Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
https://www.emnrd.nm.gov/ocd/contact-us

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

Form C-101
August 1, 2011

Permit 407397

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

1. Operator Name and Address	2. OGRID Number
MR NM Operating LLC 5950 Berkshire Lane Dallas, TX 75225	330506
	3. API Number 30-025-55890

4. Property Code	5. Property Name	6. Well No.
337764	SHREK STATE COM	003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	32	16S	32E		2387	S	2445	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	31	16S	32E	J	2290	S	2544	E	Lea

9. Pool Information

MALJAMAR;YESO, WEST	44500
FREN; GLORIETA-YESO	26770

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	4188
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
Y	10409	Yeso		3/1/2026
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ **We will be using a closed-loop system in lieu of lined pits**

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1145	1187	0
Int1	12.25	9.625	40	2498	965	0
Prod	8.75	7	29	5713	737	2198
Prod	8.75	5.5	17	10409	737	2198

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	TBD
Annular	3000	3000	TBD

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I hereby certify that no additives containing PFAS chemicals will be added to the completion or recompletion of this well.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

Signature:

OIL CONSERVATION DIVISION

Printed Name:	Electronically filed by Laurie Carter	Approved By:	Jeffrey Harrison	
Title:	Operations	Title:	Petroleum Specialist III	
Email Address:	laurie@cypressnr.com	Approved Date:	1/30/2026	Expiration Date: 1/30/2028
Date:	1/20/2026 Phone: 214-724-0567	Conditions of Approval Attached		

C-102	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
Submit Electronically Via OCD Permitting		Submittal Type: ☒ Initial Submittal ☐ Amended Report ☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code	Pool Name
30-025- 55890	44500	MALJAMAR; YESO, WEST

Property Code	Property Name	Well Number
337764	SHREK STATE COM	#3H

OGRID No.	Operator Name	Ground Level Elevation
330506	MR NM OPERATING, LLC	4188'

Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	32	16 S	32 E		2387' FSL	2445' FWL	32.877503°	-103.789310°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	31	16 S	32 E		2290' FSL	2544' FEL	32.877250°	-103.805561°	LEA

Dedicated Acres	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
80.00	Defining	30-025-xxxxx (3H)	N	C

Order Numbers. N/A

Well setbacks are under Common Ownership: ☒Yes ☐No

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	32	16 S	32 E		2387' FSL	2445' FWL	32.877503°	-103.789310°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	32	16 S	32 E		2290' FSL	2539' FWL	32.877236°	-103.789005°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	31	16 S	32 E		2290' FSL	2544' FEL	32.877250°	-103.805561°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation:
pending (com)		4188'

OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Cory Walk — 1-13-2026

Signature — Date

Cory Walk

Printed Name

cory@permitswest.com

Email Address

SURVEYOR CERTIFICATIONS

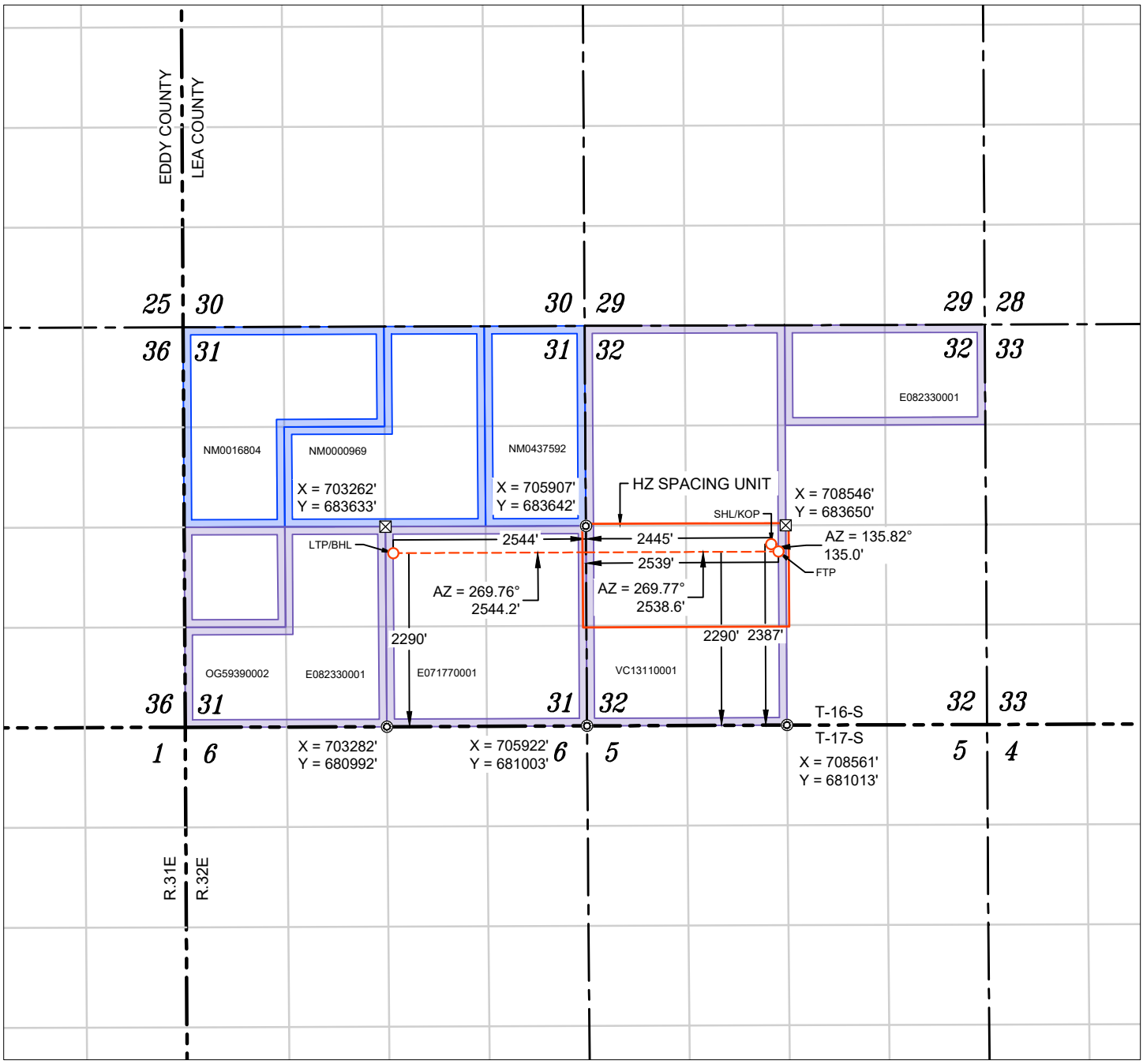
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Signature and Seal of Professional Surveyor

25344 — JULY 9, 2025

Certificate Number — Date of Survey

Note: 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.



WELL NAME: SHREK STATE COM #3H
ELEVATION: 4188'

NAD 83 (SHL/KOP) 2387' FSL & 2445' FWL
LATITUDE = 32.877503° LONGITUDE = -103.789310°
NAD 27 (SHL/KOP)
LATITUDE = 32.877388° LONGITUDE = -103.788801°
STATE PLANE NAD 83 (N.M. EAST)
N: 683399.82' E: 708353.54'
STATE PLANE NAD 27 (N.M. EAST)
N: 683336.36' E: 667175.98'

NAD 83 (FTP) 2290' FSL & 2539' FWL
LATITUDE = 32.877236° LONGITUDE = -103.789005°
NAD 27 (FTP)
LATITUDE = 32.877120° LONGITUDE = -103.788496°
STATE PLANE NAD 83 (N.M. EAST)
N: 683303.03' E: 708447.62'
STATE PLANE NAD 27 (N.M. EAST)
N: 683239.57' E: 667270.06'

NAD 83 (LTP/BHL) 2290' FSL & 2544' FEL
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N: 683282.22' E: 703364.83'
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N: 683218.78' E: 662187.25'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
VC13110001	2538.63'
E071770001	2544.20'
TOTAL	5082.83'

FOUND MONUMENT
CALC. CORNER
SHL/ KOP/ FTP / PPP/ LTP / BHL
WELLBORE
HORIZONTAL SPACING UNIT
STATE OIL & GAS LEASE
BLM OIL & GAS LEASE

NOTES

1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID (U.S. SURVEY FEET), BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).

2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JULY, 2025. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS INFORMATION IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.

3. ELEVATIONS NAVD 88, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0' 2000' 4000'

SCALE: 1" = 2000'

C-102	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
Submit Electronically Via OCD Permitting		Submittal Type: ☒ Initial Submittal ☐ Amended Report ☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code	Pool Name
30-025-55890	26770	FREN; GLORIETA-YESO

Property Code	Property Name	Well Number
337764	SHREK STATE COM	#3H

OGRID No.	Operator Name	Ground Level Elevation
330506	MR NM OPERATING, LLC	4188'

Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

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Dedicated Acres	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
80.00	Defining	30-025-xxxx (3H)	N	C

Order Numbers. N/A

Well setbacks are under Common Ownership: ☒Yes ☐No

Kick Off Point (KOP)

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Cory Walk — 1-13-2026

Signature — Date

Cory Walk

Printed Name

cory@permitswest.com

Email Address

SURVEYOR CERTIFICATIONS

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.

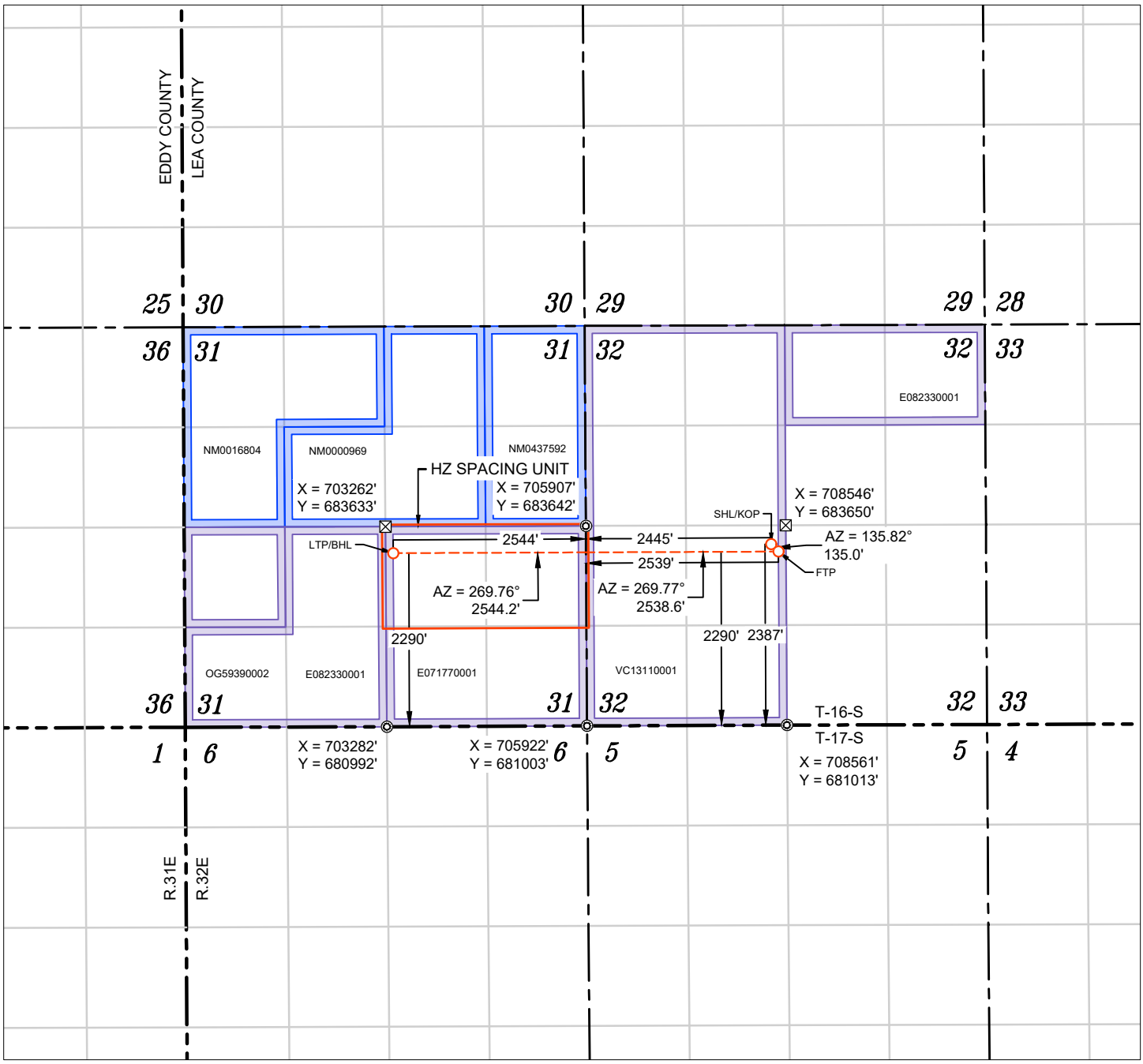
TYLER J. WILLIS — NEW MEXICO — 25344 — 7-9-25 — LICENSED PROFESSIONAL SURVEYOR

Signature and Seal of Professional Surveyor

25344 — Certificate Number

JULY 9, 2025 — Date of Survey

Note: 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.



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

Form APD Conditions

Permit 407397

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MR NM Operating LLC [330506] 5950 Berkshire Lane Dallas, TX 75225	30-025-55890
	Well: SHREK STATE COM #003H

OCD Reviewer	Condition
jeffrey.harrison	NSL Required if FTP or LTP is less than 100' from the spacing unit boundary parallel to the trajectory of the well.
jeffrey.harrison	No additives containing PFAS chemicals will be added to the drilling fluids or completion fluids used during drilling, completions, or recompletions operations.
jeffrey.harrison	Cement is required to circulate on both surface and intermediate1 strings of casing.
jeffrey.harrison	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.
jeffrey.harrison	File As Drilled C-102 and a directional Survey with C-104 completion packet.
jeffrey.harrison	A [C-103] Sub. Drilling (C-103N) is required within (10) days of spud.
jeffrey.harrison	Notify the OCD 24 hours prior to casing & cement.
jeffrey.harrison	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.
jeffrey.harrison	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.

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: MR NM OPERATING LLC **OGRID:** 330506 **Date:** 08/08/2025

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

If Other, please describe: _____

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

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Shrek Fed Com 1H	30-015-	N-32-16S-32E	1158 FSL & 2339 FWL	216	309	1,039
Shrek Fed Com 2H	30-015-	N-32-16S-32E	1175 FSL & 2314 FWL	216	309	1,039
Shrek Fed Com 3H	30-015-	K-32-16S-32E	2387 FSL & 2445 FWL	216	309	1,039

IV. Central Delivery Point Name: DCP Midstream, LP in D-06-17S-32E [See 19.15.27.9(D)(1) NMAC]

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

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Shrek Fed Com 1H	30-015-	11-1-2025	11-10-2025	1-15-2026	2-15-2026	2-15-2026
Shrek Fed Com 2H	30-015-	11-12-2025	11-22-2025	1-15-2026	2-15-2026	2-15-2026
Shrek Fed Com 3H	30-015-	11-24-2025	12-4-2025	1-15-2026	2-15-2026	2-15-2026

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

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

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

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

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

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

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

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

Section 3 - Certifications

Effective May 25, 2021

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

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

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

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

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

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

Section 4 - Notices

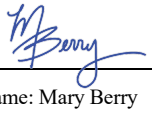
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

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

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

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

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

Signature: 
Printed Name: Mary Berry
Title: Manager
E-mail Address: mg@cypressnr.com
Date: 08-05-2025
Phone: (985) 705-2759

OIL CONSERVATION DIVISION **(Only applicable when submitted as a standalone form)**
Approved By:
Title:
Approval Date:
Conditions of Approval:

MR NM Operating, LLC Natural Gas Management Plan

VI. Separation Equipment

Separation equipment will be built on the well pad. The anticipated production rates from the new well will be accounted for during design/construction to ensure sufficient capacity exists at the surface to capture all produced fluids.

VII. Operational Practices

MR NM Operating, LLC will take the following actions outlined below to comply with 19.15.27.8 NMAC

A. MR NM Operating, LLC plans to maximize recovery of natural gas and minimize waste thru venting/flaring

B. MR NM Operating, LLC plans to flare during drilling operations from a location exceeding 100' away from the SHL. The flare will be used to combust natural gas brought to the surface during normal drilling operations. Safety will remain priority #1, and MR NM Operating, LLC will account and report appropriately pertaining to any potential emergency.

C. MR NM Operating, LLC plans TO flare any natural gas brought to the surface during normal completions operations. During flowback, fluids will immediately flow thru a separator on location. Gas will not be flared/vented unless there's a safety concern with pressures at the surface. Gas is expected to meet pipeline standards; if not, MR NM Operating, LLC will flare for the allowed 60 days or less until the gas meets quality specifications. MR NM Operating, LLC plans to sample the produced gas at a reasonable frequency or upon request from regulatory bodies.

D. MR NM Operating, LLC does not plan to flare or vent natural gas except during the situations outlined in 19.15.27.8 D. (1-4).

E. MR NM Operating, LLC will comply with standards outlined in 19.15.27.8 E. (1-8). MR NM Operating, LLC will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.

F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared, or beneficially used during production operations, will be measured, or estimated. If metering is not practicable due to circumstances such as low flow rate or low pressure venting and flaring, MR NM Operating, LLC will estimate the volume of vented or flared natural gas. Measuring equipment will conform to industry standards and will not be designed or equipped with a manifold that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing the measurement equipment.

VIII. Best Management Practices

Pressure maintenance at surface is vital to maintain safe working conditions; venting will be utilized only to depressurize our surface equipment. When maintaining surface or downhole equipment associated with the current production, the well will be shut-in to eliminate venting. If maintenance work takes place on the gas gathering side, gas will route to the flare to eliminate venting.

Shrek State Com 3H
Lea County, NM
Q240*** & WT-240***
Permit #1

Company Name: Cytex South Texas Operating LLC
Shrek State Com 3H
Lea County, NM
Rig: TBD
Created By: Will Jircik
Date: 11:02, July 28 2025

PROJECT DETAILS: Lea County, NM

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

WELL DETAILS: Shrek State Com 3H

Ground Level : 4188.0

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.0	0.0	683399.82	708353.54	32.877503	-103.789310

KLX Directional Drilling

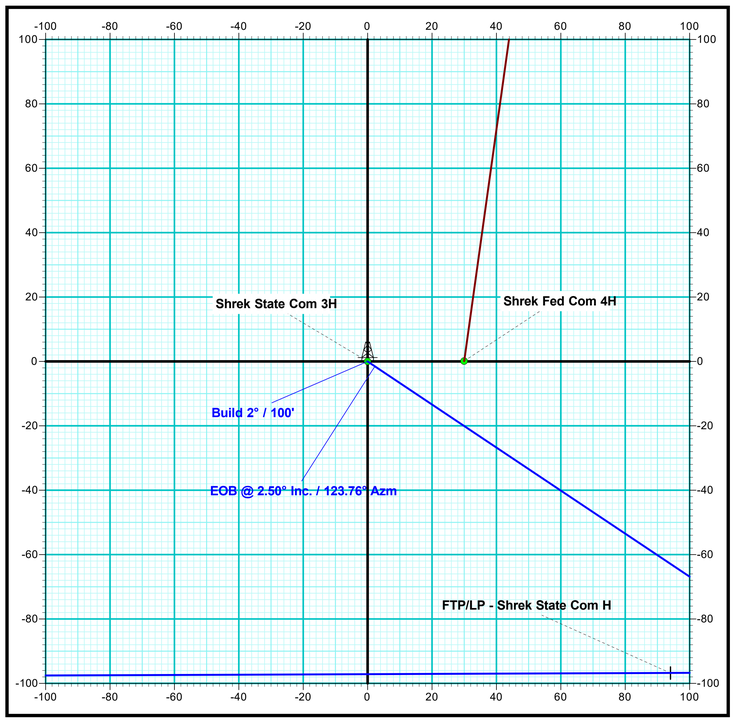
CYTEX SOUTH TEXAS OPERATING LLC

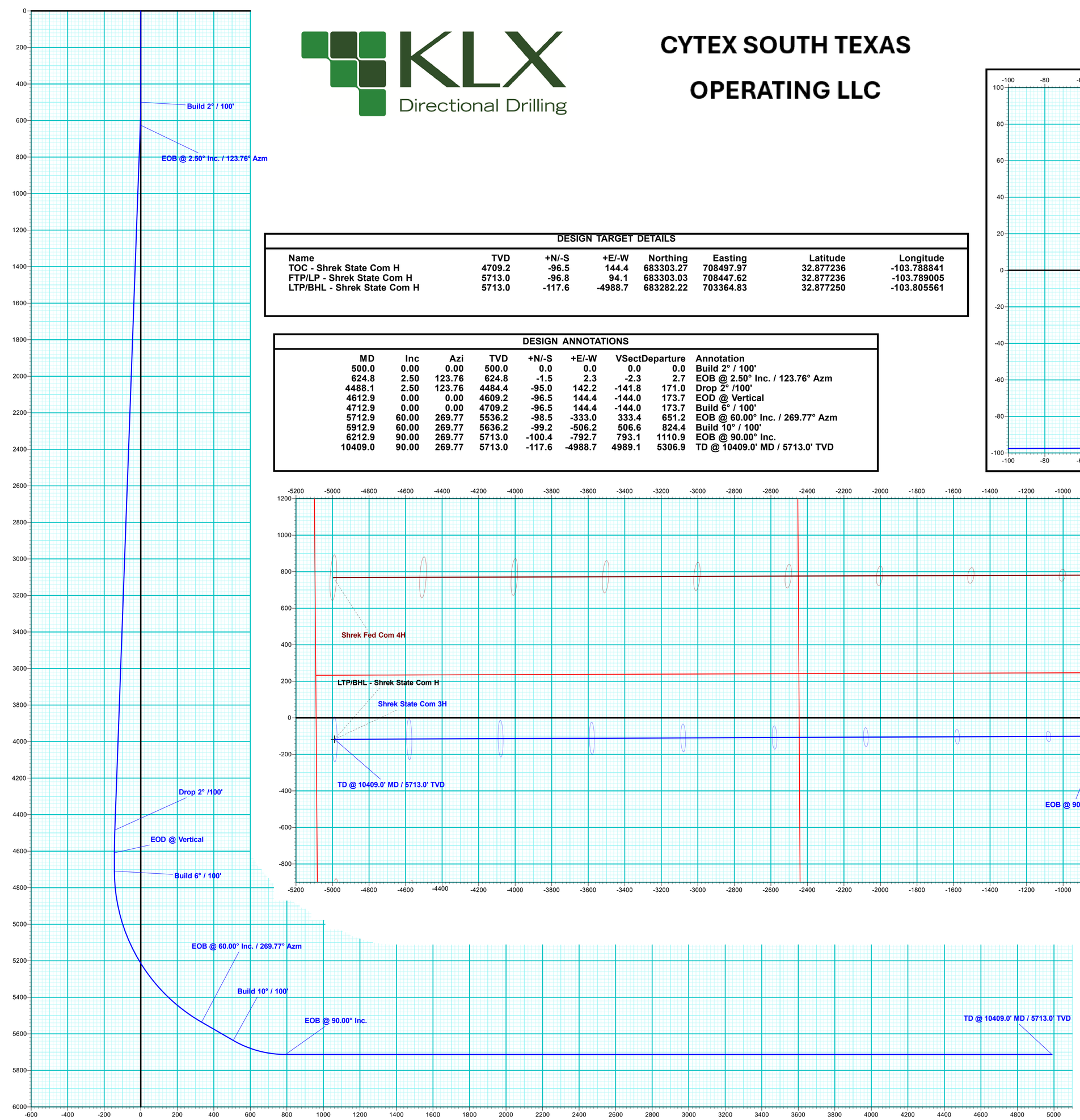
DESIGN TARGET DETAILS

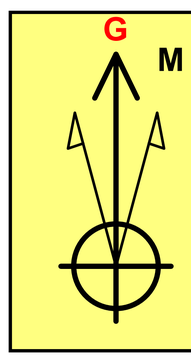
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
TOC - Shrek State Com H	4709.2	-96.5	144.4	683303.27	708497.97	32.877236	-103.788841
FTP/LP - Shrek State Com H	5713.0	-96.8	94.1	683303.03	708447.62	32.877236	-103.789005
LTP/BHL - Shrek State Com H	5713.0	-117.6	-4988.7	683282.22	703364.83	32.877250	-103.805561

DESIGN ANNOTATIONS

MD	Inc	Azi	TVD	+N/-S	+E/-W	VSect	Departure	Annotation
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.0	Build 2° / 100'
624.8	2.50	123.76	624.8	-1.5	2.3	-2.3	2.7	EOB @ 2.50° Inc. / 123.76° Azm
4488.1	2.50	123.76	4484.4	-95.0	142.2	-141.8	171.0	Drop 2° /100'
4612.9	0.00	0.00	4609.2	-96.5	144.4	-144.0	173.7	EOD @ Vertical
4712.9	0.00	0.00	4709.2	-96.5	144.4	-144.0	173.7	Build 6° / 100'
5712.9	60.00	269.77	5536.2	-98.5	-333.0	333.4	651.2	EOB @ 60.00° Inc. / 269.77° Azm
5912.9	60.00	269.77	5636.2	-99.2	-506.2	506.6	824.4	Build 10° / 100'
6212.9	90.00	269.77	5713.0	-100.4	-792.7	793.1	1110.9	EOB @ 90.00° Inc.
10409.0	90.00	269.77	5713.0	-117.6	-4988.7	4989.1	5306.9	TD @ 10409.0' MD / 5713.0' TVD







Azimuths to Grid North
True North: -0.30°
Magnetic North: 6.14°

Magnetic Field
Strength: 47504.4nT
Dip Angle: 60.53°
Date: 7/10/2025
Model: HDGM2025

CYTEX SOUTH TEXAS

OPERATING LLC

Cytex South Texas Operating LLC

Lea County, NM
Sec 32, T16S, R32E
Shrek State Com 3H

OH

Plan: Permit #1

KLX Well Planning Report

28 July, 2025

KLX Directional Drilling

CYTEX SOUTH TEXAS OPERATING LLC

Well Planning Report

KLX Directional Drilling

Database:	KLXDirectional-AD	**Local Co-ordinate Reference:**	Well Shrek State Com 3H
Company:	Cytex South Texas Operating LLC	**TVD Reference:**	RKB=16' @ 4204.0usft (TBD)
Project:	Lea County, NM	**MD Reference:**	RKB=16' @ 4204.0usft (TBD)
Site:	Sec 32, T16S, R32E	**North Reference:**	Grid
Well:	Shrek State Com 3H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Permit #1		

Project Lea County, NM

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

Site Sec 32, T16S, R32E

Site Position:		**Northing:**	682,169.95 usft	**Latitude:**	32.874124
From:	Map	**Easting:**	708,254.82 usft	**Longitude:**	-103.789652
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.30 °

Well Shrek State Com 3H

Well Position	**+N/-S**	1,229.9 usft	**Northing:**	683,399.82 usft	**Latitude:**	32.877503
	+E/-W	98.7 usft	**Easting:**	708,353.54 usft	**Longitude:**	-103.789310
Position Uncertainty		0.0 usft	**Wellhead Elevation:**		**Ground Level:**	4,188.0 usft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM2025	7/10/2025	6.43	60.53	47,504.40000000

Design Permit #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	269.77

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.00	0.00	0.00	0.00	
624.8	2.50	123.76	624.8	-1.5	2.3	2.00	2.00	0.00	123.76	
4,488.1	2.50	123.76	4,484.4	-95.0	142.2	0.00	0.00	0.00	0.00	
4,612.9	0.00	0.00	4,609.2	-96.5	144.4	2.00	-2.00	0.00	180.00	
4,712.9	0.00	0.00	4,709.2	-96.5	144.4	0.00	0.00	0.00	0.00	TOC - Shrek State (
5,712.9	60.00	269.77	5,536.2	-98.5	-333.0	6.00	6.00	0.00	269.77	
5,912.9	60.00	269.77	5,636.2	-99.2	-506.2	0.00	0.00	0.00	0.00	
6,212.9	90.00	269.77	5,713.0	-100.4	-792.7	10.00	10.00	0.00	0.00	
10,409.0	90.00	269.77	5,713.0	-117.6	-4,988.7	0.00	0.00	0.00	0.00	LTP/BHL - Shrek St

CYTEX SOUTH TEXAS OPERATING LLC

Well Planning Report

KLX Directional Drilling

Database:	KLXDirectional-AD	**Local Co-ordinate Reference:**	Well Shrek State Com 3H
Company:	Cytex South Texas Operating LLC	**TVD Reference:**	RKB=16' @ 4204.0usft (TBD)
Project:	Lea County, NM	**MD Reference:**	RKB=16' @ 4204.0usft (TBD)
Site:	Sec 32, T16S, R32E	**North Reference:**	Grid
Well:	Shrek State Com 3H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Permit #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)
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	0.00	300.0	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
Build 2° / 100'									
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	2.00	123.76	600.0	-1.0	1.5	-1.4	2.00	2.00	0.00
EOB @ 2.50° Inc. / 123.76° Azm									
624.8	2.50	123.76	624.8	-1.5	2.3	-2.3	2.00	2.00	0.00
700.0	2.50	123.76	699.9	-3.3	5.0	-5.0	0.00	0.00	0.00
800.0	2.50	123.76	799.8	-5.8	8.6	-8.6	0.00	0.00	0.00
900.0	2.50	123.76	899.7	-8.2	12.2	-12.2	0.00	0.00	0.00
1,000.0	2.50	123.76	999.6	-10.6	15.8	-15.8	0.00	0.00	0.00
1,100.0	2.50	123.76	1,099.5	-13.0	19.5	-19.4	0.00	0.00	0.00
1,200.0	2.50	123.76	1,199.4	-15.4	23.1	-23.0	0.00	0.00	0.00
1,300.0	2.50	123.76	1,299.3	-17.9	26.7	-26.6	0.00	0.00	0.00
1,400.0	2.50	123.76	1,399.2	-20.3	30.3	-30.3	0.00	0.00	0.00
1,500.0	2.50	123.76	1,499.1	-22.7	34.0	-33.9	0.00	0.00	0.00
1,600.0	2.50	123.76	1,599.0	-25.1	37.6	-37.5	0.00	0.00	0.00
1,700.0	2.50	123.76	1,698.9	-27.5	41.2	-41.1	0.00	0.00	0.00
1,800.0	2.50	123.76	1,798.8	-30.0	44.8	-44.7	0.00	0.00	0.00
1,900.0	2.50	123.76	1,898.7	-32.4	48.4	-48.3	0.00	0.00	0.00
2,000.0	2.50	123.76	1,998.7	-34.8	52.1	-51.9	0.00	0.00	0.00
2,100.0	2.50	123.76	2,098.6	-37.2	55.7	-55.5	0.00	0.00	0.00
2,200.0	2.50	123.76	2,198.5	-39.6	59.3	-59.1	0.00	0.00	0.00
2,300.0	2.50	123.76	2,298.4	-42.1	62.9	-62.8	0.00	0.00	0.00
2,400.0	2.50	123.76	2,398.3	-44.5	66.5	-66.4	0.00	0.00	0.00
2,500.0	2.50	123.76	2,498.2	-46.9	70.2	-70.0	0.00	0.00	0.00
2,600.0	2.50	123.76	2,598.1	-49.3	73.8	-73.6	0.00	0.00	0.00
2,700.0	2.50	123.76	2,698.0	-51.7	77.4	-77.2	0.00	0.00	0.00
2,800.0	2.50	123.76	2,797.9	-54.2	81.0	-80.8	0.00	0.00	0.00
2,900.0	2.50	123.76	2,897.8	-56.6	84.7	-84.4	0.00	0.00	0.00
3,000.0	2.50	123.76	2,997.7	-59.0	88.3	-88.0	0.00	0.00	0.00
3,100.0	2.50	123.76	3,097.6	-61.4	91.9	-91.7	0.00	0.00	0.00
3,200.0	2.50	123.76	3,197.5	-63.9	95.5	-95.3	0.00	0.00	0.00
3,300.0	2.50	123.76	3,297.4	-66.3	99.1	-98.9	0.00	0.00	0.00
3,400.0	2.50	123.76	3,397.3	-68.7	102.8	-102.5	0.00	0.00	0.00
3,500.0	2.50	123.76	3,497.2	-71.1	106.4	-106.1	0.00	0.00	0.00
3,600.0	2.50	123.76	3,597.1	-73.5	110.0	-109.7	0.00	0.00	0.00
3,700.0	2.50	123.76	3,697.0	-76.0	113.6	-113.3	0.00	0.00	0.00
3,800.0	2.50	123.76	3,796.9	-78.4	117.3	-116.9	0.00	0.00	0.00
3,900.0	2.50	123.76	3,896.9	-80.8	120.9	-120.5	0.00	0.00	0.00
4,000.0	2.50	123.76	3,996.8	-83.2	124.5	-124.2	0.00	0.00	0.00
4,100.0	2.50	123.76	4,096.7	-85.6	128.1	-127.8	0.00	0.00	0.00
4,200.0	2.50	123.76	4,196.6	-88.1	131.7	-131.4	0.00	0.00	0.00
4,300.0	2.50	123.76	4,296.5	-90.5	135.4	-135.0	0.00	0.00	0.00
4,400.0	2.50	123.76	4,396.4	-92.9	139.0	-138.6	0.00	0.00	0.00
Drop 2° /100'									
4,488.1	2.50	123.76	4,484.4	-95.0	142.2	-141.8	0.00	0.00	0.00
4,500.0	2.26	123.76	4,496.3	-95.3	142.6	-142.2	2.00	-2.00	0.00
4,600.0	0.26	123.76	4,596.3	-96.5	144.4	-144.0	2.00	-2.00	0.00
EOD @ Vertical									
4,612.9	0.00	0.00	4,609.2	-96.5	144.4	-144.0	2.00	-2.00	0.00

CYTEX SOUTH TEXAS OPERATING LLC

Well Planning Report

KLX Directional Drilling

Database:	KLXDirectional-AD	**Local Co-ordinate Reference:**	Well Shrek State Com 3H
Company:	Cytex South Texas Operating LLC	**TVD Reference:**	RKB=16' @ 4204.0usft (TBD)
Project:	Lea County, NM	**MD Reference:**	RKB=16' @ 4204.0usft (TBD)
Site:	Sec 32, T16S, R32E	**North Reference:**	Grid
Well:	Shrek State Com 3H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Permit #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)
4,700.0	0.00	0.00	4,696.3	-96.5	144.4	-144.0	0.00	0.00	0.00
Build 6° / 100'									
4,712.9	0.00	0.00	4,709.2	-96.5	144.4	-144.0	0.00	0.00	0.00
4,750.0	2.22	269.77	4,746.2	-96.6	143.7	-143.3	6.00	6.00	0.00
4,800.0	5.22	269.77	4,796.1	-96.6	140.5	-140.1	6.00	6.00	0.00
4,850.0	8.22	269.77	4,845.8	-96.6	134.6	-134.2	6.00	6.00	0.00
4,900.0	11.22	269.77	4,895.1	-96.6	126.2	-125.8	6.00	6.00	0.00
4,950.0	14.22	269.77	4,943.8	-96.7	115.2	-114.8	6.00	6.00	0.00
5,000.0	17.22	269.77	4,992.0	-96.7	101.6	-101.2	6.00	6.00	0.00
5,050.0	20.22	269.77	5,039.3	-96.8	85.6	-85.2	6.00	6.00	0.00
5,100.0	23.22	269.77	5,085.7	-96.9	67.1	-66.7	6.00	6.00	0.00
5,150.0	26.22	269.77	5,131.2	-97.0	46.2	-45.8	6.00	6.00	0.00
5,200.0	29.22	269.77	5,175.4	-97.0	22.9	-22.5	6.00	6.00	0.00
5,250.0	32.22	269.77	5,218.4	-97.2	-2.6	3.0	6.00	6.00	0.00
5,300.0	35.22	269.77	5,260.0	-97.3	-30.4	30.8	6.00	6.00	0.00
5,350.0	38.22	269.77	5,300.0	-97.4	-60.3	60.7	6.00	6.00	0.00
5,400.0	41.22	269.77	5,338.5	-97.5	-92.2	92.6	6.00	6.00	0.00
5,450.0	44.22	269.77	5,375.2	-97.7	-126.2	126.6	6.00	6.00	0.00
5,500.0	47.22	269.77	5,410.1	-97.8	-162.0	162.4	6.00	6.00	0.00
5,550.0	50.22	269.77	5,443.1	-98.0	-199.5	199.9	6.00	6.00	0.00
5,600.0	53.22	269.77	5,474.1	-98.1	-238.8	239.2	6.00	6.00	0.00
5,650.0	56.22	269.77	5,502.9	-98.3	-279.6	280.0	6.00	6.00	0.00
5,700.0	59.22	269.77	5,529.6	-98.5	-321.9	322.3	6.00	6.00	0.00
EOB @ 60.00° Inc. / 269.77° Azm									
5,712.9	60.00	269.77	5,536.2	-98.5	-333.0	333.4	6.00	6.00	0.00
5,800.0	60.00	269.77	5,579.7	-98.8	-408.4	408.8	0.00	0.00	0.00
5,900.0	60.00	269.77	5,629.7	-99.2	-495.0	495.4	0.00	0.00	0.00
Build 10° / 100'									
5,912.9	60.00	269.77	5,636.2	-99.2	-506.2	506.6	0.00	0.00	0.00
5,950.0	63.71	269.77	5,653.7	-99.3	-538.9	539.3	10.00	10.00	0.00
6,000.0	68.71	269.77	5,673.8	-99.5	-584.6	585.0	10.00	10.00	0.00
6,050.0	73.71	269.77	5,689.9	-99.7	-632.0	632.3	10.00	10.00	0.00
6,100.0	78.71	269.77	5,701.9	-99.9	-680.5	680.9	10.00	10.00	0.00
6,150.0	83.71	269.77	5,709.5	-100.1	-729.9	730.3	10.00	10.00	0.00
6,200.0	88.71	269.77	5,712.8	-100.3	-779.8	780.2	10.00	10.00	0.00
EOB @ 90.00° Inc.									
6,212.9	90.00	269.77	5,713.0	-100.4	-792.7	793.1	10.00	10.00	0.00
6,300.0	90.00	269.77	5,713.0	-100.7	-879.8	880.2	0.00	0.00	0.00
6,400.0	90.00	269.77	5,713.0	-101.2	-979.8	980.2	0.00	0.00	0.00
6,500.0	90.00	269.77	5,713.0	-101.6	-1,079.8	1,080.2	0.00	0.00	0.00
6,600.0	90.00	269.77	5,713.0	-102.0	-1,179.8	1,180.2	0.00	0.00	0.00
6,700.0	90.00	269.77	5,713.0	-102.4	-1,279.8	1,280.2	0.00	0.00	0.00
6,800.0	90.00	269.77	5,713.0	-102.8	-1,379.8	1,380.2	0.00	0.00	0.00
6,900.0	90.00	269.77	5,713.0	-103.2	-1,479.8	1,480.2	0.00	0.00	0.00
7,000.0	90.00	269.77	5,713.0	-103.6	-1,579.8	1,580.2	0.00	0.00	0.00
7,100.0	90.00	269.77	5,713.0	-104.0	-1,679.8	1,680.2	0.00	0.00	0.00
7,200.0	90.00	269.77	5,713.0	-104.4	-1,779.8	1,780.2	0.00	0.00	0.00
7,300.0	90.00	269.77	5,713.0	-104.8	-1,879.8	1,880.2	0.00	0.00	0.00
7,400.0	90.00	269.77	5,713.0	-105.3	-1,979.8	1,980.2	0.00	0.00	0.00
7,500.0	90.00	269.77	5,713.0	-105.7	-2,079.8	2,080.2	0.00	0.00	0.00
7,600.0	90.00	269.77	5,713.0	-106.1	-2,179.8	2,180.2	0.00	0.00	0.00
7,700.0	90.00	269.77	5,713.0	-106.5	-2,279.8	2,280.2	0.00	0.00	0.00
7,800.0	90.00	269.77	5,713.0	-106.9	-2,379.7	2,380.2	0.00	0.00	0.00

CYTEX SOUTH TEXAS OPERATING LLC

Well Planning Report

KLX Directional Drilling

Database:	KLXDirectional-AD	**Local Co-ordinate Reference:**	Well Shrek State Com 3H
Company:	Cytex South Texas Operating LLC	**TVD Reference:**	RKB=16' @ 4204.0usft (TBD)
Project:	Lea County, NM	**MD Reference:**	RKB=16' @ 4204.0usft (TBD)
Site:	Sec 32, T16S, R32E	**North Reference:**	Grid
Well:	Shrek State Com 3H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Permit #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)
7,900.0	90.00	269.77	5,713.0	-107.3	-2,479.7	2,480.2	0.00	0.00	0.00
8,000.0	90.00	269.77	5,713.0	-107.7	-2,579.7	2,580.2	0.00	0.00	0.00
8,100.0	90.00	269.77	5,713.0	-108.1	-2,679.7	2,680.2	0.00	0.00	0.00
8,200.0	90.00	269.77	5,713.0	-108.5	-2,779.7	2,780.2	0.00	0.00	0.00
8,300.0	90.00	269.77	5,713.0	-109.0	-2,879.7	2,880.2	0.00	0.00	0.00
8,400.0	90.00	269.77	5,713.0	-109.4	-2,979.7	2,980.2	0.00	0.00	0.00
8,500.0	90.00	269.77	5,713.0	-109.8	-3,079.7	3,080.2	0.00	0.00	0.00
8,600.0	90.00	269.77	5,713.0	-110.2	-3,179.7	3,180.2	0.00	0.00	0.00
8,700.0	90.00	269.77	5,713.0	-110.6	-3,279.7	3,280.2	0.00	0.00	0.00
8,800.0	90.00	269.77	5,713.0	-111.0	-3,379.7	3,380.2	0.00	0.00	0.00
8,900.0	90.00	269.77	5,713.0	-111.4	-3,479.7	3,480.2	0.00	0.00	0.00
9,000.0	90.00	269.77	5,713.0	-111.8	-3,579.7	3,580.2	0.00	0.00	0.00
9,100.0	90.00	269.77	5,713.0	-112.2	-3,679.7	3,680.2	0.00	0.00	0.00
9,200.0	90.00	269.77	5,713.0	-112.6	-3,779.7	3,780.2	0.00	0.00	0.00
9,300.0	90.00	269.77	5,713.0	-113.1	-3,879.7	3,880.2	0.00	0.00	0.00
9,400.0	90.00	269.77	5,713.0	-113.5	-3,979.7	3,980.2	0.00	0.00	0.00
9,500.0	90.00	269.77	5,713.0	-113.9	-4,079.7	4,080.2	0.00	0.00	0.00
9,600.0	90.00	269.77	5,713.0	-114.3	-4,179.7	4,180.2	0.00	0.00	0.00
9,700.0	90.00	269.77	5,713.0	-114.7	-4,279.7	4,280.2	0.00	0.00	0.00
9,800.0	90.00	269.77	5,713.0	-115.1	-4,379.7	4,380.2	0.00	0.00	0.00
9,900.0	90.00	269.77	5,713.0	-115.5	-4,479.7	4,480.2	0.00	0.00	0.00
10,000.0	90.00	269.77	5,713.0	-115.9	-4,579.7	4,580.2	0.00	0.00	0.00
10,100.0	90.00	269.77	5,713.0	-116.3	-4,679.7	4,680.2	0.00	0.00	0.00
10,200.0	90.00	269.77	5,713.0	-116.7	-4,779.7	4,780.2	0.00	0.00	0.00
10,300.0	90.00	269.77	5,713.0	-117.2	-4,879.7	4,880.2	0.00	0.00	0.00
TD @ 10409.0' MD / 5713.0' TVD									
10,409.0	90.00	269.77	5,713.0	-117.6	-4,988.7	4,989.1	0.00	0.00	0.00

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
TOC - Shrek State Co - plan hits target center - Point	0.00	0.00	4,709.2	-96.5	144.4	683,303.27	708,497.97	32.877236	-103.788841
LTP/BHL - Shrek Stat - plan hits target center - Point	0.00	0.00	5,713.0	-117.6	-4,988.7	683,282.22	703,364.83	32.877250	-103.805561
FTP/LP - Shrek State - plan misses target center by 396.4usft at 5507.4usft MD (5415.1 TVD, -97.8 N, -167.4 E) - Point	0.00	0.00	5,713.0	-96.8	94.1	683,303.03	708,447.62	32.877236	-103.789005

CYTEX SOUTH TEXAS OPERATING LLC

Well Planning Report

KLX Directional Drilling

Database:	KLXDirectional-AD	**Local Co-ordinate Reference:**	Well Shrek State Com 3H
Company:	Cytex South Texas Operating LLC	**TVD Reference:**	RKB=16' @ 4204.0usft (TBD)
Project:	Lea County, NM	**MD Reference:**	RKB=16' @ 4204.0usft (TBD)
Site:	Sec 32, T16S, R32E	**North Reference:**	Grid
Well:	Shrek State Com 3H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Permit #1		

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
500.0	500.0	0.0	0.0	Build 2° / 100'
624.8	624.8	-1.5	2.3	EOB @ 2.50° Inc. / 123.76° Azm
4,488.1	4,484.4	-95.0	142.2	Drop 2° /100'
4,612.9	4,609.2	-96.5	144.4	EOD @ Vertical
4,712.9	4,709.2	-96.5	144.4	Build 6° / 100'
5,712.9	5,536.2	-98.5	-333.0	EOB @ 60.00° Inc. / 269.77° Azm
5,912.9	5,636.2	-99.2	-506.2	Build 10° / 100'
6,212.9	5,713.0	-100.4	-792.7	EOB @ 90.00° Inc.
10,409.0	5,713.0	-117.6	-4,988.7	TD @ 10409.0' MD / 5713.0' TVD