



American Resource Development LLC.

## DRILLING PROGNOSIS American Resource Development

1/22/2018

Well: Azalea State 26-36-28 111H  
Location: Sec 28 (26S-36E) 200 ft FSL, 250 ft FWL  
County, State: Lea, NM  
1st Take Pt Loc: Sec 28 (26S-36E) 330 ft FNL, 380 ft FWL  
Bottomhole Loc: Sec 33 (26S-36E) 330 ft FSL, 380 ft FWL  
E-Mail: [Wellsite2@ameredev.com](mailto:Wellsite2@ameredev.com)  
Wellhead: A - 13-5/8" 5M x 13-5/8" SOW  
B - 11" 10M x 13 5/8" 5M  
Tubing Spool - 7-1/16" 15M x 11" 10M  
Xmas Tree: 2-9/16" 10M  
Tubing: 2-7/8" L-80 6.5# 8rd EUE

Co. Well ID: 40320  
AFE No.: 2017-010  
API No.: 30-025-44104  
ELEV: 2,921'  
Field: Delaware\_WCA  
Objective: Wolfcamp A  
TVD/MD: 19,456' // 11,915'  
Cementing:  
Mud:  
Directional:  
OH Logs:  
Rig:  
Offset Wells: Azalea State 121Y

| Hole Size                              | Formation Tops                                                                                                                                             | Logs         | Cement                                                   | Mud Weight                    |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------|-------------------------------|
| 17-1/2"                                | Dewey Lake 900'                                                                                                                                            |              | 13-3/8" Casing<br>TOC-0'<br>1225 Sacks<br>100% Excess    | 8.4 - 8.6 ppg<br>WBM          |
|                                        | 13 3/8" 54.5# J55 @ 1305'                                                                                                                                  |              |                                                          |                               |
| 12-1/4"                                | Rustler Anhydrite 1,929'<br>Salado 2,192'<br>Tansill // Yates 3,173'                                                                                       |              | 10-3/4" Casing<br>TOC-0'<br>800 Sacks<br>25% Excess      | 10.2 ppg Brine                |
|                                        | 10 3/4" 40.5# L-80 @ 5100'                                                                                                                                 |              |                                                          |                               |
| 9-7/8"                                 | Bell Canyon 5,115'<br>Brushy Canyon 7,065'<br>Bone Spring Lime 8,148'<br>1st Bone Spring 9,603'<br>2nd Bone Spring 10,215'<br>3rd Bone Spring Lime 10,849' | Triple Combo | 7-5/8" Casing<br>TOC - 4600'<br>1025 Sacks<br>25% Excess | 9.3 ppg Cut Brine             |
|                                        | 7 5/8" 29.7# P-110 @ 10,950'                                                                                                                               |              |                                                          |                               |
| 6-3/4"                                 | 3rd Bone Spring 11,457'<br>Wolfcamp A 11,674'<br>Wolfcamp B 12,134'                                                                                        |              | 5-1/2" Casing<br>TOC-10450'<br>775 Sacks<br>25% Excess   | Curve/Lateral 11.5 ppg<br>OBM |
| 6 3/4" Curve 12" BUR KOP @ 11,425' TVD | Wolfcamp A Target<br>TD @ +/- 19,456 MD 11,915 TVD                                                                                                         |              |                                                          |                               |
|                                        | 5 1/2" 20# P-110<br>6-3/4" hole for horizontal section                                                                                                     |              |                                                          |                               |