | 515 | 810 | 1770 |

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

| Well Name | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flowback Date | First Production Date |
|---------------------------|-----|------------|--------------------|------------------------------------|--------------------------|--------------------------|
| DOUBLE STAMP FED COM 111H | TBD | 04/14/2025 | 06/24/2025 | 08/22/2025 | 09/04/2025 | 09/22/2025 |
| DOUBLE STAMP FED COM 112H | TBD | 04/14/2025 | 06/24/2025 | 08/22/2025 | 09/04/2025 | 09/22/2025 |
| DOUBLE STAMP FED COM 115H | TBD | TBD | TBD | TBD | TBD | TBD |
| DOUBLE STAMP FED COM 121H | TBD | 04/14/2025 | 06/24/2025 | 08/22/2025 | 09/04/2025 | 09/22/2025 |
| DOUBLE STAMP FED COM 122H | TBD | 04/14/2025 | 06/24/2025 | 08/22/2025 | 09/04/2025 | 09/22/2025 |
| DOUBLE STAMP FED COM 125H | TBD | TBD | TBD | TBD | TBD | TBD |
| DOUBLE STAMP FED COM 127H | TBD | TBD | TBD | TBD | TBD | TBD |
| DOUBLE STAMP FED COM 131H | TBD | 12/01/2026 | 02/01/2027 | 03/01/2027 | 03/15/2027 | 04/01/2027 |
| DOUBLE STAMP FED COM 132H | TBD | 12/01/2026 | 02/01/2027 | 03/01/2027 | 03/15/2027 | 04/01/2027 |
| DOUBLE STAMP FED COM 135H | TBD | 12/01/2026 | 02/01/2027 | 03/01/2027 | 03/15/2027 | 04/01/2027 |
| DOUBLE STAMP FED COM 151H | TBD | TBD | TBD | TBD | TBD | TBD |
| DOUBLE STAMP FED COM 152H | TBD | TBD | TBD | TBD | TBD | TBD |
| DOUBLE STAMP FED COM 171H | TBD | TBD | TBD | TBD | TBD | TBD |
| DOUBLE STAMP FED COM 172H | TBD | TBD | TBD | TBD | TBD | TBD |



Tap Rock Operating Natural Gas Management Plan

VI. Separation Equipment:

Each surface facility design includes the following process equipment: 3-phase separators (1 separator per well), a sales gas scrubber, one or two 3-phase heater treaters, a VRU compressor, multiple water and oil tanks, as well as flare knockouts (HP & LP), and flares (HP & LP). All process vessels will be sized to separate oil, water, gas based upon typical/ historical & predicted well performance. Each process vessel will be fitted with an appropriately sized PSV as per ASME code requirements to mitigate vessel rupture and loss of containment. Additionally, the process vessels will be fitted with pressure transmitters tied to the facility control system which will allow operations to monitor pressures and when necessary, shut-in the facility to avoid vessel over-pressure and the potential vent of natural gas. Natural gas will preferentially be sold to pipeline, and only during upset/emergency conditions will gas be directed to the HP flare system. Flash gas from both the 3-phase heater treater will be recompressed using a VRU compressor and this gas will also preferentially be directed to the gas sales pipeline. High-pressure steel oil tanks & water tanks will be fitted with 40 oz thief hatches as well as PRVs to protect the tanks from rupture/collapse. Additionally, the tank vapor outlets and tank vapor capture system will be sized to keep tank pressures below 12 oz. The tank vapor capture system will include a tank vapor blower & knockout as well as a lowpressure flare and knockout. Tank vapors will preferentially be directed to the VRU and the sales gas pipeline. Only during process upsets/emergency conditions will tank vapors be directed to the LP flare system.

VII. Operational Practices:

- During drilling operations, gas meters will be installed at the shakers and Volume
 Totalizers will be installed on the pits. In the event that elevated gas levels, or a pit
 gain are observed, returns will be diverted to a gas buster. Gas coming off the gas
 buster will be combusted at the flare stack. A 10' or taller flare will be located at
 least 100' from the SHL.
- During completions operations, including stimulation and frac plug drill out operations, hydrocarbon production to surface is minimized. When gas production does occur, gas will be combusted at a flare stack. A 10' or taller flare will be located at least 100' from the SHL.
- During production operations, all process vessels (separators, heater treaters, VRTs, Tanks) will recompress (where necessary) and route gas outlets into the natural gas gathering pipeline. Gas will preferentially be routed to natural gas gathering pipeline and the flare system will be used only during emergency, malfunction, or if the gas does not meet pipeline specifications. In the event of flaring off-specification gas, operations will pull gas samples twice a week and will also route gas back to pipeline as soon as the gas meets specification. Exceptions to this will include only those qualified emergencies as mentioned in the BLM Waste Prevention Rule.



• To comply with state performance standards, separation and storage equipment will be designed to handle the maximum anticipated throughput and pressure to minimize waste and reduce the likelihood of venting gas to atmosphere. Additionally, each storage atmospheric tank (Oil & Water) will be fitted with a level transmitter to facilitate gauging of the tank without opening of the thief hatch. Any gas collected through the tank vent system is expected to be recompressed and routed to sales. However, in the event of an emergency, the tank vapor capture system will be designed to combust the gas using a flare stack fitted with a continuous or automatic ignitor. The flare stack will be properly anchored and will be located a minimum of 100 feet from the well and storage tanks. Operators will conduct weekly AVO inspections. These AVO inspection records will be stored for the required 5-year period and will be made available upon Division request.

VIII. Best Management Practices:

• When performing routine or preventive maintenance on a vessel or tank, initially all inlet valves are closed, and the vessel or tank is allowed to depressurize through the normal outlet connections to gas sales and/or liquid tanks. Once the vessel or tank is depressurized to lowest acceptable sales outlet pressure, usually around 20 psig, a temporary low-pressure flowline is connected from the vessel or tank to the Vapor Recovery Unit (VRU) for further pressure reduction. Once depressurized to less than 1-2 psig, the remaining natural gas in the vessel or tank is vented to atmosphere through a controlled pressure relief valve. Once the vessel or tank is depressurized to atmospheric pressure, the vessel or tank can be safely opened, and maintenance performed.



APD ID: 10400092786

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

Drilling Plan Data Report 11/22/2024

Submission Date: 06/12/2023

Operator Name: TAP ROCK OPERATING LLC

Well Name: DOUBLE STAMP FED COM Well Number: 131H

Show Final Text Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical | Measured Depth | Lithologies | Mineral Resources | Producing Formatio |
|--------------|-------------------|-----------|---------------|-------------------|-------------------------------|-------------------|-----------------------|
| 14549847 | QUATERNARY | 3532 | 0 | 0 | OTHER : None | NONE | N |
| 14549848 | RUSTLER ANHYDRITE | 2492 | 1040 | 1040 | ANHYDRITE | NONE | N |
| 14549849 | TOP SALT | 2132 | 1400 | 1400 | SALT | OTHER : Salt | N |
| 14549850 | YATES | 1012 | 2520 | 2520 | SANDSTONE | NONE | N |
| 14549851 | CAPITAN REEF | 572 | 2960 | 2960 | OTHER : Carbonate | NONE | N |
| 14549862 | DELAWARE | -1248 | 4780 | 4889 | SANDSTONE | NATURAL GAS, OIL | N |
| 14549852 | LAMAR | -1248 | 4780 | 4889 | SANDSTONE | NATURAL GAS, OIL | N |
| 14549853 | BELL CANYON | -1333 | 4865 | 4978 | SANDSTONE | NATURAL GAS, OIL | N |
| 14549854 | CHERRY CANYON | -1523 | 5055 | 5175 | SANDSTONE | NATURAL GAS, OIL | N |
| 14549855 | BRUSHY CANYON | -2383 | 5915 | 6070 | SANDSTONE | NATURAL GAS, OIL | N |
| 14549856 | BONE SPRING LIME | -4243 | 7775 | 7971 | LIMESTONE | NATURAL GAS, OIL | N |
| 14549857 | AVALON SAND | -4328 | 7860 | 8056 | OTHER : Upper - Carbonate | NATURAL GAS, OIL | N |
| 14549858 | AVALON SAND | -4693 | 8225 | 8421 | OTHER : Middle - Carbonate | NATURAL GAS, OIL | N |
| 14549859 | AVALON SAND | -5038 | 8570 | 8766 | OTHER : Lower - Carbonate | NATURAL GAS, OIL | N |
| 14549860 | BONE SPRING 1ST | -5293 | 8825 | 9021 | SANDSTONE | NATURAL GAS, OIL | N |
| 14549861 | BONE SPRING 2ND | -5613 | 9145 | 9341 | OTHER : Carbonate | NATURAL GAS, OIL | N |
| 14549846 | BONE SPRING 2ND | -5838 | 9370 | 9566 | SANDSTONE | NATURAL GAS, OIL | N |

Well Name: DOUBLE STAMP FED COM Well Number: 131H

| Formation ID | Formation Name | Elevation | True Vertical | Measured Depth | Lithologies | Mineral Resources | Producing Formatio |
|--------------|-----------------|-----------|---------------|-------------------|-------------------|-------------------|-----------------------|
| 14549844 | BONE SPRING 3RD | -6538 | 10070 | 10266 | OTHER : Carbonate | NATURAL GAS, OIL | N |
| 14549845 | BONE SPRING 3RD | -6923 | 10455 | 10661 | SANDSTONE | NATURAL GAS, OIL | Y |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 15000

Equipment: At 21,227', a 5M pressure control system is required. The BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and 1 annular preventer will be used below surface casing to TD. See attachments for BOP and choke manifold diagrams. Also present will be an accumulator that meets the requirements of 43 CFR 3172 for the pressure rating of the BOP stack. A rotating head will also be installed as needed. BOP will be inspected and operated as recommended in 43 CFR 3172. A top drive check valve and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position. The wellhead will be a multi-bowl speed head.

Requesting Variance? YES

Variance request: Tap Rock requests a variance to run a multi-bowl speed head for setting the Intermediate and Production Strings. Tap Rock requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Tap Rock requests a variance to have the option of batch drilling this well with other wells on the same pad. If this well is batch drilled, after cementing a casing string, a 5M dry hole cap with bleed off valve will be installed. The rig will then walk to another well on the pad.

Testing Procedure: After surface casing is set and the BOP is nippled up, the BOP pressure tests will be made with a third party tester to 250 psi low, 5000 psi high, and the annular preventer will be tested to 250 psi low, 2500 psi high.

Choke Diagram Attachment:

Choke_Diagram_032918_20230611104616.pdf

BOP Diagram Attachment:

5M_BOP_Stack_20240723084437.pdf

Section 3 - Casing

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|------------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|--------------------------------|-------|--------|------------|-------------|----------|---------------|----------|--------------|---------|
| 1 | SURFACE | 20 | 16.0 | NEW | API | N | 0 | 1065 | 0 | 1065 | 3532 | 2467 | 1065 | J-55 | 75 | BUTT | 1.13 | 1.15 | DRY | 1.6 | DRY | 1.6 |
| | INTERMED IATE | 14.7 5 | 11.75 | NEW | API | N | 0 | 2620 | 0 | 2570 | 3531 | 962 | 2620 | J-55 | 47 | BUTT | 1.13 | 1.15 | DRY | 1.6 | DRY | 1.6 |

Well Name: DOUBLE STAMP FED COM Well Number: 131H

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|------------------|-----------|----------|-----------|------------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-----------|--------|--------------------|-------------|----------|---------------|----------|--------------|---------|
| 3 | INTERMED IATE | 11 | 8.625 | NEW | API | N | 0 | 4739 | 0 | 4630 | 3531 | -1098 | 4739 | J-55 | 32 | BUTT | 1.13 | 1.15 | DRY | 1.6 | DRY | 1.6 |
| 4 | PRODUCTI ON | 7.87 5 | 5.5 | NEW | NON API | N | 0 | 21227 | 0 | 10672 | 3531 | -7140 | 21227 | P- 110 | - | OTHER - Geoconn | 1.13 | 1.15 | DRY | 1.6 | DRY | 1.6 |

| Casing ID: 1 | String | SURFACE |
|--------------|--------|---------|
|--------------|--------|---------|

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20230611104710.pdf

Casing ID: 2 String INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20230611104735.pdf

Well Name: DOUBLE STAMP FED COM Well Number: 131H

Casing Attachments

Casing ID: 3

String

INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20230611104808.pdf

Casing ID: 4

String

PRODUCTION

Inspection Document:

Spec Document:

5.5in_Casing_Spec_20240723084513.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20230611104845.pdf

Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|---|
| SURFACE | Lead | | 0 | 765 | 611 | 1.72 | 13.5 | 1052 | 75 | Class C | 5% NCI + LCM |
| SURFACE | Tail | | 765 | 1065 | 310 | 1.33 | 1.48 | 412 | 75 | Class C | 5% NCI + LCM |
| INTERMEDIATE | Lead | | 0 | 1920 | 419 | 2.72 | 11 | 1138 | 65 | Class C | Bentonite + 1% CaCL2 + 10% NaCl + LCM +1% MgO |
| INTERMEDIATE | Tail | | 1920 | 2620 | 265 | 1.72 | 13.5 | 455 | 50 | Class C | Bentonite + 1% CaCL2 + 10% NaCl + LCM +1% MgO |

Well Name: DOUBLE STAMP FED COM Well Number: 131H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|---|
| INTERMEDIATE | Lead | | 0 | 3739 | 427 | 2.72 | 11 | 1163 | 65 | Class C | Bentonite + 1% CaCL2 + 8% NaCL + LCM |
| INTERMEDIATE | Tail | | 3739 | 4739 | 192 | 1.72 | 13.5 | 331 | 30 | Class C | 5% NaCL + LCM |
| PRODUCTION | Lead | | 5239 | 9890 | 264 | 3.38 | 10.5 | 894 | 0 | Class C | Fluid Loss + Dispersant + Retarder + LCM |
| PRODUCTION | Tail | | 9890 | 2122 8 | 2384 | 1.44 | 13.2 | 3433 | 20 | Class H | Fluid Loss + Dispersant + Retarder + LCM |

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: All necessary mud products (i.e., barite, pac) for weight addition and fluid loss control will always be on site. Mud program is subject to change due to hole conditions.

Describe the mud monitoring system utilized: Electronic Pason mud monitor system complying with 43 CFR 3172 will be used.

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (Ibs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | ЬН | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|----------------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 0 | 1065 | OTHER : Fresh Water Spud Mud | 8.4 | 8.4 | | | | | | | |
| 1065 | 2620 | OTHER : Brine Water | 10 | 10 | | | | | | | |
| 2620 | 4739 | OTHER : Fresh Water/Cut Brine | 9 | 9 | | | | | | | |

Well Name: DOUBLE STAMP FED COM Well Number: 131H

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | Н | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|----------------------------------|----------------------|----------------------|---------------------|-----------------------------|---|----------------|----------------|-----------------|----------------------------|
| 4739 | 2122 7 | OTHER : Fresh Water/Cut Brine | 9 | 9 | | | | | | | |

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Electric Logging Program: No open-hole logs are planned at this time. GR will be collected while drilling through the MWD tools from KOP to TD. A 2-person mud logging program will be used from KOP to TD.

List of open and cased hole logs run in the well:

GAMMA RAY LOG, MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

No DSTs or cores are planned at this time.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4994 Anticipated Surface Pressure: 2625

Anticipated Bottom Hole Temperature(F): 160

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

DS_W2_H2S_Plan_20230611105209.pdf

Well Name: DOUBLE STAMP FED COM Well Number: 131H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

DS_131H_Directional_Plan_20230611105220.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

DS_131H_Anticollision_Report_20230611105242.pdf
Wellhead_Diagram_4string_20230611105252.pdf
CoFlex_Certs_Rev_20240723084608.pdf
DS_131H_Drill_Plan_Rev2_20240917094724.pdf
DS_WBD_Q111_Rev_20241014101927.pdf

Other Variance attachment:

Received by OCD: 11/23/2024 3:32:15 PM

9450 2ND BONE SPRING SAND

10150- 13R95RONE SPRING CARB

KOP - Build 10.00

-3500P (Doulde Stamp350d Com #7000H)

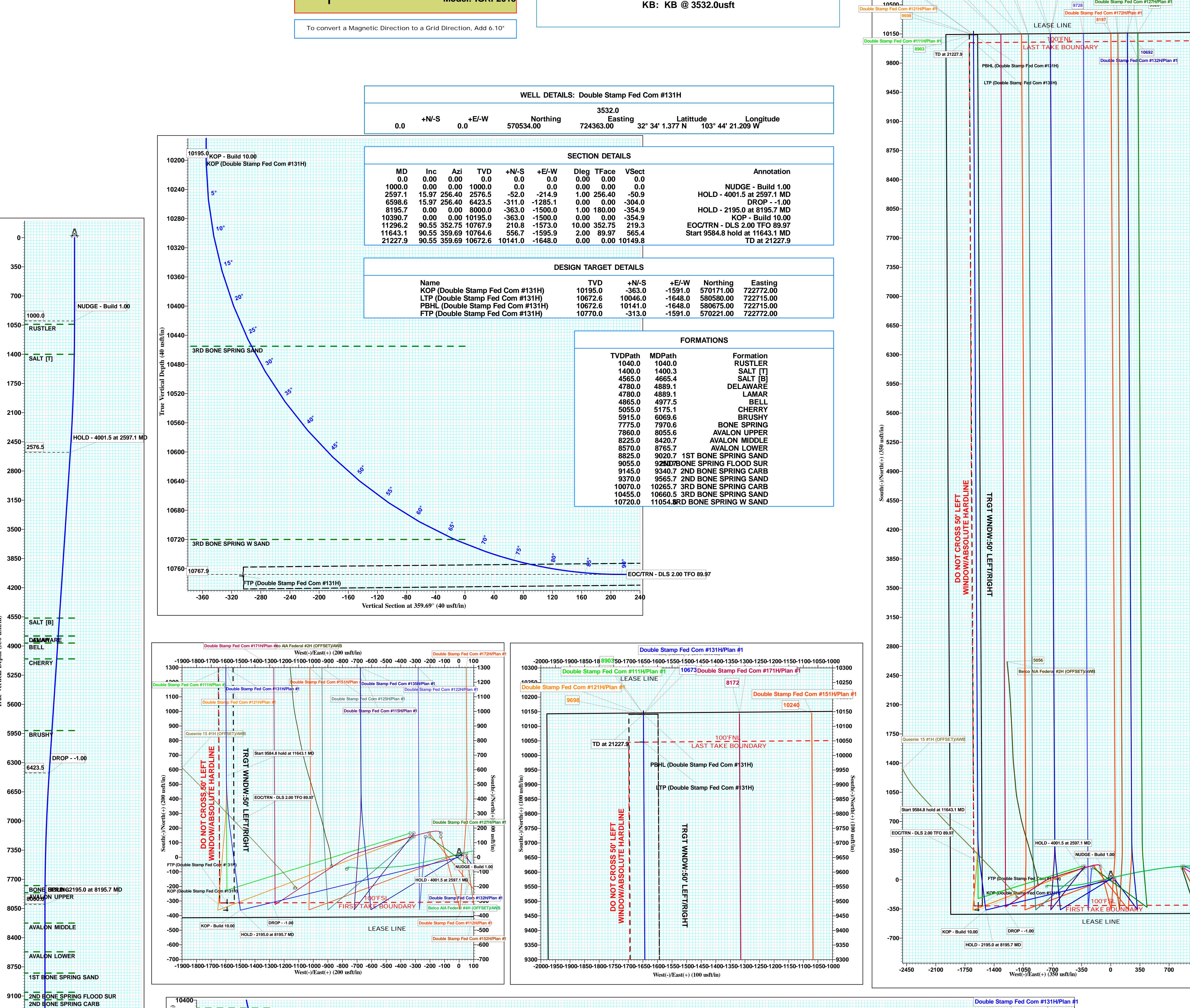
Vertical Section at 359.69° (350 usft/in)

Azimuths to Grid North True North: -0.32° Magnetic North: 6.10°

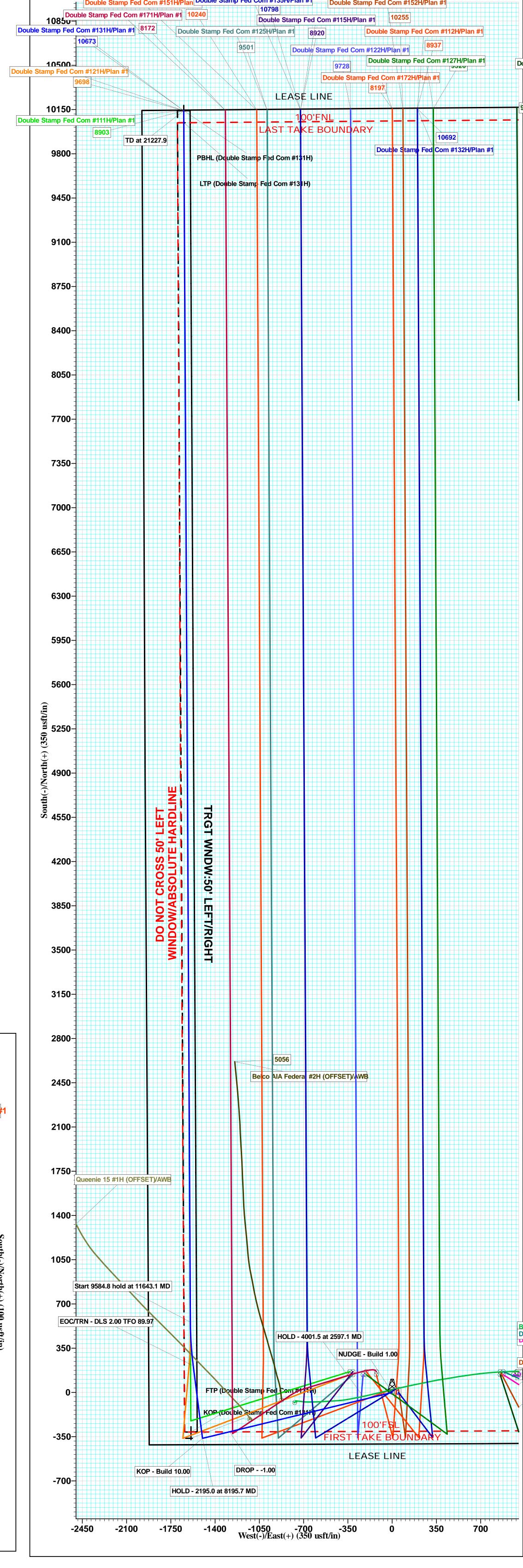
Magnetic Field Strength: 47519.1nT Dip Angle: 60.27° Date: 04/25/2023 Model: IGRF2015

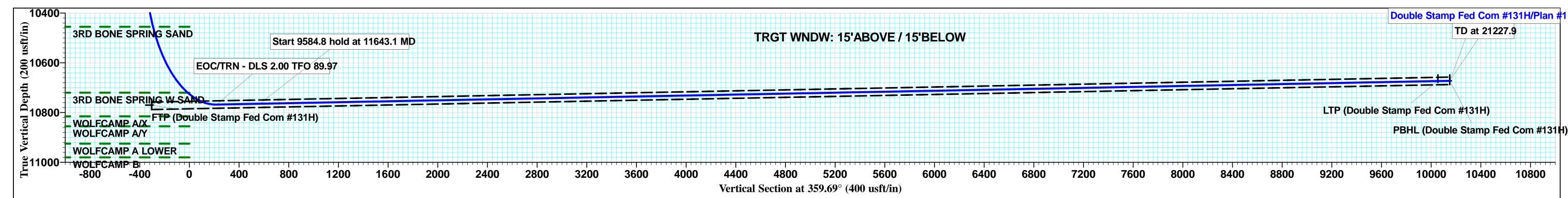
Tap Rock Resources, LLC Project: Lea County, NM (NAD 83 NME)
Site: (Double Stamp Fed) Sec-14_T-20-S_R-32-E
Well: Double Stamp Fed Com #131H Wellbore: OWB Design: Plan #1 Lat: 32° 34' 1.377 N

Long: 103° 44' 21.209 W Pad GL: 3532.0 KB: KB @ 3532.0usft











Tap Rock Resources, LLC

Lea County, NM (NAD 83 NME) (Double Stamp Fed) Sec-14_T-20-S_R-32-E Double Stamp Fed Com #131H

OWB

Plan: Plan #1

Standard Planning Report

03 May, 2023





Intrepid Planning Report



Database: EDM 5000.15 Single User Db Company: Tap Rock Resources, LLC Project: Lea County, NM (NAD 83 NME)

Site: (Double Stamp Fed) Sec-14_T-20-S_R-32-E
Well: Double Stamp Fed Com #131H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

KB @ 3532.0usft

Well Double Stamp Fed Com #131H

359.69

KB @ 3532.0usft KB @ 3532.0usft Grid

Minimum Curvature

Project Lea County, NM (NAD 83 NME)

 Map System:
 US State Plane 1983
 System Datum:
 Mean Sea Level

Geo Datum: North American Datum 1983
Map Zone: New Mexico Eastern Zone

Site (Double Stamp Fed) Sec-14_T-20-S_R-32-E

Northing: 570,699.00 usft 32° 34' 3.028 N Site Position: Latitude: From: Мар Easting: 724,028.00 usft Longitude: 103° 44' 25.113 W **Position Uncertainty:** Slot Radius: 13-3/16 " **Grid Convergence:** 0.32° 0.0 usft

Well Double Stamp Fed Com #131H

 Well Position
 +N/-S
 -165.0 usft
 Northing:
 570,534.00 usft
 Latitude:
 32° 34′ 1.377 N

 +E/-W
 335.0 usft
 Easting:
 724,363.00 usft
 Longitude:
 103° 44′ 21.209 W

Position Uncertainty 0.0 usft Wellhead Elevation: Ground Level: 3,532.0 usft

Wellbore **OWB** Declination Magnetics **Model Name** Sample Date **Dip Angle** Field Strength (°) (°) (nT) 04/25/23 IGRF2015 6.42 60.27 47.519.14369337

Design Plan #1 Audit Notes: Version: Phase: **PLAN** Tie On Depth: 0.0 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°)

0.0

0.0

Plan Survey Tool Program Date 05/03/23

Depth From Depth To

0.0

(usft) (usft) Survey (Wellbore) Tool Name Remarks

1 0.0 21,227.9 Plan #1 (OWB) MWD

OWSG MWD - Standard

Plan Sections Vertical **Build** Measured Dogleg Turn Depth Inclination **Azimuth** Depth +N/-S +E/-W Rate Rate Rate **TFO** (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (usft) (usft) (°) (°) (°) **Target** 0.00 0.0 0.00 0.0 0.00 0.00 0.00 0.00 0.0 0.0 1,000.0 0.00 0.00 1,000.0 0.0 0.0 0.00 0.00 0.00 0.00 -214.9 2,597.1 15.97 256.40 2,576.5 -52.01.00 1.00 0.00 256.40 15.97 6,423.5 -1,285.1 0.00 0.00 0.00 6,598.6 256.40 -311.0 0.000.00 0.00 8,000.0 -363.0 -1,500.0 1.00 -1.00 0.00 180.00 8,195.7 10,390.7 0.00 0.00 10,195.0 -363.0 -1,500.0 0.00 0.00 0.00 0.00 11,296.2 90.55 352.75 10,767.9 210.8 -1,573.0 10.00 10.00 0.00 352.75 11,643.1 90.55 359.69 10,764.6 556.7 -1,595.9 2.00 0.00 2.00 89.97 0.00 PBHL (Double Stam 21.227.9 90.55 359.69 10.672.6 10.141.0 -1.648.00.00 0.00 0.00



Site:

Well:

IntrepidPlanning Report



Database: EDM 5000.15 Single User Db Company: Tap Rock Resources, LLC Project: Lea County, NM (NAD 83 NME)

(Double Stamp Fed) Sec-14_T-20-S_R-32-E
Double Stamp Fed Com #131H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference:

MD Reference:
North Reference:
Survey Calculation Method:

Well Double Stamp Fed Com #131H

KB @ 3532.0usft KB @ 3532.0usft Grid

Minimum Curvature

| Design. | I Idil #1 | | | | | | | | |
|--------------------|------------------|---------|-------------------|--------|----------------|---------------------|----------------|---------------|--------------|
| Planned Survey | | | | | | | | | |
| i idililed odi vey | | | | | | | | | |
| Measured Depth | Inclination | Azimuth | Vertical Depth | +N/-S | +E/-W | Vertical Section | Dogleg Rate | Build Rate | Turn Rate |
| (usft) | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (°/100usft) | (°/100usft) | (°/100usft) |
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 100.0 | 0.00 | 0.00 | 100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 200.0 | 0.00 | 0.00 | 200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 300.0 | | 0.00 | 300.0 | | | | | | |
| | 0.00 | | | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 400.0 | 0.00 | 0.00 | 400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 500.0 | 0.00 | 0.00 | 500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 600.0 | 0.00 | 0.00 | 600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 700.0 | 0.00 | 0.00 | 700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 800.0 | | 0.00 | 800.0 | 0.0 | | | | | |
| | 0.00 | | | | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 900.0 | 0.00 | 0.00 | 900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 1,000.0 | 0.00 | 0.00 | 1,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| NUDGE - B | | | , | | | 2.0 | 2.20 | 2.20 | |
| 1,100.0 | 1.00 | 256.40 | 1,100.0 | -0.2 | -0.8 | -0.2 | 1.00 | 1.00 | 0.00 |
| | | | | | | | | | |
| 1,200.0 | 2.00 | 256.40 | 1,200.0 | -0.8 | -3.4 | -0.8 | 1.00 | 1.00 | 0.00 |
| 1,300.0 | 3.00 | 256.40 | 1,299.9 | -1.8 | -7.6 | -1.8 | 1.00 | 1.00 | 0.00 |
| 1,400.0 | 4.00 | 256.40 | 1,399.7 | -3.3 | -13.6 | -3.2 | 1.00 | 1.00 | 0.00 |
| 1,500.0 | 5.00 | 256.40 | 1.499.4 | -5.1 | -21.2 | -5.0 | 1.00 | 1.00 | 0.00 |
| 1,600.0 | 6.00 | 256.40 | 1,598.9 | -7.4 | -30.5 | -7.2 | 1.00 | 1.00 | 0.00 |
| 1,700.0 | 7.00 | 256.40 | 1,698.3 | -10.0 | -30.5 -41.5 | -9.8 | 1.00 | 1.00 | 0.00 |
| | | | | | | | | | |
| 1,800.0 | 8.00 | 256.40 | 1,797.4 | -13.1 | -54.2 | -12.8 | 1.00 | 1.00 | 0.00 |
| 1,900.0 | 9.00 | 256.40 | 1,896.3 | -16.6 | -68.6 | -16.2 | 1.00 | 1.00 | 0.00 |
| 2,000.0 | 10.00 | 256.40 | 1,994.9 | -20.5 | -84.6 | -20.0 | 1.00 | 1.00 | 0.00 |
| 2,100.0 | 11.00 | 256.40 | 2,093.3 | -24.8 | -102.3 | -24.2 | 1.00 | 1.00 | 0.00 |
| 2,200.0 | 12.00 | 256.40 | 2,191.2 | -29.4 | -121.7 | -28.8 | 1.00 | 1.00 | 0.00 |
| 2,300.0 | 13.00 | 256.40 | 2,288.9 | -34.5 | -142.7 | -33.8 | 1.00 | 1.00 | 0.00 |
| 2,400.0 | 14.00 | 256.40 | 2,386.1 | -40.0 | -165.4 | -39.1 | 1.00 | 1.00 | 0.00 |
| 2,400.0 | 14.00 | 230.40 | 2,300.1 | -40.0 | -105.4 | -39.1 | 1.00 | 1.00 | 0.00 |
| 2,500.0 | 15.00 | 256.40 | 2,482.9 | -45.9 | -189.8 | -44.9 | 1.00 | 1.00 | 0.00 |
| 2,597.1 | 15.97 | 256.40 | 2,576.5 | -52.0 | -214.9 | -50.9 | 1.00 | 1.00 | 0.00 |
| HOLD - 400 | 01.5 at 2597.1 I | MD | | | | | | | |
| 2,600.0 | 15.97 | 256.40 | 2,579.3 | -52.2 | -215.7 | -51.0 | 0.00 | 0.00 | 0.00 |
| 2,700.0 | 15.97 | 256.40 | 2,675.4 | -58.7 | -242.5 | -57.4 | 0.00 | 0.00 | 0.00 |
| 2,800.0 | 15.97 | 256.40 | 2,771.6 | -65.1 | -269.2 | -63.7 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 2,900.0 | 15.97 | 256.40 | 2,867.7 | -71.6 | -296.0 | -70.0 | 0.00 | 0.00 | 0.00 |
| 3,000.0 | 15.97 | 256.40 | 2,963.8 | -78.1 | -322.7 | -76.3 | 0.00 | 0.00 | 0.00 |
| 3,100.0 | 15.97 | 256.40 | 3,060.0 | -84.6 | -349.4 | -82.7 | 0.00 | 0.00 | 0.00 |
| 3,200.0 | 15.97 | 256.40 | 3,156.1 | -91.0 | -376.2 | -89.0 | 0.00 | 0.00 | 0.00 |
| 3,300.0 | 15.97 | 256.40 | 3,252.3 | -97.5 | -402.9 | -95.3 | 0.00 | 0.00 | 0.00 |
| 3,400.0 | 15.97 | 256.40 | 3,348.4 | -104.0 | -429.7 | -101.7 | 0.00 | 0.00 | 0.00 |
| | | | ~ | | | | | | |
| 3,500.0 | 15.97 | 256.40 | 3,444.5 | -110.5 | -456.4 | -108.0 | 0.00 | 0.00 | 0.00 |
| 3,600.0 | 15.97 | 256.40 | 3,540.7 | -116.9 | -483.2 | -114.3 | 0.00 | 0.00 | 0.00 |
| 3,700.0 | 15.97 | 256.40 | 3,636.8 | -123.4 | -509.9 | -120.6 | 0.00 | 0.00 | 0.00 |
| 3,800.0 | 15.97 | 256.40 | 3,733.0 | -129.9 | -536.6 | -127.0 | 0.00 | 0.00 | 0.00 |
| 3,900.0 | 15.97 | 256.40 | 3,829.1 | -136.3 | -563.4 | -133.3 | 0.00 | 0.00 | 0.00 |
| 4,000.0 | 15.97 | 256.40 | 3,925.2 | -142.8 | -590.1 | -139.6 | 0.00 | 0.00 | 0.00 |
| 4,100.0 | 15.97 | 256.40 | 4,021.4 | -149.3 | -616.9 | -145.9 | 0.00 | 0.00 | 0.00 |
| 4,200.0 | 15.97 | 256.40 | 4,117.5 | -155.8 | -643.6 | -152.3 | 0.00 | 0.00 | 0.00 |
| 4,300.0 | 15.97 | 256.40 | 4,213.7 | -162.2 | -670.4 | -158.6 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 4,400.0 | 15.97 | 256.40 | 4,309.8 | -168.7 | -697.1 | -164.9 | 0.00 | 0.00 | 0.00 |
| 4,500.0 | 15.97 | 256.40 | 4,406.0 | -175.2 | -723.8 | -171.3 | 0.00 | 0.00 | 0.00 |
| 4,600.0 | 15.97 | 256.40 | 4,502.1 | -181.6 | -750.6 | -177.6 | 0.00 | 0.00 | 0.00 |
| 4,700.0 | 15.97 | 256.40 | 4,598.2 | -188.1 | -777.3 | -183.9 | 0.00 | 0.00 | 0.00 |
| 4,800.0 | 15.97 | 256.40 | 4,694.4 | -194.6 | -804.1 | -190.2 | 0.00 | 0.00 | 0.00 |
| 4,900.0 | 15.97 | 256.40 | 4,790.5 | -201.1 | -830.8 | -196.6 | 0.00 | 0.00 | 0.00 |
| 4,300.0 | 10.87 | 230.40 | 4,130.3 | -201.1 | -0.00.0 | -190.0 | 0.00 | 0.00 | 0.00 |



IntrepidPlanning Report



Database: EDM 5000.15 Single User Db
Company: Tap Rock Resources, LLC
Project: Lea County, NM (NAD 83 NME)
Site: (Double Stamp Fed) Sec-14_T-20-S_R-32-E

Double Stamp Fed Com #131H

Well: Double
Wellbore: OWB

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Double Stamp Fed Com #131H

KB @ 3532.0usft KB @ 3532.0usft

| Design: | Plan #1 | | | | | | | | |
|-----------------------------|--------------------|------------------|-----------------------------|------------------|----------------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Planned Survey | | | | | | | | | |
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 5,000.0 | | 256.40 | 4,886.7 | -207.5 | -857.6 | -202.9 | 0.00 | 0.00 | 0.00 |
| 5,100.0 5,200.0 | | 256.40 256.40 | 4,982.8 5,078.9 | -214.0 -220.5 | -884.3 -911.0 | -209.2 -215.5 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 5,300.0 | | 256.40 | 5,175.1 | -226.9 | -937.8 | -221.9 | 0.00 | 0.00 | 0.00 |
| 5,400.0 | 15.97 | 256.40 | 5,271.2 | -233.4 | -964.5 | -228.2 | 0.00 | 0.00 | 0.00 |
| 5,500.0 | | 256.40 | 5,367.4 | -239.9 | -991.3 | -234.5 | 0.00 | 0.00 | 0.00 |
| 5,600.0 | | 256.40 | 5,463.5 | -246.4 | -1,018.0 | -240.8 | 0.00 | 0.00 | 0.00 |
| 5,700.0 | | 256.40 | 5,559.6 | -252.8 | -1,044.8 | -247.2 | 0.00 | 0.00 | 0.00 |
| 5,800.0 | 15.97 | 256.40 | 5,655.8 | -259.3 | -1,071.5 | -253.5 | 0.00 | 0.00 | 0.00 |
| 5,900.0 | | 256.40 | 5,751.9 | -265.8 | -1,098.2 | -259.8 | 0.00 | 0.00 | 0.00 |
| 6,000.0 | | 256.40 | 5,848.1 | -272.2 | -1,125.0 | -266.2 | 0.00 | 0.00 | 0.00 |
| 6,100.0 | | 256.40 | 5,944.2 | -278.7 | -1,151.7 | -272.5 | 0.00 | 0.00 | 0.00 |
| 6,200.0 | | 256.40 | 6,040.3 | -285.2 | -1,178.5 | -278.8 | 0.00 | 0.00 | 0.00 |
| 6,300.0 |) 15.97 | 256.40 | 6,136.5 | -291.7 | -1,205.2 | -285.1 | 0.00 | 0.00 | 0.00 |
| 6,400.0 | | 256.40 | 6,232.6 | -298.1 | -1,232.0 | -291.5 | 0.00 | 0.00 | 0.00 |
| 6,500.0 | | 256.40 | 6,328.8 | -304.6 | -1,258.7 | -297.8 | 0.00 | 0.00 | 0.00 |
| 6,598.6 | | 256.40 | 6,423.5 | -311.0 | -1,285.1 | -304.0 | 0.00 | 0.00 | 0.00 |
| DROP1 | | 050.40 | 0.404.0 | 044.4 | 4 005 4 | 004.4 | 4.00 | 4.00 | 0.00 |
| 6,600.0 6,700.0 | | 256.40 256.40 | 6,424.9 6,521.3 | -311.1 -317.3 | -1,285.4 -1,311.3 | -304.1 -310.2 | 1.00 1.00 | -1.00 -1.00 | 0.00 0.00 |
| • | | | | | · · | | | | |
| 6,800.0 | | 256.40 | 6,618.1 | -323.2 | -1,335.6 | -316.0 | 1.00 | -1.00 | 0.00 |
| 6,900.0 | | 256.40 | 6,715.4 | -328.7 | -1,358.2 | -321.3 | 1.00 | -1.00 | 0.00 |
| 7,000.0 | | 256.40 | 6,813.0 | -333.8 | -1,379.2 | -326.3 | 1.00 | -1.00 | 0.00 |
| 7,100.0 7,200.0 | | 256.40 256.40 | 6,911.0 7,009.4 | -338.4 -342.7 | -1,398.5 -1,416.1 | -330.9 -335.0 | 1.00 1.00 | -1.00 -1.00 | 0.00 0.00 |
| | | | | | • | | | | |
| 7,300.0 7,400.0 | | 256.40 256.40 | 7,108.0 7,206.9 | -346.6 -350.0 | -1,432.1 -1,446.4 | -338.8 -342.2 | 1.00 1.00 | -1.00 -1.00 | 0.00 0.00 |
| 7,400.0 7,500.0 | | 256.40 256.40 | 7,206.9 7,306.1 | -350.0 -353.1 | -1,446.4 | -342.2 -345.2 | 1.00 | -1.00 | 0.00 |
| 7,600.0 | | 256.40 | 7,300.1 | -355.7 | -1,459.0 | -345.2 | 1.00 | -1.00 | 0.00 |
| 7,700.0 | | 256.40 | 7,505.0 | -358.0 | -1,479.2 | -350.0 | 1.00 | -1.00 | 0.00 |
| 7,800.0 | | 256.40 | 7,604.7 | -359.8 | -1,486.7 | -351.7 | 1.00 | -1.00 | 0.00 |
| 7,900.0 | | 256.40 | 7,704.7 | -361.2 | -1,480.7 | -353.1 | 1.00 | -1.00 | 0.00 |
| 8,000.0 | | 256.40 | 7,804.4 | -362.2 | -1,496.8 | -354.1 | 1.00 | -1.00 | 0.00 |
| 8,100.0 | | 256.40 | 7,904.4 | -362.8 | -1,499.2 | -354.7 | 1.00 | -1.00 | 0.00 |
| 8,195.7 | | 0.00 | 8,000.0 | -363.0 | -1,500.0 | -354.9 | 1.00 | -1.00 | 0.00 |
| HOLD - 2 | 195.0 at 8195.7 l | MD | | | | | | | |
| 8,200.0 | 0.00 | 0.00 | 8,004.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,300.0 | | 0.00 | 8,104.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,400.0 | | 0.00 | 8,204.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,500.0 | | 0.00 | 8,304.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,600.0 | 0.00 | 0.00 | 8,404.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,700.0 | | 0.00 | 8,504.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,800.0 | | 0.00 | 8,604.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 8,900.0 | | 0.00 | 8,704.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,000.0 | | 0.00 | 8,804.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,100.0 | | 0.00 | 8,904.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,200.0 | | 0.00 | 9,004.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,300.0 | 0.00 | 0.00 | 9,104.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,400.0 | | 0.00 | 9,204.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,500.0 9,600.0 | | 0.00 | 9,304.3 | -363.0 -363.0 | -1,500.0 | -354.9 -354.9 | 0.00 | 0.00 | 0.00 |
| • | | 0.00 | 9,404.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,700.0 | | 0.00 | 9,504.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,800.0 | | 0.00 | 9,604.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 9,900.0 | 0.00 | 0.00 | 9,704.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |



Intrepid **Planning Report**



EDM 5000.15 Single User Db Database: Company: Tap Rock Resources, LLC Project: Lea County, NM (NAD 83 NME) Site:

(Double Stamp Fed) Sec-14_T-20-S_R-32-E

Double Stamp Fed Com #131H Well:

Wellbore: OWB **Local Co-ordinate Reference:**

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Double Stamp Fed Com #131H

KB @ 3532.0usft KB @ 3532.0usft

| Design: | Plan #1 | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Planned Survey | | | | | | | | | |
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 10,000.0 | 0.00 | 0.00 | 9,804.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 10,100.0 | 0.00 | 0.00 | 9,904.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 10,200.0 | 0.00 | 0.00 | 10,004.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 10,300.0 | 0.00 | 0.00 | 10,104.3 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| 10,390.7 | 0.00 | 0.00 | 10,195.0 | -363.0 | -1,500.0 | -354.9 | 0.00 | 0.00 | 0.00 |
| KOP - Buil | | 050.75 | 40.004.0 | 000.0 | 4 500 0 | 0540 | 40.00 | 40.00 | 0.00 |
| 10,400.0 | 0.93 | 352.75 | 10,204.3 | -362.9 | -1,500.0 | -354.8 | 10.00 | 10.00 | 0.00 |
| 10,450.0 | 5.93 | 352.75 | 10,254.2 | -360.0 | -1,500.4 | -351.8 | 10.00 | 10.00 | 0.00 |
| 10,500.0 | 10.93 | 352.75 | 10,303.7 | -352.7 | -1,501.3 | -344.6 | 10.00 | 10.00 | 0.00 |
| 10,550.0 | 15.93 | 352.75 | 10,352.3 | -341.2 | -1,502.8 | -333.0 | 10.00 | 10.00 | 0.00 |
| 10,600.0 | 20.93 | 352.75 | 10,399.7 | -325.5 | -1,504.8 | -317.3 | 10.00 | 10.00 | 0.00 |
| 10,650.0 | 25.93 | 352.75 | 10,445.6 | -305.8 | -1,507.3 | -297.6 | 10.00 | 10.00 | 0.00 |
| 10,700.0 | 30.93 | 352.75 | 10,489.5 | -282.1 | -1,510.3 | -274.0 | 10.00 | 10.00 | 0.00 |
| 10,750.0 | 35.93 | 352.75 | 10,531.2 | -254.8 | -1,513.8 | -246.6 | 10.00 | 10.00 | 0.00 |
| 10,800.0 | 40.93 | 352.75 | 10,570.4 | -224.0 | -1,517.7 | -215.8 | 10.00 | 10.00 | 0.00 |
| 10,850.0 | 45.93 | 352.75 | 10,606.7 | -189.9 | -1,522.0 | -181.7 | 10.00 | 10.00 | 0.00 |
| 10,900.0 | 50.93 | 352.75 | 10,639.9 | -152.8 | -1,526.7 | -144.6 | 10.00 | 10.00 | 0.00 |
| 10,950.0 | 55.93 | 352.75 | 10,669.6 | -113.0 | -1,531.8 | -104.7 | 10.00 | 10.00 | 0.00 |
| 11,000.0 | 60.93 | 352.75 | 10,695.8 | -70.7 | -1,537.2 | -62.4 | 10.00 | 10.00 | 0.00 |
| 11,050.0 | 65.93 | 352.75 | 10,718.2 | -26.4 | -1,542.8 | -18.0 | 10.00 | 10.00 | 0.00 |
| 11,100.0 | 70.93 | 352.75 | 10,736.5 | 19.7 | -1,548.7 | 28.1 | 10.00 | 10.00 | 0.00 |
| 11,150.0 | 75.93 | 352.75 | 10,750.8 | 67.2 | -1,554.7 | 75.7 | 10.00 | 10.00 | 0.00 |
| 11,200.0 | 80.93 | 352.75 | 10,760.8 | 115.8 | -1,560.9 | 124.3 | 10.00 | 10.00 | 0.00 |
| 11,250.0 | 85.93 | 352.75 | 10,766.5 | 165.1 | -1,567.2 | 173.6 | 10.00 | 10.00 | 0.00 |
| 11,296.2 | 90.55 | 352.75 | 10,767.9 | 210.8 | -1,573.0 | 219.3 | 10.00 | 10.00 | 0.00 |
| | - DLS 2.00 TFC | | | | | | | | |
| 11,300.0 | 90.55 | 352.83 | 10,767.9 | 214.7 | -1,573.5 | 223.2 | 2.00 | 0.00 | 2.00 |
| 11,400.0 | 90.55 | 354.83 | 10,766.9 | 314.1 | -1,584.2 | 322.6 | 2.00 | 0.00 | 2.00 |
| 11,500.0 | 90.55 | 356.83 | 10,766.0 | 413.8 | -1,591.5 | 422.4 | 2.00 | 0.00 | 2.00 |
| 11,600.0 | 90.55 | 358.83 | 10,765.0 | 513.7 | -1,595.3 | 522.3 | 2.00 | 0.00 | 2.00 |
| 11,643.1 | 90.55 | 359.69 | 10,764.6 | 556.7 | -1,595.9 | 565.4 | 2.00 | 0.00 | 2.00 |
| | .8 hold at 1164 | | | | | | | | |
| 11,700.0 | 90.55 | 359.69 | 10,764.0 | 613.7 | -1,596.2 | 622.3 | 0.00 | 0.00 | 0.00 |
| 11,800.0 | 90.55 | 359.69 | 10,763.1 | 713.7 | -1,596.7 | 722.3 | 0.00 | 0.00 | 0.00 |
| 11,900.0 | 90.55 | 359.69 | 10,762.1 | 813.7 | -1,597.3 | 822.3 | 0.00 | 0.00 | 0.00 |
| 12,000.0 | 90.55 | 359.69 | 10,761.2 | 913.7 | -1,597.8 | 922.3 | 0.00 | 0.00 | 0.00 |
| 12,100.0 | 90.55 | 359.69 | 10,760.2 | 1,013.7 | -1,598.3 | 1,022.3 | 0.00 | 0.00 | 0.00 |
| 12,200.0 | 90.55 | 359.69 | 10,759.2 | 1,113.7 | -1,598.9 | 1,122.3 | 0.00 | 0.00 | 0.00 |
| 12,300.0 | 90.55 | 359.69 | 10,758.3 | 1,213.7 | -1,599.4 | 1,222.3 | 0.00 | 0.00 | 0.00 |
| 12,400.0 | 90.55 | 359.69 | 10,757.3 | 1,313.7 | -1,600.0 | 1,322.3 | 0.00 | 0.00 | 0.00 |
| 12,500.0 | 90.55 | 359.69 | 10,756.4 | 1,413.6 | -1,600.5 | 1,422.3 | 0.00 | 0.00 | 0.00 |
| 12,600.0 | 90.55 | 359.69 | 10,755.4 | 1,513.6 | -1,601.1 | 1,522.3 | 0.00 | 0.00 | 0.00 |
| 12,700.0 | 90.55 | 359.69 | 10,754.4 | 1,613.6 | -1,601.6 | 1,622.3 | 0.00 | 0.00 | 0.00 |
| 12,800.0 | 90.55 | 359.69 | 10,753.5 | 1,713.6 | -1,602.2 | 1,722.3 | 0.00 | 0.00 | 0.00 |
| 12,900.0 | 90.55 | 359.69 | 10,752.5 | 1,813.6 | -1,602.7 | 1,822.3 | 0.00 | 0.00 | 0.00 |
| 13,000.0 | 90.55 | 359.69 | 10,751.6 | 1,913.6 | -1,603.2 | 1,922.3 | 0.00 | 0.00 | 0.00 |
| 13,100.0 | 90.55 | 359.69 | 10,750.6 | 2,013.6 | -1,603.8 | 2,022.3 | 0.00 | 0.00 | 0.00 |
| 13,200.0 | 90.55 | 359.69 | 10,749.6 | 2,113.6 | -1,604.3 | 2,122.3 | 0.00 | 0.00 | 0.00 |
| 13,300.0 | 90.55 | 359.69 | 10,748.7 | 2,213.6 | -1,604.9 | 2,222.2 | 0.00 | 0.00 | 0.00 |
| 13,400.0 | 90.55 | 359.69 | 10,747.7 | 2,313.6 | -1,605.4 | 2,322.2 | 0.00 | 0.00 | 0.00 |
| 13,500.0 | 90.55 | 359.69 | 10,746.8 | 2,413.6 | -1,606.0 | 2,422.2 | 0.00 | 0.00 | 0.00 |
| 13,600.0 | 90.55 | 359.69 | 10,745.8 | 2,513.6 | -1,606.5 | 2,522.2 | 0.00 | 0.00 | 0.00 |
| 13,700.0 | 90.55 | 359.69 | 10,744.8 | 2,613.6 | -1,607.0 | 2,622.2 | 0.00 | 0.00 | 0.00 |



Well:

Intrepid **Planning Report**



EDM 5000.15 Single User Db Database: Company: Project: Site:

Tap Rock Resources, LLC Lea County, NM (NAD 83 NME)

(Double Stamp Fed) Sec-14_T-20-S_R-32-E Double Stamp Fed Com #131H

OWB Wellbore:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Double Stamp Fed Com #131H

KB @ 3532.0usft KB @ 3532.0usft

| Wellbore: Design: | Plan #1 | | | | | | | | |
|--|---|--------------------------------------|--|---|--|---|--------------------------------------|--------------------------------------|--------------------------------------|
| Planned Survey | | | | | | | | | |
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 13,800.0 | 90.55 | 359.69 | 10,743.9 | 2,713.6 | -1,607.6 | 2,722.2 | 0.00 | 0.00 | 0.00 |
| 13,900.0 | 90.55 | 359.69 | 10,742.9 | 2,813.6 | -1,608.1 | 2,822.2 | 0.00 | 0.00 | 0.00 |
| 14,000.0 | 90.55 | 359.69 | 10,742.0 | 2,913.6 | -1,608.7 | 2,922.2 | 0.00 | 0.00 | 0.00 |
| 14,100.0 | 90.55 | 359.69 | 10,741.0 | 3,013.5 | -1,609.2 | 3,022.2 | 0.00 | 0.00 | 0.00 |
| 14,200.0 | 90.55 | 359.69 | 10,740.0 | 3,113.5 | -1,609.8 | 3,122.2 | 0.00 | 0.00 | 0.00 |
| 14,300.0 | 90.55 | 359.69 | 10,739.1 | 3,213.5 | -1,610.3 | 3,222.2 | 0.00 | 0.00 | 0.00 |
| 14,400.0 | 90.55 | 359.69 | 10,738.1 | 3,313.5 | -1,610.9 | 3,322.2 | 0.00 | 0.00 | 0.00 |
| 14,500.0 | 90.55 | 359.69 | 10,737.2 | 3,413.5 | -1,611.4 | 3,422.2 | 0.00 | 0.00 | 0.00 |
| 14,600.0 | 90.55 | 359.69 | 10,736.2 | 3,513.5 | -1,611.9 | 3,522.2 | 0.00 | 0.00 | 0.00 |
| 14,700.0 | 90.55 | 359.69 | 10,735.2 | 3,613.5 | -1,612.5 | 3,622.2 | 0.00 | 0.00 | 0.00 |
| 14,800.0 | 90.55 | 359.69 | 10,734.3 | 3,713.5 | -1,613.0 | 3,722.2 | 0.00 | 0.00 | 0.00 |
| 14,900.0 | 90.55 | 359.69 | 10,733.3 | 3,813.5 | -1,613.6 | 3,822.2 | 0.00 | 0.00 | 0.00 |
| 15,000.0 15,100.0 15,200.0 15,300.0 15,400.0 | 90.55 90.55 90.55 90.55 90.55 | 359.69 359.69 359.69 359.69 | 10,732.4 10,731.4 10,730.4 10,729.5 10,728.5 | 3,913.5 4,013.5 4,113.5 4,213.5 4,313.5 | -1,614.1 -1,614.7 -1,615.2 -1,615.8 -1,616.3 | 3,922.2 4,022.2 4,122.2 4,222.2 4,322.2 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 15,500.0 | 90.55 | 359.69 | 10,727.6 | 4,413.5 | -1,616.8 | 4,422.1 | 0.00 | 0.00 | 0.00 |
| 15,600.0 | 90.55 | 359.69 | 10,726.6 | 4,513.5 | -1,617.4 | 4,522.1 | 0.00 | 0.00 | 0.00 |
| 15,700.0 | 90.55 | 359.69 | 10,725.6 | 4,613.5 | -1,617.9 | 4,622.1 | 0.00 | 0.00 | 0.00 |
| 15,800.0 | 90.55 | 359.69 | 10,724.7 | 4,713.4 | -1,618.5 | 4,722.1 | 0.00 | 0.00 | 0.00 |
| 15,900.0 | 90.55 | 359.69 | 10,723.7 | 4,813.4 | -1,619.0 | 4,822.1 | 0.00 | 0.00 | 0.00 |
| 16,000.0 | 90.55 | 359.69 | 10,722.8 | 4,913.4 | -1,619.6 | 4,922.1 | 0.00 | 0.00 | 0.00 |
| 16,100.0 | 90.55 | 359.69 | 10,721.8 | 5,013.4 | -1,620.1 | 5,022.1 | 0.00 | 0.00 | 0.00 |
| 16,200.0 | 90.55 | 359.69 | 10,720.8 | 5,113.4 | -1,620.6 | 5,122.1 | 0.00 | 0.00 | 0.00 |
| 16,300.0 | 90.55 | 359.69 | 10,719.9 | 5,213.4 | -1,621.2 | 5,222.1 | 0.00 | 0.00 | 0.00 |
| 16,400.0 | 90.55 | 359.69 | 10,718.9 | 5,313.4 | -1,621.7 | 5,322.1 | 0.00 | 0.00 | 0.00 |
| 16,500.0 | 90.55 | 359.69 | 10,718.0 | 5,413.4 | -1,622.3 | 5,422.1 | 0.00 | 0.00 | 0.00 |
| 16,600.0 | 90.55 | 359.69 | 10,717.0 | 5,513.4 | -1,622.8 | 5,522.1 | 0.00 | 0.00 | 0.00 |
| 16,700.0 | 90.55 | 359.69 | 10,716.0 | 5,613.4 | -1,623.4 | 5,622.1 | 0.00 | 0.00 | 0.00 |
| 16,800.0 | 90.55 | 359.69 | 10,715.1 | 5,713.4 | -1,623.9 | 5,722.1 | 0.00 | 0.00 | 0.00 |
| 16,900.0 | 90.55 | 359.69 | 10,714.1 | 5,813.4 | -1,624.5 | 5,822.1 | 0.00 | 0.00 | 0.00 |
| 17,000.0 | 90.55 | 359.69 | 10,713.2 | 5,913.4 | -1,625.0 | 5,922.1 | 0.00 | 0.00 | 0.00 |
| 17,100.0 | 90.55 | 359.69 | 10,712.2 | 6,013.4 | -1,625.5 | 6,022.1 | 0.00 | 0.00 | 0.00 |
| 17,200.0 | 90.55 | 359.69 | 10,711.2 | 6,113.4 | -1,626.1 | 6,122.1 | 0.00 | 0.00 | 0.00 |
| 17,300.0 | 90.55 | 359.69 | 10,710.3 | 6,213.4 | -1,626.6 | 6,222.1 | 0.00 | 0.00 | 0.00 |
| 17,400.0 | 90.55 | 359.69 | 10,709.3 | 6,313.3 | -1,627.2 | 6,322.1 | 0.00 | 0.00 | 0.00 |
| 17,500.0 | 90.55 | 359.69 | 10,708.4 | 6,413.3 | -1,627.7 | 6,422.1 | 0.00 | 0.00 | 0.00 |
| 17,600.0 | 90.55 | 359.69 | 10,707.4 | 6,513.3 | -1,628.3 | 6,522.1 | 0.00 | 0.00 | 0.00 |
| 17,700.0 | 90.55 | 359.69 | 10,706.4 | 6,613.3 | -1,628.8 | 6,622.0 | 0.00 | 0.00 | 0.00 |
| 17,800.0 | 90.55 | 359.69 | 10,705.5 | 6,713.3 | -1,629.4 | 6,722.0 | 0.00 | 0.00 | 0.00 |
| 17,900.0 | 90.55 | 359.69 | 10,704.5 | 6,813.3 | -1,629.9 | 6,822.0 | 0.00 | 0.00 | 0.00 |
| 18,000.0 | 90.55 | 359.69 | 10,703.6 | 6,913.3 | -1,630.4 | 6,922.0 | 0.00 | 0.00 | 0.00 |
| 18,100.0 | 90.55 | 359.69 | 10,702.6 | 7,013.3 | -1,631.0 | 7,022.0 | 0.00 | 0.00 | 0.00 |
| 18,200.0 | 90.55 | 359.69 | 10,701.6 | 7,113.3 | -1,631.5 | 7,122.0 | 0.00 | 0.00 | 0.00 |
| 18,300.0 | 90.55 | 359.69 | 10,700.7 | 7,213.3 | -1,632.1 | 7,222.0 | 0.00 | 0.00 | 0.00 |
| 18,400.0 | 90.55 | 359.69 | 10,699.7 | 7,313.3 | -1,632.6 | 7,322.0 | 0.00 | 0.00 | 0.00 |
| 18,500.0 18,600.0 18,700.0 18,800.0 18,900.0 | 90.55 90.55 90.55 90.55 90.55 | 359.69 359.69 359.69 359.69 | 10,698.8 10,697.8 10,696.8 10,695.9 10,694.9 | 7,413.3 7,513.3 7,613.3 7,713.3 7,813.3 | -1,633.2 -1,633.7 -1,634.2 -1,634.8 -1,635.3 | 7,422.0 7,522.0 7,622.0 7,722.0 7,822.0 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 | 0.00 0.00 0.00 0.00 0.00 |
| 19,000.0 | 90.55 | 359.69 | 10,694.0 | 7,913.3 | -1,635.9 | 7,922.0 | 0.00 | 0.00 | 0.00 |
| 19,100.0 | 90.55 | 359.69 | 10,693.0 | 8,013.2 | -1,636.4 | 8,022.0 | 0.00 | 0.00 | 0.00 |



Well:

IntrepidPlanning Report



Database: EDM 5000.15 Single User Db
Company: Tap Rock Resources, LLC
Project: Lea County, NM (NAD 83 NME)
Site: (Double Stamp Fed) Sec-14_T-20-S_R-32-E

Double Stamp Fed Com #131H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference: Survey Calculation Method: Well Double Stamp Fed Com #131H

KB @ 3532.0usft KB @ 3532.0usft Grid

Minimum Curvature

| Design. | FIAII#I | | | | | | | | |
|-----------------------------|-----------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Planned Survey | | | | | | | | | |
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 19,200.0 | 90.55 | 359.69 | 10,692.0 | 8,113.2 | -1,637.0 | 8,122.0 | 0.00 | 0.00 | 0.00 |
| 19,300.0 | 90.55 | 359.69 | 10,691.1 | 8,213.2 | -1,637.5 | 8,222.0 | 0.00 | 0.00 | 0.00 |
| 19,400.0 | 90.55 | 359.69 | 10,690.1 | 8,313.2 | -1,638.1 | 8,322.0 | 0.00 | 0.00 | 0.00 |
| 19,500.0 | 90.55 | 359.69 | 10,689.2 | 8,413.2 | -1,638.6 | 8,422.0 | 0.00 | 0.00 | 0.00 |
| 19,600.0 | 90.55 | 359.69 | 10,688.2 | 8,513.2 | -1,639.1 | 8,522.0 | 0.00 | 0.00 | 0.00 |
| 19,700.0 | 90.55 | 359.69 | 10,687.2 | 8,613.2 | -1,639.7 | 8,622.0 | 0.00 | 0.00 | 0.00 |
| 19,800.0 | 90.55 | 359.69 | 10,686.3 | 8,713.2 | -1,640.2 | 8,721.9 | 0.00 | 0.00 | 0.00 |
| 19,900.0 | 90.55 | 359.69 | 10,685.3 | 8,813.2 | -1,640.8 | 8,821.9 | 0.00 | 0.00 | 0.00 |
| 20,000.0 | 90.55 | 359.69 | 10,684.4 | 8,913.2 | -1,641.3 | 8,921.9 | 0.00 | 0.00 | 0.00 |
| 20,100.0 | 90.55 | 359.69 | 10,683.4 | 9,013.2 | -1,641.9 | 9,021.9 | 0.00 | 0.00 | 0.00 |
| 20,200.0 | 90.55 | 359.69 | 10,682.4 | 9,113.2 | -1,642.4 | 9,121.9 | 0.00 | 0.00 | 0.00 |
| 20,300.0 | 90.55 | 359.69 | 10,681.5 | 9,213.2 | -1,643.0 | 9,221.9 | 0.00 | 0.00 | 0.00 |
| 20,400.0 | 90.55 | 359.69 | 10,680.5 | 9,313.2 | -1,643.5 | 9,321.9 | 0.00 | 0.00 | 0.00 |
| 20,500.0 | 90.55 | 359.69 | 10,679.6 | 9,413.2 | -1,644.0 | 9,421.9 | 0.00 | 0.00 | 0.00 |
| 20,600.0 | 90.55 | 359.69 | 10,678.6 | 9,513.2 | -1,644.6 | 9,521.9 | 0.00 | 0.00 | 0.00 |
| 20,700.0 | 90.55 | 359.69 | 10,677.6 | 9,613.1 | -1,645.1 | 9,621.9 | 0.00 | 0.00 | 0.00 |
| 20,800.0 | 90.55 | 359.69 | 10,676.7 | 9,713.1 | -1,645.7 | 9,721.9 | 0.00 | 0.00 | 0.00 |
| 20,900.0 | 90.55 | 359.69 | 10,675.7 | 9,813.1 | -1,646.2 | 9,821.9 | 0.00 | 0.00 | 0.00 |
| 21,000.0 | 90.55 | 359.69 | 10,674.8 | 9,913.1 | -1,646.8 | 9,921.9 | 0.00 | 0.00 | 0.00 |
| 21,100.0 | 90.55 | 359.69 | 10,673.8 | 10,013.1 | -1,647.3 | 10,021.9 | 0.00 | 0.00 | 0.00 |
| 21,200.0 | 90.55 | 359.69 | 10,672.8 | 10,113.1 | -1,647.8 | 10,121.9 | 0.00 | 0.00 | 0.00 |
| 21,227.9 | 90.55 | 359.69 | 10,672.6 | 10,141.0 | -1,648.0 | 10,149.8 | 0.00 | 0.00 | 0.00 |
| TD at 21227 | '.9 | | | | | | | | |
| | | | | | | | | | |

| Design Targets | | | | | | | | | |
|--|------------------|-----------------|-------------------------|---------------------------|-------------------------|--------------------------------|-------------------|------------------|-------------------|
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| KOP (Double Stamp F - plan misses targ - Point | | | 10,195.0 0390.7usft | -363.0 MD (10195.1 | -1,591.0 TVD, -363.0 | 570,171.00 N, -1500.0 E) | 722,772.00 | 32° 33′ 57.873 N | 103° 44' 39.824 W |
| LTP (Double Stamp For plan misses targer) - Point | | | 10,672.6 132.9usft M | 10,046.0 1D (10673.5] | -1,648.0 ΓVD, 10046. | 580,580.00 0 N, -1647.5 E) | 722,715.00 | 32° 35′ 40.873 N | 103° 44' 39.817 W |
| PBHL (Double Stamp - plan hits target c - Rectangle (sides | enter | | 10,672.6 | 10,141.0 | -1,648.0 | 580,675.00 | 722,715.00 | 32° 35′ 41.813 N | 103° 44' 39.811 W |
| FTP (Double Stamp F - plan misses targ - Point | | | 10,770.0 10873.5usf | -313.0 t MD (10622. | -1,591.0 7 TVD, -172 | 570,221.00 .8 N, -1524.2 E) | 722,772.00 | 32° 33′ 58.368 N | 103° 44' 39.821 W |



IntrepidPlanning Report



Database: EDM 5000.15 Single User Db Company: Tap Rock Resources, LLC Project: Lea County, NM (NAD 83 NME) Site: (Double Stamp Fed) Sec-14_T-2

(Double Stamp Fed) Sec-14_T-20-S_R-32-E Double Stamp Fed Com #131H

Well: Double S'
Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Double Stamp Fed Com #131H

KB @ 3532.0usft KB @ 3532.0usft

| esign: | Flall#1 | | | | | |
|----------|-----------------------------|-----------------------------|---------------------------|-----------|------------|-------------------------|
| rmations | | | | | | |
| | Measured Depth (usft) | Vertical Depth (usft) | Name | Lithology | Dip (°) | Dip Direction (°) |
| | 1,040.0 | 1,040.0 | RUSTLER | | | |
| | 1,400.3 | 1,400.0 | SALT [T] | | | |
| | 4,665.4 | 4,565.0 | SALT [B] | | | |
| | 4,889.1 | 4,780.0 | DELAWARE | | | |
| | 4,889.1 | 4,780.0 | LAMAR | | | |
| | 4,977.5 | 4,865.0 | BELL | | | |
| | 5,175.1 | 5,055.0 | CHERRY | | | |
| | 6,069.6 | 5,915.0 | BRUSHY | | | |
| | 7,970.6 | 7,775.0 | BONE SPRING | | | |
| | 8,055.6 | 7,860.0 | AVALON UPPER | | | |
| | 8,420.7 | 8,225.0 | AVALON MIDDLE | | | |
| | 8,765.7 | 8,570.0 | AVALON LOWER | | | |
| | 9,020.7 | 8,825.0 | 1ST BONE SPRING SAND | | | |
| | 9,250.7 | | 2ND BONE SPRING FLOOD SUR | | | |
| | 9,340.7 | 9,145.0 | 2ND BONE SPRING CARB | | | |
| | 9,565.7 | 9,370.0 | 2ND BONE SPRING SAND | | | |
| | 10,265.7 | , | 3RD BONE SPRING CARB | | | |
| | 10,660.5 | 10,455.0 | 3RD BONE SPRING SAND | | | |
| | 11,054.6 | 10,720.0 | 3RD BONE SPRING W SAND | | | |

| Plan Annotations | | | | |
|-----------------------------|-----------------------------|------------------------------|------------------------------|---------------------------------|
| Measured Depth (usft) | Vertical Depth (usft) | Local Cod +N/-S (usft) | ordinates +E/-W (usft) | Comment |
| 1,000.0 | 1,000.0 | 0.0 | 0.0 | NUDGE - Build 1.00 |
| 2,597.1 | 2,576.5 | -52.0 | -214.9 | HOLD - 4001.5 at 2597.1 MD |
| 6,598.6 | 6,423.5 | -311.0 | -1,285.1 | DROP1.00 |
| 8,195.7 | 8,000.0 | -363.0 | -1,500.0 | HOLD - 2195.0 at 8195.7 MD |
| 10,390.7 | 10,195.0 | -363.0 | -1,500.0 | KOP - Build 10.00 |
| 11,296.2 | 10,767.9 | 210.8 | -1,573.0 | EOC/TRN - DLS 2.00 TFO 89.97 |
| 11,643.1 | 10,764.6 | 556.7 | -1,595.9 | Start 9584.8 hold at 11643.1 MD |
| 21,227.9 | 10,672.6 | 10,141.0 | -1,648.0 | TD at 21227.9 |

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Tap Rock Operating LLC
WELL NAME & NO.: Double Stamp Fed Com 131H
LOCATION: Sec 14-20S-32E-NMP
COUNTY: Lea County, New Mexico

COA

| H_2S | 0 | No | • | Yes |
|--------------|----------------------|------------------------------------|----------------------|----------------------------|
| Potash / | O None | Secretary | ⊙ R-111-Q | ☐ Open Annulus |
| WIPP | 4-String Design: Ope | n 2nd Int x Production Ca Zone) | asing (ICP 2 above R | elief |
| Cave / Karst | C Low | • Medium | C High | Critical |
| Wellhead | Conventional | • Multibowl | O Both | Diverter |
| Cementing | ☐ Primary Squeeze | ☐ Cont. Squeeze | ☐ EchoMeter | ☐ DV Tool |
| Special Req | ☐ Capitan Reef | ☐ Water Disposal | ▼ COM | Unit |
| Waste Prev. | © Self-Certification | C Waste Min. Plan | APD Submitted p | rior to 06/10/2024 |
| Additional | ▼ Flex Hose | ☐ Casing Clearance | ☐ Pilot Hole | ☐ Break Testing |
| Language | Four-String | ☐ Offline Cementing | Fluid-Filled | |

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Bone Springs & Delaware** formations. As a result, the Hydrogen Sulfide area must meet all requirements from 43 CFR 3176, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

APD is within the R-111-Q defined boundary. Operator must follow all procedures and requirements listed within the updated order.

B. CASING

- 1. The **16** inch surface casing shall be set at approximately **1065** feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic-type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or **500 pounds compressive strength**, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 2. The minimum required fill of cement behind the 11-3/4 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 3. The minimum required fill of cement behind the 8-5/8 inch intermediate casing (set at 4550' per BLM geologist) is:
 - Cement should tie-back 500 feet into the previous casing but not higher than USGS Marker Bed No. 126. Operator must verify top of cement per R-111-Q requirements. Submit results to the BLM. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.
- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back 500 feet into the previous casing but not higher than USGS Marker Bed No. 126. Operator must verify top of cement per R-111-Q requirements. Submit results to the BLM. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
- 2. Operator has proposed a multi-bowl wellhead assembly. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.

- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one-inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3171 and 3172.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Contact Lea County Petroleum Engineering Inspection Staff:

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981

- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - iii. BOP/BOPE test to be conducted per **43 CFR 3172** as soon as 2nd Rig is rigged up on well
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. For intervals in which cement to surface is required, cement to surface should be verified with a visual check and density or pH check to differentiate cement from spacer and drilling mud. The results should be documented in the driller's log and daily reports.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following

- conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends of both lead and tail cement, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-Q potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in **43 CFR 3172**.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - ii. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - iii. Manufacturer representative shall install the test plug for the initial BOP test.
 - iv. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.
 - v. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - i. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - ii. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - iii. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for 8 hours or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- iv. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- v. The results of the test shall be reported to the appropriate BLM office.
- vi. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- vii. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- viii. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per **43 CFR 3172**.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.



Hydrogen Sulfide Drilling

Operations Plan

Tap Rock Resources

1 H2S safety instructions to the following:

- Characteristics of H2S
- Physical effects and hazards
- Principal and operation of H2S detectors, warning system and briefing areas
- Evacuation procedures, routes and first aid
- Proper use of safety equipment & life support systems
- Essential personnel meeting medical evaluation criteria will receive additional training on the proper use of 30min pressure demand air packs

2 H2S Detection and Alarm Systems:

- H2S sensor/detectors to be located on the drilling rig floor, in the base of the sub structure / cellar area, on the mud pits in the shale shaker area. Additional H2S detectors may be placed as deemed necessary
- An audio alarm system will be installed on the derrick floor and in the doghouse

3 Windsocks and / Wind Streamers:

- Windsocks at mud pit area should be high enough to be visible
- Windsock on the rig floor and / top of doghouse should be high enough to be visible

4 Condition Flags and Signs:

- Warning sign on access road to location
- Flags to be displayed on sign at entrance to location
 - o Green Flag Normal Safe Operation Condition
 - o Yellow Flag Potential Pressure and Danger
 - Red Flag Danger (H2S present in dangerous concentrations) Only H2S trained personnel admitted on location

5 Well Control Equipment:

See Drilling Operations Plan Schematics

6 Communication:

- While working under masks chalkboards will be used for communications
- Hand signals will be used where chalk board is inappropriate
- Two way radio will be used to communicate off location in case of emergency help is required.
 In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.



7 Drilling Stem Testing:

No DST cores are planned at this time

8 Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubulars good and other mechanical equipment

9 If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavengers if necessary

11 Emergency Contacts

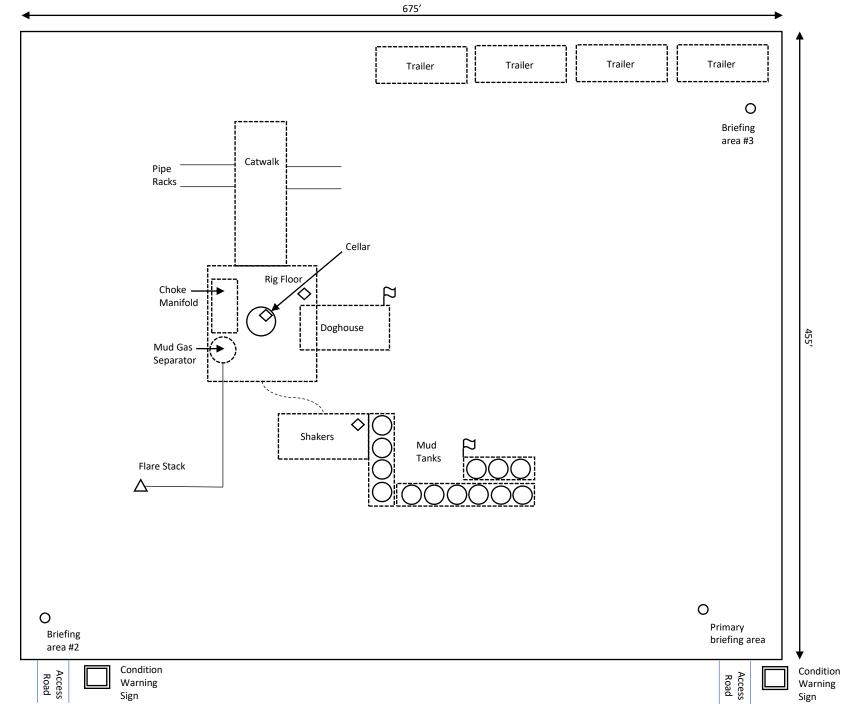
| Emergency Contacts | | | | | | | | |
|----------------------------|--------------|-----|--|--|--|--|--|--|
| Carlsbad Police Department | 575.887.7551 | 911 | | | | | | |
| Carlsbad Medical Center | 575.887.4100 | 911 | | | | | | |
| Eddy County Fire Service | 575.628.5450 | 911 | | | | | | |
| Eddy County Sherriff | 575.887.7551 | 911 | | | | | | |
| Lea County Fire Service | 575.391.2983 | 911 | | | | | | |
| Lea County Sherriff | 575.396.3611 | 911 | | | | | | |
| Jal Police Department | 575.395.2121 | 911 | | | | | | |
| Jal Fire Department | 575.395.2221 | 911 | | | | | | |
| Tap Rock Resources | 720.772.5090 | | | | | | | |

Rig Diagram
Double Stamp Fed Com
W2 Pad
Tap Rock Operating, LLC
14-20S-32E
Lea County, NM



- O Briefing Area
- Current Well
- ↑ Flare Stack
- → H2S Monitor
- Wind Indicator
- Mud Gas Separator



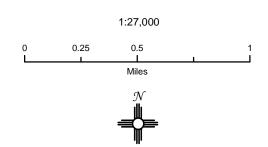


Tap Rock Operating LLC

Double Stamp Fed Com W2 Pad H2S Contingency Plan: 2 Mile Radius Map

Sec. 14, Township 20S, Range 32E Lea County, New Mexico

Well Pad Location

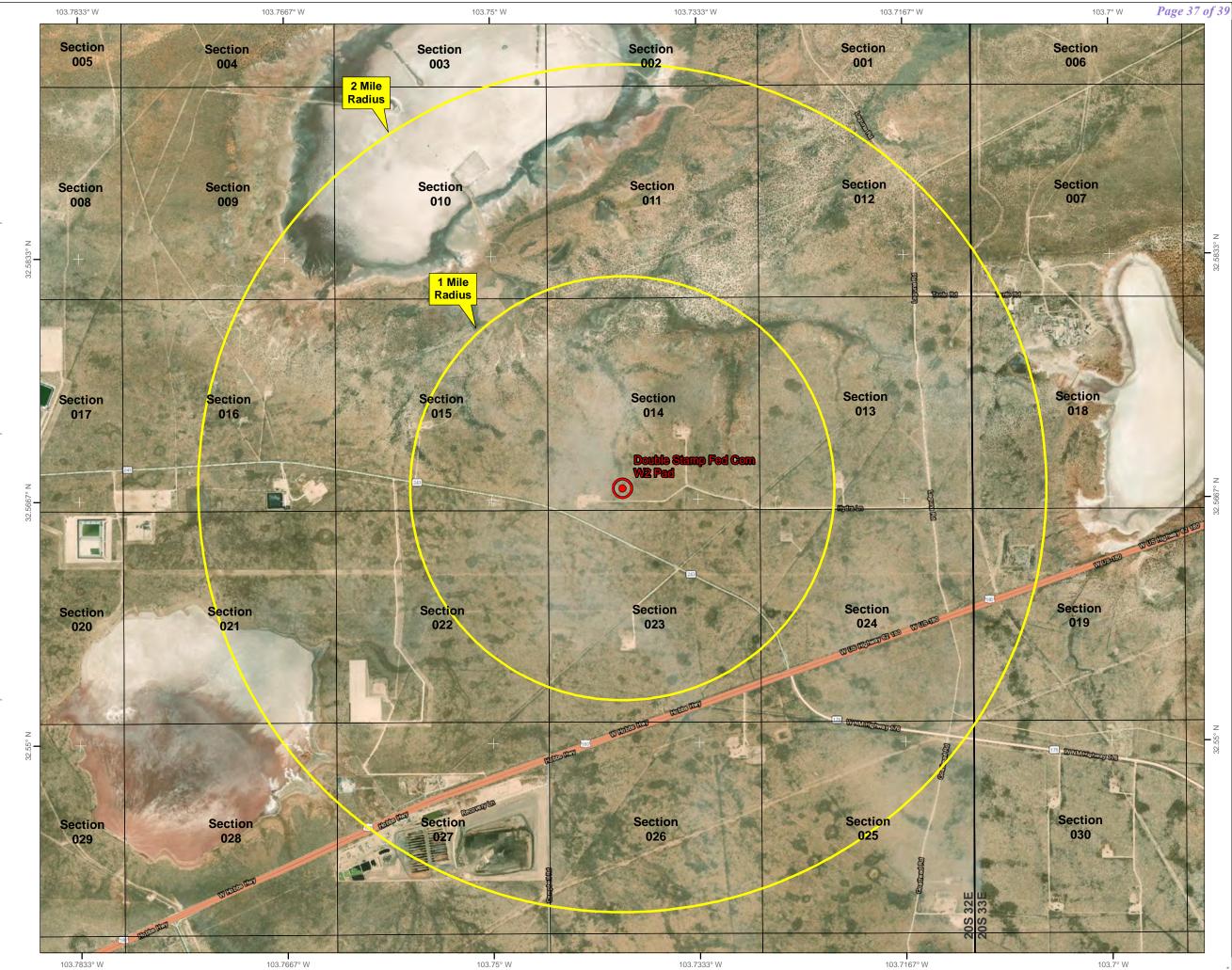


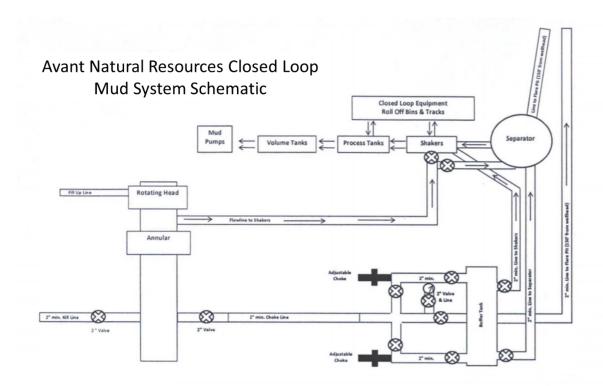
NAD 1983 New Mexico State Plane East



Prepared by Permits West, Inc., May 25, 2023 for Tap Rock Operating, LLC







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

CONDITIONS

Action 406062

CONDITIONS

| Operator: | OGRID: |
|-------------------------|---|
| TAP ROCK OPERATING, LLC | 372043 |
| 523 Park Point Drive | Action Number: |
| Golden, CO 80401 | 406062 |
| | Action Type: |
| | [C-101] BLM - Federal/Indian Land Lease (Form 3160-3) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|---|----------------|
| bwood | Cement is required to circulate on both surface and intermediate1 strings of casing. | 11/23/2024 |
| bwood | If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing. | 11/23/2024 |
| pkautz | EFFECTIVE DATE FOR SUBMITTING TO OCD THE NEW FORM C-102 WAS 08/01/2024. PLEASE SUBMIT THE C-102 ON NEW FORM. | 12/3/2024 |
| pkautz | File As Drilled C-102 and a directional Survey with C-104 completion packet. | 12/3/2024 |
| pkautz | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string. | 12/3/2024 |
| pkautz | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system. | 12/3/2024 |