

|                  |                                 |                                     |                                                    |
|------------------|---------------------------------|-------------------------------------|----------------------------------------------------|
| <b>Database:</b> | WellPlanner1                    | <b>Local Co-ordinate Reference:</b> | Well WXY 9H                                        |
| <b>Company:</b>  | Marathon Oil                    | <b>TVD Reference:</b>               | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Project:</b>  | Eddy County, NM                 | <b>MD Reference:</b>                | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Site:</b>     | Eagle Power Fee 23-27-5 (1-5-9) | <b>North Reference:</b>             | Grid                                               |
| <b>Well:</b>     | WXY 9H                          | <b>Survey Calculation Method:</b>   | Minimum Curvature                                  |
| <b>Wellbore:</b> | OH                              |                                     |                                                    |
| <b>Design:</b>   | Prelim Plan A                   |                                     |                                                    |

|                    |                                      |                      |                |
|--------------------|--------------------------------------|----------------------|----------------|
| <b>Project</b>     | Eddy County, NM                      |                      |                |
| <b>Map System:</b> | US State Plane 1927 (Exact solution) | <b>System Datum:</b> | Mean Sea Level |
| <b>Geo Datum:</b>  | NAD 1927 (NADCON CONUS)              |                      |                |
| <b>Map Zone:</b>   | New Mexico East 3001                 |                      |                |

|                              |                                 |                          |                 |
|------------------------------|---------------------------------|--------------------------|-----------------|
| <b>Site</b>                  | Eagle Power Fee 23-27-5 (1-5-9) |                          |                 |
| <b>Site Position:</b>        |                                 | <b>Northing:</b>         | 486,518.10 usft |
| <b>From:</b>                 | Map                             | <b>Easting:</b>          | 535,133.30 usft |
| <b>Position Uncertainty:</b> | 0.00 usft                       | <b>Slot Radius:</b>      | 13-3/16 "       |
|                              |                                 | <b>Latitude:</b>         | 32.337503       |
|                              |                                 | <b>Longitude:</b>        | -104.219580     |
|                              |                                 | <b>Grid Convergence:</b> | 0.06 °          |

|                             |              |                            |                                    |
|-----------------------------|--------------|----------------------------|------------------------------------|
| <b>Well</b>                 | WXY 9H       |                            |                                    |
| <b>Well Position</b>        | <b>+N/-S</b> | 30.00 usft                 | <b>Northing:</b> 486,548.10 usft   |
|                             | <b>+E/-W</b> | 0.00 usft                  | <b>Easting:</b> 535,133.30 usft    |
| <b>Position Uncertainty</b> | 0.00 usft    | <b>Wellhead Elevation:</b> | <b>Latitude:</b> 32.337585         |
|                             |              |                            | <b>Longitude:</b> -104.219580      |
|                             |              |                            | <b>Ground Level:</b> 3,179.00 usft |

|                  |                   |                    |                                      |
|------------------|-------------------|--------------------|--------------------------------------|
| <b>Wellbore</b>  | OH                |                    |                                      |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b>               |
|                  | HDGM              | 4/17/2018          | 7.35                                 |
|                  |                   |                    | <b>Dip Angle (°)</b> 60.07           |
|                  |                   |                    | <b>Field Strength (nT)</b> 48,011.80 |

|                          |                                |                     |                            |
|--------------------------|--------------------------------|---------------------|----------------------------|
| <b>Design</b>            | Prelim Plan A                  |                     |                            |
| <b>Audit Notes:</b>      |                                |                     |                            |
| <b>Version:</b>          | <b>Phase:</b>                  | PLAN                | <b>Tie On Depth:</b> 0.00  |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b>        |
|                          | 0.00                           | 0.00                | 0.00                       |
|                          |                                |                     | <b>Direction (°)</b> 89.48 |

|                                 |                        |                              |                  |
|---------------------------------|------------------------|------------------------------|------------------|
| <b>Plan Survey Tool Program</b> |                        | <b>Date</b>                  | 4/18/2018        |
| <b>Depth From (usft)</b>        | <b>Depth To (usft)</b> | <b>Survey (Wellbore)</b>     | <b>Tool Name</b> |
| 1                               | 0.00                   | 1,150.00 Prelim Plan A (OH)  | MWD+IFR1         |
|                                 |                        |                              | OWSG MWD + IFR1  |
| 2                               | 1,150.00               | 5,400.00 Prelim Plan A (OH)  | MWD+IFR1         |
|                                 |                        |                              | OWSG MWD + IFR1  |
| 3                               | 5,400.00               | 10,000.00 Prelim Plan A (OH) | MWD+IFR1         |
|                                 |                        |                              | OWSG MWD + IFR1  |
| 4                               | 10,000.00              | 13,743.72 Prelim Plan A (OH) | MWD+IFR1         |
|                                 |                        |                              | OWSG MWD + IFR1  |

**NM OIL CONSERVATION  
ARTESIA DISTRICT**

**APR 26 2018**

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|                  |                                 |                                     |                                                    |
|------------------|---------------------------------|-------------------------------------|----------------------------------------------------|
| <b>Database:</b> | WellPlanner1                    | <b>Local Co-ordinate Reference:</b> | Well WXY 9H                                        |
| <b>Company:</b>  | Marathon Oil                    | <b>TVD Reference:</b>               | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Project:</b>  | Eddy County, NM                 | <b>MD Reference:</b>                | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Site:</b>     | Eagle Power Fee 23-27-5 (1-5-9) | <b>North Reference:</b>             | Grid                                               |
| <b>Well:</b>     | WXY 9H                          | <b>Survey Calculation Method:</b>   | Minimum Curvature                                  |
| <b>Wellbore:</b> | OH                              |                                     |                                                    |
| <b>Design:</b>   | Prelim Plan A                   |                                     |                                                    |

| Plan Sections               |                    |                |                             |                 |                 |                               |                              |                             |            |                    |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|------------------------------|-----------------------------|------------|--------------------|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) | TFO<br>(°) | Target             |
| 0.00                        | 0.00               | 0.00           | 0.00                        | 0.00            | 0.00            | 0.00                          | 0.00                         | 0.00                        | 0.00       |                    |
| 1,200.00                    | 0.00               | 0.00           | 1,200.00                    | 0.00            | 0.00            | 0.00                          | 0.00                         | 0.00                        | 0.00       |                    |
| 1,700.00                    | 10.00              | 350.43         | 1,697.47                    | 42.92           | -7.24           | 2.00                          | 2.00                         | 0.00                        | 350.43     |                    |
| 6,775.96                    | 10.00              | 350.43         | 6,696.31                    | 912.08          | -153.76         | 0.00                          | 0.00                         | 0.00                        | 0.00       |                    |
| 7,275.96                    | 0.00               | 0.00           | 7,193.77                    | 955.00          | -161.00         | 2.00                          | -2.00                        | 0.00                        | 180.00     |                    |
| 8,479.18                    | 0.00               | 0.00           | 8,397.00                    | 955.00          | -161.00         | 0.00                          | 0.00                         | 0.00                        | 0.00       | [EeagleWXY9H] KOP  |
| 9,371.20                    | 89.20              | 89.48          | 8,969.90                    | 960.10          | 403.95          | 10.00                         | 10.00                        | 10.03                       | 89.48      |                    |
| 13,698.72                   | 89.20              | 89.48          | 9,030.18                    | 999.16          | 4,730.87        | 0.00                          | 0.00                         | 0.00                        | 0.00       | [EeagleWXY9H] LTP/ |
| 13,743.72                   | 89.20              | 89.48          | 9,030.81                    | 999.57          | 4,775.86        | 0.00                          | 0.00                         | 0.00                        | 0.00       |                    |

|                  |                                 |                                     |                                                    |
|------------------|---------------------------------|-------------------------------------|----------------------------------------------------|
| <b>Database:</b> | WellPlanner1                    | <b>Local Co-ordinate Reference:</b> | Well WXY 9H                                        |
| <b>Company:</b>  | Marathon Oil                    | <b>TVD Reference:</b>               | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Project:</b>  | Eddy County, NM                 | <b>MD Reference:</b>                | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Site:</b>     | Eagle Power Fee 23-27-5 (1-5-9) | <b>North Reference:</b>             | Grid                                               |
| <b>Well:</b>     | WXY 9H                          | <b>Survey Calculation Method:</b>   | Minimum Curvature                                  |
| <b>Wellbore:</b> | OH                              |                                     |                                                    |
| <b>Design:</b>   | Prelim Plan A                   |                                     |                                                    |

### Planned Survey

| Measured Depth (usft)   | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 0.00                    | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| <b>[EagleWXY9H] FTP</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 100.00                  | 0.00            | 0.00        | 100.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 200.00                  | 0.00            | 0.00        | 200.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 300.00                  | 0.00            | 0.00        | 300.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 400.00                  | 0.00            | 0.00        | 400.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 500.00                  | 0.00            | 0.00        | 500.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 600.00                  | 0.00            | 0.00        | 600.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 700.00                  | 0.00            | 0.00        | 700.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 800.00                  | 0.00            | 0.00        | 800.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 900.00                  | 0.00            | 0.00        | 900.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,000.00                | 0.00            | 0.00        | 1,000.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,100.00                | 0.00            | 0.00        | 1,100.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,200.00                | 0.00            | 0.00        | 1,200.00              | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| 1,300.00                | 2.00            | 350.43      | 1,299.98              | 1.72         | -0.29        | -0.27                   | 2.00                    | 2.00                   | 0.00                  |
| 1,400.00                | 4.00            | 350.43      | 1,399.84              | 6.88         | -1.16        | -1.10                   | 2.00                    | 2.00                   | 0.00                  |
| 1,500.00                | 6.00            | 350.43      | 1,499.45              | 15.48        | -2.61        | -2.47                   | 2.00                    | 2.00                   | 0.00                  |
| 1,600.00                | 8.00            | 350.43      | 1,598.70              | 27.49        | -4.63        | -4.39                   | 2.00                    | 2.00                   | 0.00                  |
| 1,700.00                | 10.00           | 350.43      | 1,697.47              | 42.92        | -7.24        | -6.85                   | 2.00                    | 2.00                   | 0.00                  |
| 1,800.00                | 10.00           | 350.43      | 1,795.95              | 60.04        | -10.12       | -9.58                   | 0.00                    | 0.00                   | 0.00                  |
| 1,900.00                | 10.00           | 350.43      | 1,894.43              | 77.16        | -13.01       | -12.31                  | 0.00                    | 0.00                   | 0.00                  |
| 2,000.00                | 10.00           | 350.43      | 1,992.91              | 94.29        | -15.90       | -15.04                  | 0.00                    | 0.00                   | 0.00                  |
| 2,100.00                | 10.00           | 350.43      | 2,091.39              | 111.41       | -18.78       | -17.77                  | 0.00                    | 0.00                   | 0.00                  |
| 2,200.00                | 10.00           | 350.43      | 2,189.87              | 128.53       | -21.67       | -20.50                  | 0.00                    | 0.00                   | 0.00                  |
| 2,300.00                | 10.00           | 350.43      | 2,288.35              | 145.66       | -24.56       | -23.23                  | 0.00                    | 0.00                   | 0.00                  |
| 2,400.00                | 10.00           | 350.43      | 2,386.83              | 162.78       | -27.44       | -25.96                  | 0.00                    | 0.00                   | 0.00                  |
| 2,500.00                | 10.00           | 350.43      | 2,485.31              | 179.90       | -30.33       | -28.70                  | 0.00                    | 0.00                   | 0.00                  |
| 2,600.00                | 10.00           | 350.43      | 2,583.79              | 197.03       | -33.22       | -31.43                  | 0.00                    | 0.00                   | 0.00                  |
| 2,700.00                | 10.00           | 350.43      | 2,682.27              | 214.15       | -36.10       | -34.16                  | 0.00                    | 0.00                   | 0.00                  |
| 2,800.00                | 10.00           | 350.43      | 2,780.75              | 231.27       | -38.99       | -36.89                  | 0.00                    | 0.00                   | 0.00                  |
| 2,900.00                | 10.00           | 350.43      | 2,879.23              | 248.40       | -41.88       | -39.62                  | 0.00                    | 0.00                   | 0.00                  |
| 3,000.00                | 10.00           | 350.43      | 2,977.72              | 265.52       | -44.76       | -42.35                  | 0.00                    | 0.00                   | 0.00                  |
| 3,100.00                | 10.00           | 350.43      | 3,076.20              | 282.64       | -47.65       | -45.08                  | 0.00                    | 0.00                   | 0.00                  |
| 3,200.00                | 10.00           | 350.43      | 3,174.68              | 299.76       | -50.54       | -47.81                  | 0.00                    | 0.00                   | 0.00                  |
| 3,300.00                | 10.00           | 350.43      | 3,273.16              | 316.89       | -53.42       | -50.54                  | 0.00                    | 0.00                   | 0.00                  |
| 3,400.00                | 10.00           | 350.43      | 3,371.64              | 334.01       | -56.31       | -53.28                  | 0.00                    | 0.00                   | 0.00                  |
| 3,500.00                | 10.00           | 350.43      | 3,470.12              | 351.13       | -59.20       | -56.01                  | 0.00                    | 0.00                   | 0.00                  |
| 3,600.00                | 10.00           | 350.43      | 3,568.60              | 368.26       | -62.08       | -58.74                  | 0.00                    | 0.00                   | 0.00                  |
| 3,700.00                | 10.00           | 350.43      | 3,667.08              | 385.38       | -64.97       | -61.47                  | 0.00                    | 0.00                   | 0.00                  |
| 3,800.00                | 10.00           | 350.43      | 3,765.56              | 402.50       | -67.86       | -64.20                  | 0.00                    | 0.00                   | 0.00                  |
| 3,900.00                | 10.00           | 350.43      | 3,864.04              | 419.63       | -70.74       | -66.93                  | 0.00                    | 0.00                   | 0.00                  |
| 4,000.00                | 10.00           | 350.43      | 3,962.52              | 436.75       | -73.63       | -69.66                  | 0.00                    | 0.00                   | 0.00                  |
| 4,100.00                | 10.00           | 350.43      | 4,061.00              | 453.87       | -76.52       | -72.39                  | 0.00                    | 0.00                   | 0.00                  |
| 4,200.00                | 10.00           | 350.43      | 4,159.48              | 471.00       | -79.40       | -75.13                  | 0.00                    | 0.00                   | 0.00                  |
| 4,300.00                | 10.00           | 350.43      | 4,257.97              | 488.12       | -82.29       | -77.86                  | 0.00                    | 0.00                   | 0.00                  |
| 4,400.00                | 10.00           | 350.43      | 4,356.45              | 505.24       | -85.18       | -80.59                  | 0.00                    | 0.00                   | 0.00                  |
| 4,500.00                | 10.00           | 350.43      | 4,454.93              | 522.37       | -88.06       | -83.32                  | 0.00                    | 0.00                   | 0.00                  |
| 4,600.00                | 10.00           | 350.43      | 4,553.41              | 539.49       | -90.95       | -86.05                  | 0.00                    | 0.00                   | 0.00                  |
| 4,700.00                | 10.00           | 350.43      | 4,651.89              | 556.61       | -93.84       | -88.78                  | 0.00                    | 0.00                   | 0.00                  |
| 4,800.00                | 10.00           | 350.43      | 4,750.37              | 573.74       | -96.72       | -91.51                  | 0.00                    | 0.00                   | 0.00                  |
| 4,900.00                | 10.00           | 350.43      | 4,848.85              | 590.86       | -99.61       | -94.24                  | 0.00                    | 0.00                   | 0.00                  |
| 5,000.00                | 10.00           | 350.43      | 4,947.33              | 607.98       | -102.50      | -96.98                  | 0.00                    | 0.00                   | 0.00                  |

|                  |                                 |                                     |                                                    |
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| <b>Company:</b>  | Marathon Oil                    | <b>TVD Reference:</b>               | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Project:</b>  | Eddy County, NM                 | <b>MD Reference:</b>                | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Site:</b>     | Eagle Power Fee 23-27-5 (1-5-9) | <b>North Reference:</b>             | Grid                                               |
| <b>Well:</b>     | WXY 9H                          | <b>Survey Calculation Method:</b>   | Minimum Curvature                                  |
| <b>Wellbore:</b> | OH                              |                                     |                                                    |
| <b>Design:</b>   | Prelim Plan A                   |                                     |                                                    |

### 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) |
|-------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 5,100.00                | 10.00           | 350.43      | 5,045.81              | 625.11       | -105.38      | -99.71                  | 0.00                    | 0.00                   | 0.00                  |
| 5,200.00                | 10.00           | 350.43      | 5,144.29              | 642.23       | -108.27      | -102.44                 | 0.00                    | 0.00                   | 0.00                  |
| 5,300.00                | 10.00           | 350.43      | 5,242.77              | 659.35       | -111.16      | -105.17                 | 0.00                    | 0.00                   | 0.00                  |
| 5,400.00                | 10.00           | 350.43      | 5,341.25              | 676.48       | -114.04      | -107.90                 | 0.00                    | 0.00                   | 0.00                  |
| 5,500.00                | 10.00           | 350.43      | 5,439.73              | 693.60       | -116.93      | -110.63                 | 0.00                    | 0.00                   | 0.00                  |
| 5,600.00                | 10.00           | 350.43      | 5,538.22              | 710.72       | -119.82      | -113.36                 | 0.00                    | 0.00                   | 0.00                  |
| 5,700.00                | 10.00           | 350.43      | 5,636.70              | 727.84       | -122.70      | -116.09                 | 0.00                    | 0.00                   | 0.00                  |
| 5,800.00                | 10.00           | 350.43      | 5,735.18              | 744.97       | -125.59      | -118.83                 | 0.00                    | 0.00                   | 0.00                  |
| 5,900.00                | 10.00           | 350.43      | 5,833.66              | 762.09       | -128.48      | -121.56                 | 0.00                    | 0.00                   | 0.00                  |
| 6,000.00                | 10.00           | 350.43      | 5,932.14              | 779.21       | -131.36      | -124.29                 | 0.00                    | 0.00                   | 0.00                  |
| 6,100.00                | 10.00           | 350.43      | 6,030.62              | 796.34       | -134.25      | -127.02                 | 0.00                    | 0.00                   | 0.00                  |
| 6,200.00                | 10.00           | 350.43      | 6,129.10              | 813.46       | -137.14      | -129.75                 | 0.00                    | 0.00                   | 0.00                  |
| 6,300.00                | 10.00           | 350.43      | 6,227.58              | 830.58       | -140.03      | -132.48                 | 0.00                    | 0.00                   | 0.00                  |
| 6,400.00                | 10.00           | 350.43      | 6,326.06              | 847.71       | -142.91      | -135.21                 | 0.00                    | 0.00                   | 0.00                  |
| 6,500.00                | 10.00           | 350.43      | 6,424.54              | 864.83       | -145.80      | -137.94                 | 0.00                    | 0.00                   | 0.00                  |
| 6,600.00                | 10.00           | 350.43      | 6,523.02              | 881.95       | -148.69      | -140.67                 | 0.00                    | 0.00                   | 0.00                  |
| 6,700.00                | 10.00           | 350.43      | 6,621.50              | 899.08       | -151.57      | -143.41                 | 0.00                    | 0.00                   | 0.00                  |
| 6,775.96                | 10.00           | 350.43      | 6,696.31              | 912.08       | -153.76      | -145.48                 | 0.00                    | 0.00                   | 0.00                  |
| 6,800.00                | 9.52            | 350.43      | 6,720.00              | 916.10       | -154.44      | -146.12                 | 2.00                    | -2.00                  | 0.00                  |
| 6,900.00                | 7.52            | 350.43      | 6,818.89              | 930.71       | -156.90      | -148.45                 | 2.00                    | -2.00                  | 0.00                  |
| 7,000.00                | 5.52            | 350.43      | 6,918.24              | 941.90       | -158.79      | -150.24                 | 2.00                    | -2.00                  | 0.00                  |
| 7,100.00                | 3.52            | 350.43      | 7,017.93              | 949.67       | -160.10      | -151.48                 | 2.00                    | -2.00                  | 0.00                  |
| 7,200.00                | 1.52            | 350.43      | 7,117.82              | 954.01       | -160.83      | -152.17                 | 2.00                    | -2.00                  | 0.00                  |
| 7,275.96                | 0.00            | 0.00        | 7,193.77              | 955.00       | -161.00      | -152.33                 | 2.00                    | -2.00                  | 0.00                  |
| 7,300.00                | 0.00            | 0.00        | 7,217.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 7,400.00                | 0.00            | 0.00        | 7,317.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 7,500.00                | 0.00            | 0.00        | 7,417.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 7,600.00                | 0.00            | 0.00        | 7,517.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 7,700.00                | 0.00            | 0.00        | 7,617.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 7,800.00                | 0.00            | 0.00        | 7,717.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 7,900.00                | 0.00            | 0.00        | 7,817.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 8,000.00                | 0.00            | 0.00        | 7,917.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 8,100.00                | 0.00            | 0.00        | 8,017.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 8,200.00                | 0.00            | 0.00        | 8,117.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 8,300.00                | 0.00            | 0.00        | 8,217.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 8,400.00                | 0.00            | 0.00        | 8,317.82              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| 8,479.18                | 0.00            | 0.00        | 8,397.00              | 955.00       | -161.00      | -152.33                 | 0.00                    | 0.00                   | 0.00                  |
| <b>[EagleWXY9H] KOP</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 8,500.00                | 2.08            | 89.48       | 8,417.81              | 955.00       | -160.62      | -151.95                 | 10.00                   | 10.00                  | 0.00                  |
| 8,550.00                | 7.08            | 89.48       | 8,467.64              | 955.04       | -156.63      | -147.96                 | 10.00                   | 10.00                  | 0.00                  |
| 8,600.00                | 12.08           | 89.48       | 8,516.92              | 955.11       | -148.31      | -139.64                 | 10.00                   | 10.00                  | 0.00                  |
| 8,650.00                | 17.08           | 89.48       | 8,565.30              | 955.23       | -135.73      | -127.05                 | 10.00                   | 10.00                  | 0.00                  |
| 8,700.00                | 22.08           | 89.48       | 8,612.39              | 955.38       | -118.98      | -110.30                 | 10.00                   | 10.00                  | 0.00                  |
| 8,750.00                | 27.08           | 89.48       | 8,657.84              | 955.57       | -98.18       | -89.51                  | 10.00                   | 10.00                  | 0.00                  |
| 8,800.00                | 32.08           | 89.48       | 8,701.31              | 955.79       | -73.51       | -64.83                  | 10.00                   | 10.00                  | 0.00                  |
| 8,850.00                | 37.08           | 89.48       | 8,742.47              | 956.05       | -45.14       | -36.46                  | 10.00                   | 10.00                  | 0.00                  |
| 8,900.00                | 42.08           | 89.48       | 8,780.99              | 956.33       | -13.29       | -4.61                   | 10.00                   | 10.00                  | 0.00                  |
| 8,950.00                | 47.08           | 89.48       | 8,816.59              | 956.65       | 21.79        | 30.47                   | 10.00                   | 10.00                  | 0.00                  |
| 9,000.00                | 52.08           | 89.48       | 8,849.00              | 956.99       | 59.84        | 68.53                   | 10.00                   | 10.00                  | 0.00                  |
| 9,050.00                | 57.08           | 89.48       | 8,877.97              | 957.36       | 100.58       | 109.26                  | 10.00                   | 10.00                  | 0.00                  |
| 9,100.00                | 62.08           | 89.48       | 8,903.27              | 957.75       | 143.68       | 152.36                  | 10.00                   | 10.00                  | 0.00                  |
| 9,150.00                | 67.08           | 89.48       | 8,924.73              | 958.16       | 188.82       | 197.51                  | 10.00                   | 10.00                  | 0.00                  |

|                  |                                 |                                     |                                                    |
|------------------|---------------------------------|-------------------------------------|----------------------------------------------------|
| <b>Database:</b> | WellPlanner1                    | <b>Local Co-ordinate Reference:</b> | Well WXY 9H                                        |
| <b>Company:</b>  | Marathon Oil                    | <b>TVD Reference:</b>               | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Project:</b>  | Eddy County, NM                 | <b>MD Reference:</b>                | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| <b>Site:</b>     | Eagle Power Fee 23-27-5 (1-5-9) | <b>North Reference:</b>             | Grid                                               |
| <b>Well:</b>     | WXY 9H                          | <b>Survey Calculation Method:</b>   | Minimum Curvature                                  |
| <b>Wellbore:</b> | OH                              |                                     |                                                    |
| <b>Design:</b>   | Prelim Plan A                   |                                     |                                                    |

### 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) |
|-----------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 9,200.00                    | 72.08           | 89.48       | 8,942.17              | 958.58       | 235.66       | 244.35                  | 10.00                   | 10.00                  | 0.00                  |
| 9,250.00                    | 77.08           | 89.48       | 8,955.46              | 959.02       | 283.85       | 292.54                  | 10.00                   | 10.00                  | 0.00                  |
| 9,300.00                    | 82.08           | 89.48       | 8,964.49              | 959.46       | 333.01       | 341.70                  | 10.00                   | 10.00                  | 0.00                  |
| 9,350.00                    | 87.08           | 89.48       | 8,969.21              | 959.91       | 382.76       | 391.46                  | 10.00                   | 10.00                  | 0.00                  |
| 9,371.20                    | 89.20           | 89.48       | 8,969.90              | 960.10       | 403.95       | 412.65                  | 10.00                   | 10.00                  | 0.00                  |
| 9,400.00                    | 89.20           | 89.48       | 8,970.30              | 960.36       | 432.75       | 441.44                  | 0.00                    | 0.00                   | 0.00                  |
| 9,500.00                    | 89.20           | 89.48       | 8,971.70              | 961.26       | 532.73       | 541.43                  | 0.00                    | 0.00                   | 0.00                  |
| 9,600.00                    | 89.20           | 89.48       | 8,973.09              | 962.17       | 632.72       | 641.43                  | 0.00                    | 0.00                   | 0.00                  |
| 9,700.00                    | 89.20           | 89.48       | 8,974.48              | 963.07       | 732.71       | 741.42                  | 0.00                    | 0.00                   | 0.00                  |
| 9,800.00                    | 89.20           | 89.48       | 8,975.88              | 963.97       | 832.69       | 841.41                  | 0.00                    | 0.00                   | 0.00                  |
| 9,900.00                    | 89.20           | 89.48       | 8,977.27              | 964.87       | 932.68       | 941.40                  | 0.00                    | 0.00                   | 0.00                  |
| 10,000.00                   | 89.20           | 89.48       | 8,978.66              | 965.78       | 1,032.66     | 1,041.39                | 0.00                    | 0.00                   | 0.00                  |
| 10,100.00                   | 89.20           | 89.48       | 8,980.05              | 966.68       | 1,132.65     | 1,141.38                | 0.00                    | 0.00                   | 0.00                  |
| 10,200.00                   | 89.20           | 89.48       | 8,981.45              | 967.58       | 1,232.64     | 1,241.37                | 0.00                    | 0.00                   | 0.00                  |
| 10,300.00                   | 89.20           | 89.48       | 8,982.84              | 968.48       | 1,332.62     | 1,341.36                | 0.00                    | 0.00                   | 0.00                  |
| 10,400.00                   | 89.20           | 89.48       | 8,984.23              | 969.39       | 1,432.61     | 1,441.35                | 0.00                    | 0.00                   | 0.00                  |
| 10,500.00                   | 89.20           | 89.48       | 8,985.63              | 970.29       | 1,532.60     | 1,541.34                | 0.00                    | 0.00                   | 0.00                  |
| 10,600.00                   | 89.20           | 89.48       | 8,987.02              | 971.19       | 1,632.58     | 1,641.33                | 0.00                    | 0.00                   | 0.00                  |
| 10,700.00                   | 89.20           | 89.48       | 8,988.41              | 972.09       | 1,732.57     | 1,741.32                | 0.00                    | 0.00                   | 0.00                  |
| 10,800.00                   | 89.20           | 89.48       | 8,989.80              | 973.00       | 1,832.55     | 1,841.31                | 0.00                    | 0.00                   | 0.00                  |
| 10,900.00                   | 89.20           | 89.48       | 8,991.20              | 973.90       | 1,932.54     | 1,941.30                | 0.00                    | 0.00                   | 0.00                  |
| 11,000.00                   | 89.20           | 89.48       | 8,992.59              | 974.80       | 2,032.53     | 2,041.29                | 0.00                    | 0.00                   | 0.00                  |
| 11,100.00                   | 89.20           | 89.48       | 8,993.98              | 975.70       | 2,132.51     | 2,141.28                | 0.00                    | 0.00                   | 0.00                  |
| 11,200.00                   | 89.20           | 89.48       | 8,995.38              | 976.61       | 2,232.50     | 2,241.27                | 0.00                    | 0.00                   | 0.00                  |
| 11,300.00                   | 89.20           | 89.48       | 8,996.77              | 977.51       | 2,332.48     | 2,341.26                | 0.00                    | 0.00                   | 0.00                  |
| 11,400.00                   | 89.20           | 89.48       | 8,998.16              | 978.41       | 2,432.47     | 2,441.25                | 0.00                    | 0.00                   | 0.00                  |
| 11,500.00                   | 89.20           | 89.48       | 8,999.55              | 979.31       | 2,532.46     | 2,541.24                | 0.00                    | 0.00                   | 0.00                  |
| 11,600.00                   | 89.20           | 89.48       | 9,000.95              | 980.22       | 2,632.44     | 2,641.23                | 0.00                    | 0.00                   | 0.00                  |
| 11,700.00                   | 89.20           | 89.48       | 9,002.34              | 981.12       | 2,732.43     | 2,741.22                | 0.00                    | 0.00                   | 0.00                  |
| 11,800.00                   | 89.20           | 89.48       | 9,003.73              | 982.02       | 2,832.42     | 2,841.21                | 0.00                    | 0.00                   | 0.00                  |
| 11,900.00                   | 89.20           | 89.48       | 9,005.13              | 982.92       | 2,932.40     | 2,941.20                | 0.00                    | 0.00                   | 0.00                  |
| 12,000.00                   | 89.20           | 89.48       | 9,006.52              | 983.83       | 3,032.39     | 3,041.19                | 0.00                    | 0.00                   | 0.00                  |
| 12,100.00                   | 89.20           | 89.48       | 9,007.91              | 984.73       | 3,132.37     | 3,141.18                | 0.00                    | 0.00                   | 0.00                  |
| 12,200.00                   | 89.20           | 89.48       | 9,009.30              | 985.63       | 3,232.36     | 3,241.17                | 0.00                    | 0.00                   | 0.00                  |
| 12,300.00                   | 89.20           | 89.48       | 9,010.70              | 986.54       | 3,332.35     | 3,341.16                | 0.00                    | 0.00                   | 0.00                  |
| 12,400.00                   | 89.20           | 89.48       | 9,012.09              | 987.44       | 3,432.33     | 3,441.15                | 0.00                    | 0.00                   | 0.00                  |
| 12,500.00                   | 89.20           | 89.48       | 9,013.48              | 988.34       | 3,532.32     | 3,541.14                | 0.00                    | 0.00                   | 0.00                  |
| 12,600.00                   | 89.20           | 89.48       | 9,014.88              | 989.24       | 3,632.31     | 3,641.13                | 0.00                    | 0.00                   | 0.00                  |
| 12,700.00                   | 89.20           | 89.48       | 9,016.27              | 990.15       | 3,732.29     | 3,741.12                | 0.00                    | 0.00                   | 0.00                  |
| 12,800.00                   | 89.20           | 89.48       | 9,017.66              | 991.05       | 3,832.28     | 3,841.11                | 0.00                    | 0.00                   | 0.00                  |
| 12,900.00                   | 89.20           | 89.48       | 9,019.05              | 991.95       | 3,932.26     | 3,941.11                | 0.00                    | 0.00                   | 0.00                  |
| 13,000.00                   | 89.20           | 89.48       | 9,020.45              | 992.85       | 4,032.25     | 4,041.10                | 0.00                    | 0.00                   | 0.00                  |
| 13,100.00                   | 89.20           | 89.48       | 9,021.84              | 993.76       | 4,132.24     | 4,141.09                | 0.00                    | 0.00                   | 0.00                  |
| 13,200.00                   | 89.20           | 89.48       | 9,023.23              | 994.66       | 4,232.22     | 4,241.08                | 0.00                    | 0.00                   | 0.00                  |
| 13,300.00                   | 89.20           | 89.48       | 9,024.63              | 995.56       | 4,332.21     | 4,341.07                | 0.00                    | 0.00                   | 0.00                  |
| 13,400.00                   | 89.20           | 89.48       | 9,026.02              | 996.46       | 4,432.20     | 4,441.06                | 0.00                    | 0.00                   | 0.00                  |
| 13,500.00                   | 89.20           | 89.48       | 9,027.41              | 997.37       | 4,532.18     | 4,541.05                | 0.00                    | 0.00                   | 0.00                  |
| 13,600.00                   | 89.20           | 89.48       | 9,028.81              | 998.27       | 4,632.17     | 4,641.04                | 0.00                    | 0.00                   | 0.00                  |
| 13,698.72                   | 89.20           | 89.48       | 9,030.18              | 999.16       | 4,730.87     | 4,739.74                | 0.00                    | 0.00                   | 0.00                  |
| <b>[EagleWXY9H] LTP/BHL</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 13,700.00                   | 89.20           | 89.48       | 9,030.20              | 999.17       | 4,732.15     | 4,741.03                | 0.00                    | 0.00                   | 0.00                  |
| 13,743.72                   | 89.20           | 89.48       | 9,030.81              | 999.57       | 4,775.86     | 4,784.74                | 0.00                    | 0.00                   | 0.00                  |

|           |                                 |                              |                                                    |
|-----------|---------------------------------|------------------------------|----------------------------------------------------|
| Database: | WellPlanner1                    | Local Co-ordinate Reference: | Well WXY 9H                                        |
| Company:  | Marathon Oil                    | TVD Reference:               | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| Project:  | Eddy County, NM                 | MD Reference:                | Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594)) |
| Site:     | Eagle Power Fee 23-27-5 (1-5-9) | North Reference:             | Grid                                               |
| Well:     | WXY 9H                          | Survey Calculation Method:   | Minimum Curvature                                  |
| Wellbore: | OH                              |                              |                                                    |
| Design:   | Prelim Plan A                   |                              |                                                    |

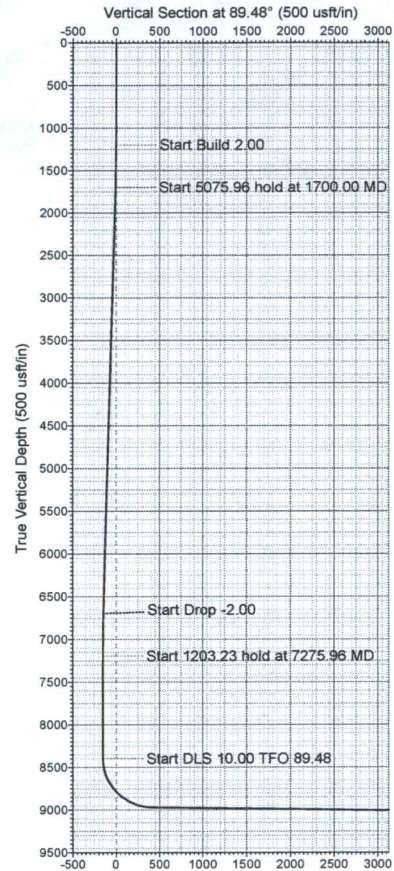
| Planned Survey              |                    |                |                             |                 |                 |                               |                               |                              |                             |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Vertical<br>Section<br>(usft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |
|                             |                    |                |                             |                 |                 |                               |                               |                              |                             |



Marathon Oil  
Eddy County, NM  
Eagle Power Fee 23-27-5 (1-5-9)  
WXY 9H  
Prelim Plan A  
GL: 3179' + KB: 25' (Prec594)



US State Plane 1927 (Exact solution)  
NAD 1927 (NADCON CONUS)  
Clarke 1866  
New Mexico East 3001  
Mean Sea Level



RKB Elevation: Well @ 3204.00usft (GL: 3179' + KB: 25' (Prec594))

| +N/-S | +E/-W | Northing  | Easting   | Latitude  | Longitude   | Slot |
|-------|-------|-----------|-----------|-----------|-------------|------|
| 0.00  | 0.00  | 486548.10 | 535133.30 | 32.337585 | -104.219579 |      |

#### SECTION DETAILS

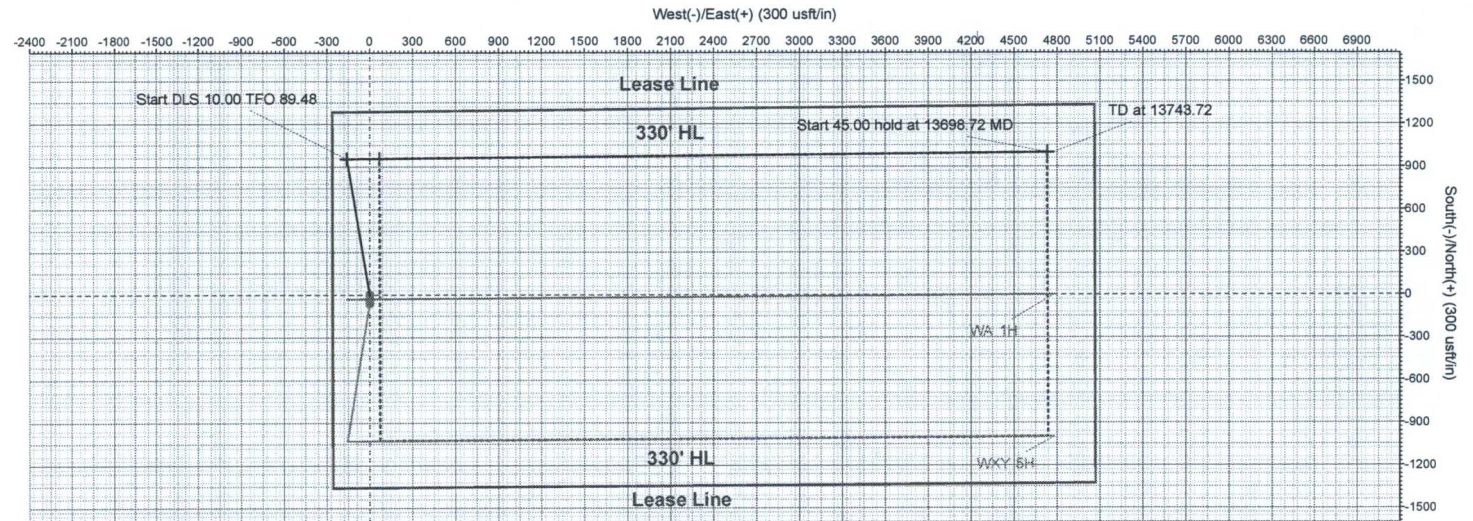
| Sec | MD       | Inc   | Azi    | TVD     | +N/-S  | +E/-W   | Dleg  | Vsect   |
|-----|----------|-------|--------|---------|--------|---------|-------|---------|
| 1   | 0.00     | 0.00  | 0.00   | 0.00    | 0.00   | 0.00    | 0.00  | 0.00    |
| 2   | 1200.00  | 0.00  | 0.00   | 1200.00 | 0.00   | 0.00    | 0.00  | 0.00    |
| 3   | 1700.00  | 10.00 | 350.43 | 1697.47 | 42.92  | -7.24   | 2.00  | -6.85   |
| 4   | 6775.96  | 10.00 | 350.43 | 6696.31 | 912.08 | -153.76 | 0.00  | -145.48 |
| 5   | 7275.96  | 0.00  | 0.00   | 7193.77 | 955.00 | -161.00 | 2.00  | -152.33 |
| 6   | 8479.18  | 0.00  | 0.00   | 8397.00 | 955.00 | -161.00 | 0.00  | -152.33 |
| 7   | 9371.20  | 89.20 | 89.48  | 8969.90 | 960.10 | 403.95  | 10.00 | 412.65  |
| 8   | 13698.72 | 89.20 | 89.48  | 9030.18 | 999.16 | 4730.87 | 0.00  | 4739.74 |
| 9   | 13743.72 | 89.20 | 89.48  | 9030.81 | 999.57 | 4775.86 | 0.00  | 4784.74 |



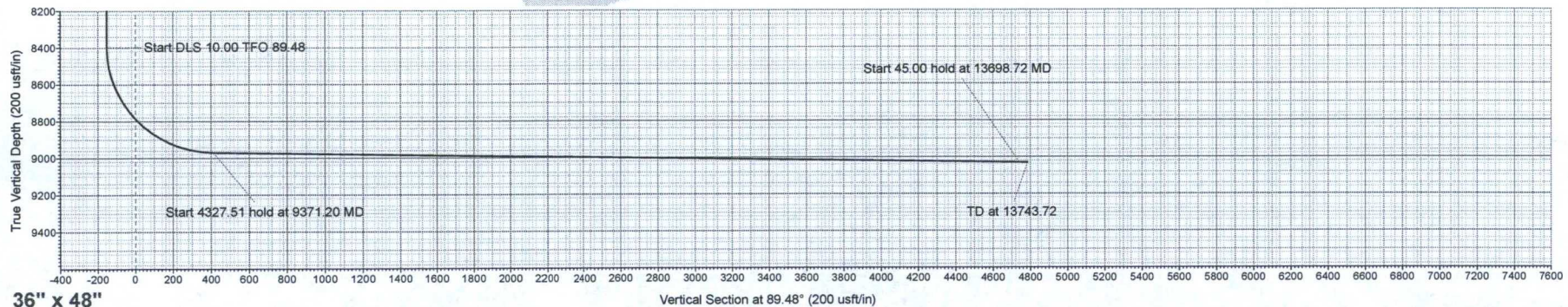
Azimuths to Grid North  
True North: -0.03°  
Magnetic North: 7.29°  
  
Magnetic Field  
Strength: 48011.8uT  
Dip Angle: 60.07°  
Date: 4/17/2018  
Model: HDGM

#### Azimuth Corrections

Total Magnetic Corr. (M to G): 7.29°  
Declination (M to T): 7.35° East



Target Line: 8964' TVD @ 0° VS, 89.2° INC



36" x 48"

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Submit Original  
to Appropriate  
District Office

Oil Conservation Division  
1220 South St. Francis Dr. **NM OIL CONSERVATION**  
Santa Fe, NM 87505 **ARTESIA DISTRICT**

APR 26 2018

**GAS CAPTURE PLAN**

Date: 04/23/2018

**RECEIVED**

☒ Original Operator & OGRID No.: MARATHON OIL PERMIAN, LLC  
☐ Amended - Reason for Amendment: OGRID: 372098

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

*Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).*

**Well(s)/Production Facility – Name of facility**

The well(s) that will be located at the production facility are shown in the table below.

| Well Name                         | API             | Well Location (ULSTR)   | Footages               | Expected MCF/D | Flared or Vented | Comments |
|-----------------------------------|-----------------|-------------------------|------------------------|----------------|------------------|----------|
| Eagle Power Fee 23 27 5<br>WA 1H  |                 | Lot 4 (D)<br>5-23S-R27E | 1316' FNL<br>1329' FNL | 6275           | Flared           |          |
| Eagle Power Fee 23 27 5<br>WXY 5H |                 | E-5-23S-R27E            | 1346' FNL<br>258' FWL  | 1774           | Flared           |          |
| Eagle Power Fee 23 27 5<br>WXY 9H | 30-015<br>44911 | Lot 4 (D)<br>5-23S-R27E | 1286' FNL<br>259' FWL  | 1774           | Flared           |          |

**Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Sendero and will be connected to Sendero's low pressure gathering system located in Eddy County, New Mexico. It will require about 1 mile of pipeline to connect the facility to low pressure gathering system. Marathon provides (periodically) to Sendero a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Marathon and Sendero have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Sendero Processing Plant located in Sec. 31, Twn. 23S, Rng. 28E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

**Flowback Strategy**

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Sendero system at that time. Based on current information, it is Marathon's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

**Alternatives to Reduce Flaring**

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines