

VERDAD RESOURCES

WATTENBERG FIELD

2N-63W-19 KBL PAD

KBL 1918-04H

Wellbore #1

Plan: Design #1

Standard Planning Report

10 July, 2019

Project: WATTENBERG FIELD
Site: 2N-63W-19 KBL PAD
Well: KBL 1918-04H
Wellbore: Wellbore #1
Design: Design #1

VERDAD RESOURCES

CASING DETAILS

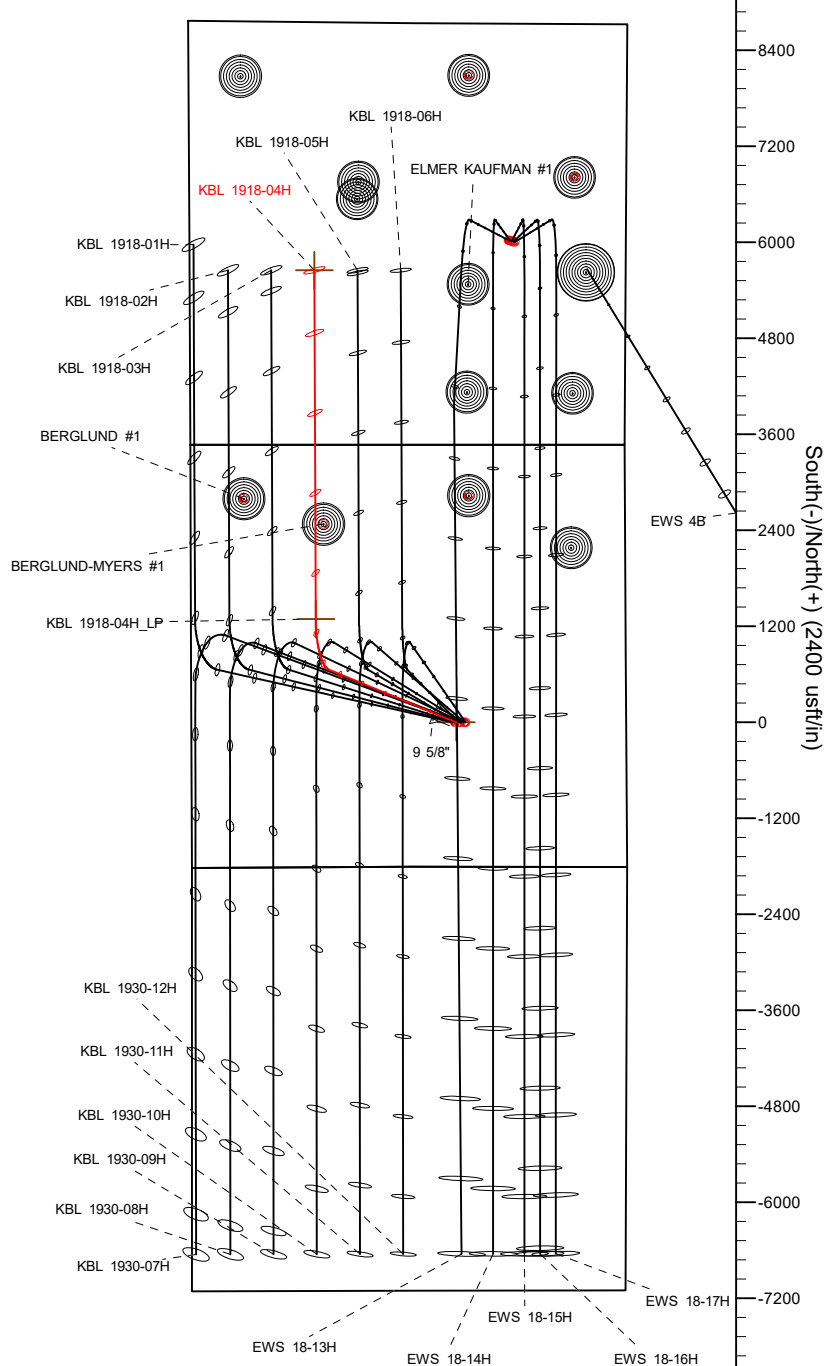
| TVD | MD | Name | Size |
|---------|---------|--------|-------|
| 1700.00 | 1739.60 | 9 5/8" | 9-5/8 |

SECTION DETAILS

| Sec | MD | Inc | Azi | TVD | +N/-S | +E/-W | Dleg | TFace | VSect | Target |
|-----|----------|-------|--------|---------|---------|----------|------|--------|---------|------------------|
| 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2 | 320.00 | 0.00 | 0.00 | 320.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3 | 1210.00 | 17.80 | 292.50 | 1195.75 | 52.48 | -126.70 | 2.00 | 292.50 | 52.99 | |
| 4 | 6399.36 | 17.80 | 292.50 | 6136.69 | 659.56 | -1592.31 | 0.00 | 0.00 | 665.94 | |
| 5 | 7323.98 | 90.00 | 359.77 | 6675.00 | 1291.06 | -1754.29 | 9.00 | 68.25 | 1298.10 | |
| 6 | 11682.63 | 90.00 | 359.77 | 6675.00 | 5649.68 | -1772.04 | 0.00 | 0.00 | 5656.75 | KBL 1918-04H_BHL |

WELLBORE TARGET DETAILS (LAT/LONG)

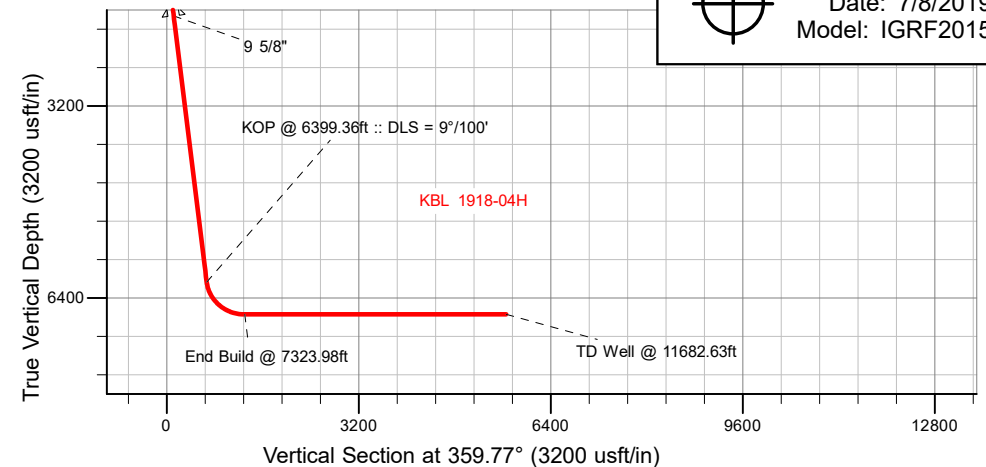
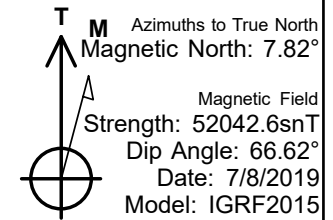
| Name | TVD | +N/-S | +E/-W | Latitude | Longitude |
|------------------|---------|---------|----------|-----------|-------------|
| KBL 1918-04H_SHL | 0.00 | 0.00 | 0.00 | 40.121609 | -104.478445 |
| KBL 1918-04H_BHL | 6675.00 | 5649.68 | -1772.04 | 40.137118 | -104.484783 |



SHL
1807' FSL
2126' FEL

LP
2180' FNL
1560' FWL

BHL
2180' FSL
1560' FWL



WELL DETAILS: KBL 1918-04H

GL = 4864'
RKB = 24' @ 4888.00usft (RIG)

Plan: Design #1 (KBL 1918-04H/Wellbore #1)

Date: 7/10/2019

Hewlett-Packard

Planning Report

| | | | |
|------------------|----------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.14 Single User Db | Local Co-ordinate Reference: | Well KBL 1918-04H |
| Company: | VERDAD RESOURCES | TVD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Project: | WATTENBERG FIELD | MD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Site: | 2N-63W-19 KBL PAD | North Reference: | True |
| Well: | KBL 1918-04H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Wellbore #1 | | |
| Design: | Design #1 | | |

| | | | |
|--------------------|---------------------------|----------------------|----------------|
| Project | WATTENBERG FIELD | | |
| Map System: | US State Plane 1983 | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | Colorado Northern Zone | | |

| | | | | |
|------------------------------|-------------------|---------------------|-------------------|---------------------------------|
| Site | 2N-63W-19 KBL PAD | | | |
| Site Position: | | Northing: | 1,288,791.50 usft | Latitude: 40.121610 |
| From: | Lat/Long | Easting: | 3,285,630.62 usft | Longitude: -104.478606 |
| Position Uncertainty: | 0.00 usft | Slot Radius: | 13-3/16 " | Grid Convergence: 0.66 ° |

| | | | | |
|-----------------------------|--------------|----------------------------|------------------|------------------------------------|
| Well | KBL 1918-04H | | | |
| Well Position | +N/-S | -0.37 usft | Northing: | 1,288,791.64 usft |
| | +E/-W | 45.02 usft | Easting: | 3,285,675.65 usft |
| Position Uncertainty | 3.28 usft | Wellhead Elevation: | | Ground Level: 4,864.00 usft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | Wellbore #1 | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2015 | 7/8/2019 | 7.82 | 66.62 | 52,042.58964914 |

| | | | | |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|
| Design | Design #1 | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PLAN | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft) | Direction (°) |
| | 0.00 | 0.00 | 0.00 | 359.77 |

| | | | | |
|---------------------------------|------------------------|--------------------------|-------------------------|---|
| Plan Survey Tool Program | Date | 7/10/2019 | | |
| Depth From (usft) | Depth To (usft) | Survey (Wellbore) | Tool Name | Remarks |
| 1 | 0.00 | 1,700.00 | Design #1 (Wellbore #1) | ISCWSA REV 2 MWD Fixed:v2:standard declination |
| 2 | 1,700.00 | 11,682.63 | Design #1 (Wellbore #1) | ISCWSA REV 2 MWD Fixed:v2:standard declination |

| | | | | | | | | | | |
|------------------------------|------------------------|--------------------|------------------------------|---------------------|---------------------|--------------------------------|-------------------------------|------------------------------|----------------|------------------|
| 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 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 320.00 | 0.00 | 0.00 | 320.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,210.00 | 17.80 | 292.50 | 1,195.75 | 52.48 | -126.70 | 2.00 | 2.00 | 0.00 | 292.50 | |
| 6,399.36 | 17.80 | 292.50 | 6,136.69 | 659.56 | -1,592.31 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7,323.98 | 90.00 | 359.77 | 6,675.00 | 1,291.06 | -1,754.29 | 9.00 | 7.81 | 7.28 | 68.25 | |
| 11,682.63 | 90.00 | 359.77 | 6,675.00 | 5,649.68 | -1,772.04 | 0.00 | 0.00 | 0.00 | 0.00 | KBL 1918-04H_BHL |

Hewlett-Packard

Planning Report

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|------------------|----------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.14 Single User Db | Local Co-ordinate Reference: | Well KBL 1918-04H |
| Company: | VERDAD RESOURCES | TVD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Project: | WATTENBERG FIELD | MD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Site: | 2N-63W-19 KBL PAD | North Reference: | True |
| Well: | KBL 1918-04H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Wellbore #1 | | |
| Design: | Design #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) |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 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 |
| 320.00 | 0.00 | 0.00 | 320.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Begin Nudge @ 320.00ft | | | | | | | | | |
| 400.00 | 1.60 | 292.50 | 399.99 | 0.43 | -1.03 | 0.43 | 2.00 | 2.00 | 0.00 |
| 500.00 | 3.60 | 292.50 | 499.88 | 2.16 | -5.22 | 2.18 | 2.00 | 2.00 | 0.00 |
| 600.00 | 5.60 | 292.50 | 599.55 | 5.23 | -12.63 | 5.28 | 2.00 | 2.00 | 0.00 |
| 700.00 | 7.60 | 292.50 | 698.89 | 9.63 | -23.25 | 9.72 | 2.00 | 2.00 | 0.00 |
| 800.00 | 9.60 | 292.50 | 797.76 | 15.35 | -37.06 | 15.50 | 2.00 | 2.00 | 0.00 |
| 900.00 | 11.60 | 292.50 | 896.05 | 22.39 | -54.06 | 22.61 | 2.00 | 2.00 | 0.00 |
| 1,000.00 | 13.60 | 292.50 | 993.63 | 30.74 | -74.21 | 31.04 | 2.00 | 2.00 | 0.00 |
| 1,100.00 | 15.60 | 292.50 | 1,090.40 | 40.39 | -97.50 | 40.78 | 2.00 | 2.00 | 0.00 |
| 1,200.00 | 17.60 | 292.50 | 1,186.23 | 51.32 | -123.89 | 51.81 | 2.00 | 2.00 | 0.00 |
| 1,210.00 | 17.80 | 292.50 | 1,195.75 | 52.48 | -126.70 | 52.99 | 2.00 | 2.00 | 0.00 |
| Hold Tangent @ 1210.00ft | | | | | | | | | |
| 1,300.00 | 17.80 | 292.50 | 1,281.44 | 63.01 | -152.12 | 63.62 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 17.80 | 292.50 | 1,376.66 | 74.71 | -180.36 | 75.43 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 17.80 | 292.50 | 1,471.87 | 86.41 | -208.60 | 87.24 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 17.80 | 292.50 | 1,567.08 | 98.10 | -236.85 | 99.05 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 17.80 | 292.50 | 1,662.30 | 109.80 | -265.09 | 110.87 | 0.00 | 0.00 | 0.00 |
| 1,739.60 | 17.80 | 292.50 | 1,700.00 | 114.44 | -276.27 | 115.54 | 0.00 | 0.00 | 0.00 |
| 9 5/8" | | | | | | | | | |
| 1,800.00 | 17.80 | 292.50 | 1,757.51 | 121.50 | -293.33 | 122.68 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 17.80 | 292.50 | 1,852.72 | 133.20 | -321.57 | 134.49 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 17.80 | 292.50 | 1,947.93 | 144.90 | -349.82 | 146.30 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 17.80 | 292.50 | 2,043.15 | 156.60 | -378.06 | 158.11 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 17.80 | 292.50 | 2,138.36 | 168.30 | -406.30 | 169.93 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 17.80 | 292.50 | 2,233.57 | 179.99 | -434.54 | 181.74 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 17.80 | 292.50 | 2,328.79 | 191.69 | -462.79 | 193.55 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 17.80 | 292.50 | 2,424.00 | 203.39 | -491.03 | 205.36 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 17.80 | 292.50 | 2,519.21 | 215.09 | -519.27 | 217.17 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 17.80 | 292.50 | 2,614.43 | 226.79 | -547.51 | 228.98 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 17.80 | 292.50 | 2,709.64 | 238.49 | -575.76 | 240.80 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 17.80 | 292.50 | 2,804.85 | 250.18 | -604.00 | 252.61 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 17.80 | 292.50 | 2,900.06 | 261.88 | -632.24 | 264.42 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 17.80 | 292.50 | 2,995.28 | 273.58 | -660.48 | 276.23 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 17.80 | 292.50 | 3,090.49 | 285.28 | -688.73 | 288.04 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 17.80 | 292.50 | 3,185.70 | 296.98 | -716.97 | 299.85 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 17.80 | 292.50 | 3,280.92 | 308.68 | -745.21 | 311.67 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 17.80 | 292.50 | 3,376.13 | 320.38 | -773.45 | 323.48 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 17.80 | 292.50 | 3,471.34 | 332.07 | -801.70 | 335.29 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 17.80 | 292.50 | 3,566.55 | 343.77 | -829.94 | 347.10 | 0.00 | 0.00 | 0.00 |
| 3,800.00 | 17.80 | 292.50 | 3,661.77 | 355.47 | -858.18 | 358.91 | 0.00 | 0.00 | 0.00 |
| 3,900.00 | 17.80 | 292.50 | 3,756.98 | 367.17 | -886.43 | 370.72 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 17.80 | 292.50 | 3,852.19 | 378.87 | -914.67 | 382.54 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 17.80 | 292.50 | 3,947.41 | 390.57 | -942.91 | 394.35 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 17.80 | 292.50 | 4,042.62 | 402.26 | -971.15 | 406.16 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 17.80 | 292.50 | 4,137.83 | 413.96 | -999.40 | 417.97 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 17.80 | 292.50 | 4,233.05 | 425.66 | -1,027.64 | 429.78 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 17.80 | 292.50 | 4,328.26 | 437.36 | -1,055.88 | 441.60 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 17.80 | 292.50 | 4,423.47 | 449.06 | -1,084.12 | 453.41 | 0.00 | 0.00 | 0.00 |

Hewlett-Packard

Planning Report

| | | | |
|------------------|----------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.14 Single User Db | Local Co-ordinate Reference: | Well KBL 1918-04H |
| Company: | VERDAD RESOURCES | TVD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Project: | WATTENBERG FIELD | MD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Site: | 2N-63W-19 KBL PAD | North Reference: | True |
| Well: | KBL 1918-04H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Wellbore #1 | | |
| Design: | Design #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) |
| 4,700.00 | 17.80 | 292.50 | 4,518.68 | 460.76 | -1,112.37 | 465.22 | 0.00 | 0.00 | 0.00 |
| 4,800.00 | 17.80 | 292.50 | 4,613.90 | 472.46 | -1,140.61 | 477.03 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 17.80 | 292.50 | 4,709.11 | 484.15 | -1,168.85 | 488.84 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 17.80 | 292.50 | 4,804.32 | 495.85 | -1,197.09 | 500.65 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 17.80 | 292.50 | 4,899.54 | 507.55 | -1,225.34 | 512.47 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 17.80 | 292.50 | 4,994.75 | 519.25 | -1,253.58 | 524.28 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 17.80 | 292.50 | 5,089.96 | 530.95 | -1,281.82 | 536.09 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 17.80 | 292.50 | 5,185.17 | 542.65 | -1,310.06 | 547.90 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 17.80 | 292.50 | 5,280.39 | 554.34 | -1,338.31 | 559.71 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 17.80 | 292.50 | 5,375.60 | 566.04 | -1,366.55 | 571.52 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 17.80 | 292.50 | 5,470.81 | 577.74 | -1,394.79 | 583.34 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 17.80 | 292.50 | 5,566.03 | 589.44 | -1,423.03 | 595.15 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 17.80 | 292.50 | 5,661.24 | 601.14 | -1,451.28 | 606.96 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 17.80 | 292.50 | 5,756.45 | 612.84 | -1,479.52 | 618.77 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 17.80 | 292.50 | 5,851.67 | 624.54 | -1,507.76 | 630.58 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 17.80 | 292.50 | 5,946.88 | 636.23 | -1,536.00 | 642.39 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 17.80 | 292.50 | 6,042.09 | 647.93 | -1,564.25 | 654.21 | 0.00 | 0.00 | 0.00 |
| 6,399.36 | 17.80 | 292.50 | 6,136.69 | 659.56 | -1,592.31 | 665.94 | 0.00 | 0.00 | 0.00 |
| KOP @ 6399.36ft :: DLS = 9°/100' | | | | | | | | | |
| 6,400.00 | 17.82 | 292.67 | 6,137.30 | 659.63 | -1,592.49 | 666.02 | 9.00 | 3.35 | 27.31 |
| 6,500.00 | 22.72 | 314.75 | 6,231.22 | 679.16 | -1,620.38 | 685.66 | 9.00 | 4.90 | 22.07 |
| 6,600.00 | 29.53 | 328.25 | 6,321.03 | 713.78 | -1,647.12 | 720.39 | 9.00 | 6.81 | 13.50 |
| 6,700.00 | 37.21 | 336.82 | 6,404.53 | 762.63 | -1,672.04 | 769.34 | 9.00 | 7.69 | 8.57 |
| 6,800.00 | 45.33 | 342.74 | 6,479.66 | 824.51 | -1,694.54 | 831.31 | 9.00 | 8.11 | 5.93 |
| 6,900.00 | 53.67 | 347.19 | 6,544.56 | 897.90 | -1,714.06 | 904.77 | 9.00 | 8.34 | 4.45 |
| 7,000.00 | 62.15 | 350.77 | 6,597.65 | 980.99 | -1,730.12 | 987.92 | 9.00 | 8.48 | 3.58 |
| 7,100.00 | 70.71 | 353.82 | 6,637.61 | 1,071.72 | -1,742.32 | 1,078.71 | 9.00 | 8.56 | 3.05 |
| 7,200.00 | 79.31 | 356.56 | 6,663.46 | 1,167.88 | -1,750.37 | 1,174.90 | 9.00 | 8.60 | 2.75 |
| 7,300.00 | 87.93 | 359.15 | 6,674.57 | 1,267.09 | -1,754.06 | 1,274.12 | 9.00 | 8.62 | 2.59 |
| 7,323.98 | 90.00 | 359.77 | 6,675.00 | 1,291.06 | -1,754.29 | 1,298.10 | 9.00 | 8.63 | 2.56 |
| End Build @ 7323.98ft | | | | | | | | | |
| 7,400.00 | 90.00 | 359.77 | 6,675.00 | 1,367.08 | -1,754.60 | 1,374.12 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 90.00 | 359.77 | 6,675.00 | 1,467.08 | -1,755.00 | 1,474.12 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 90.00 | 359.77 | 6,675.00 | 1,567.08 | -1,755.41 | 1,574.12 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 90.00 | 359.77 | 6,675.00 | 1,667.08 | -1,755.82 | 1,674.12 | 0.00 | 0.00 | 0.00 |
| 7,800.00 | 90.00 | 359.77 | 6,675.00 | 1,767.08 | -1,756.23 | 1,774.12 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 90.00 | 359.77 | 6,675.00 | 1,867.08 | -1,756.63 | 1,874.12 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 90.00 | 359.77 | 6,675.00 | 1,967.08 | -1,757.04 | 1,974.12 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 90.00 | 359.77 | 6,675.00 | 2,067.08 | -1,757.45 | 2,074.12 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 90.00 | 359.77 | 6,675.00 | 2,167.08 | -1,757.86 | 2,174.12 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 90.00 | 359.77 | 6,675.00 | 2,267.08 | -1,758.26 | 2,274.12 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 90.00 | 359.77 | 6,675.00 | 2,367.08 | -1,758.67 | 2,374.12 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 90.00 | 359.77 | 6,675.00 | 2,467.08 | -1,759.08 | 2,474.12 | 0.00 | 0.00 | 0.00 |
| 8,600.00 | 90.00 | 359.77 | 6,675.00 | 2,567.08 | -1,759.49 | 2,574.12 | 0.00 | 0.00 | 0.00 |
| 8,700.00 | 90.00 | 359.77 | 6,675.00 | 2,667.07 | -1,759.89 | 2,674.12 | 0.00 | 0.00 | 0.00 |
| 8,800.00 | 90.00 | 359.77 | 6,675.00 | 2,767.07 | -1,760.30 | 2,774.12 | 0.00 | 0.00 | 0.00 |
| 8,900.00 | 90.00 | 359.77 | 6,675.00 | 2,867.07 | -1,760.71 | 2,874.12 | 0.00 | 0.00 | 0.00 |
| 9,000.00 | 90.00 | 359.77 | 6,675.00 | 2,967.07 | -1,761.12 | 2,974.12 | 0.00 | 0.00 | 0.00 |
| 9,100.00 | 90.00 | 359.77 | 6,675.00 | 3,067.07 | -1,761.52 | 3,074.12 | 0.00 | 0.00 | 0.00 |
| 9,200.00 | 90.00 | 359.77 | 6,675.00 | 3,167.07 | -1,761.93 | 3,174.12 | 0.00 | 0.00 | 0.00 |
| 9,300.00 | 90.00 | 359.77 | 6,675.00 | 3,267.07 | -1,762.34 | 3,274.12 | 0.00 | 0.00 | 0.00 |
| 9,400.00 | 90.00 | 359.77 | 6,675.00 | 3,367.07 | -1,762.74 | 3,374.12 | 0.00 | 0.00 | 0.00 |
| 9,500.00 | 90.00 | 359.77 | 6,675.00 | 3,467.07 | -1,763.15 | 3,474.12 | 0.00 | 0.00 | 0.00 |
| 9,600.00 | 90.00 | 359.77 | 6,675.00 | 3,567.07 | -1,763.56 | 3,574.12 | 0.00 | 0.00 | 0.00 |

Hewlett-Packard

Planning Report

| | | | |
|------------------|----------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.14 Single User Db | Local Co-ordinate Reference: | Well KBL 1918-04H |
| Company: | VERDAD RESOURCES | TVD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Project: | WATTENBERG FIELD | MD Reference: | RKB = 24' @ 4888.00usft (RIG) |
| Site: | 2N-63W-19 KBL PAD | North Reference: | True |
| Well: | KBL 1918-04H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Wellbore #1 | | |
| Design: | Design #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) | |
| 9,700.00 | 90.00 | 359.77 | 6,675.00 | 3,667.07 | -1,763.97 | 3,674.12 | 0.00 | 0.00 | 0.00 | |
| 9,800.00 | 90.00 | 359.77 | 6,675.00 | 3,767.07 | -1,764.37 | 3,774.12 | 0.00 | 0.00 | 0.00 | |
| 9,900.00 | 90.00 | 359.77 | 6,675.00 | 3,867.06 | -1,764.78 | 3,874.12 | 0.00 | 0.00 | 0.00 | |
| 10,000.00 | 90.00 | 359.77 | 6,675.00 | 3,967.06 | -1,765.19 | 3,974.12 | 0.00 | 0.00 | 0.00 | |
| 10,100.00 | 90.00 | 359.77 | 6,675.00 | 4,067.06 | -1,765.60 | 4,074.12 | 0.00 | 0.00 | 0.00 | |
| 10,200.00 | 90.00 | 359.77 | 6,675.00 | 4,167.06 | -1,766.00 | 4,174.12 | 0.00 | 0.00 | 0.00 | |
| 10,300.00 | 90.00 | 359.77 | 6,675.00 | 4,267.06 | -1,766.41 | 4,274.12 | 0.00 | 0.00 | 0.00 | |
| 10,400.00 | 90.00 | 359.77 | 6,675.00 | 4,367.06 | -1,766.82 | 4,374.12 | 0.00 | 0.00 | 0.00 | |
| 10,500.00 | 90.00 | 359.77 | 6,675.00 | 4,467.06 | -1,767.23 | 4,474.12 | 0.00 | 0.00 | 0.00 | |
| 10,600.00 | 90.00 | 359.77 | 6,675.00 | 4,567.06 | -1,767.63 | 4,574.12 | 0.00 | 0.00 | 0.00 | |
| 10,700.00 | 90.00 | 359.77 | 6,675.00 | 4,667.06 | -1,768.04 | 4,674.12 | 0.00 | 0.00 | 0.00 | |
| 10,800.00 | 90.00 | 359.77 | 6,675.00 | 4,767.06 | -1,768.45 | 4,774.12 | 0.00 | 0.00 | 0.00 | |
| 10,900.00 | 90.00 | 359.77 | 6,675.00 | 4,867.06 | -1,768.86 | 4,874.12 | 0.00 | 0.00 | 0.00 | |
| 11,000.00 | 90.00 | 359.77 | 6,675.00 | 4,967.06 | -1,769.26 | 4,974.12 | 0.00 | 0.00 | 0.00 | |
| 11,100.00 | 90.00 | 359.77 | 6,675.00 | 5,067.05 | -1,769.67 | 5,074.12 | 0.00 | 0.00 | 0.00 | |
| 11,200.00 | 90.00 | 359.77 | 6,675.00 | 5,167.05 | -1,770.08 | 5,174.12 | 0.00 | 0.00 | 0.00 | |
| 11,300.00 | 90.00 | 359.77 | 6,675.00 | 5,267.05 | -1,770.48 | 5,274.12 | 0.00 | 0.00 | 0.00 | |
| 11,400.00 | 90.00 | 359.77 | 6,675.00 | 5,367.05 | -1,770.89 | 5,374.12 | 0.00 | 0.00 | 0.00 | |
| 11,500.00 | 90.00 | 359.77 | 6,675.00 | 5,467.05 | -1,771.30 | 5,474.12 | 0.00 | 0.00 | 0.00 | |
| 11,600.00 | 90.00 | 359.77 | 6,675.00 | 5,567.05 | -1,771.71 | 5,574.12 | 0.00 | 0.00 | 0.00 | |
| 11,682.63 | 90.00 | 359.77 | 6,675.00 | 5,649.68 | -1,772.04 | 5,656.75 | 0.00 | 0.00 | 0.00 | |
| TD Well @ 11682.63ft | | | | | | | | | | |

| Casing Points | | | | | |
|-----------------------|-----------------------|--------|--|---------------------|-------------------|
| Measured Depth (usft) | Vertical Depth (usft) | Name | | Casing Diameter (") | Hole Diameter (") |
| 1,739.60 | 1,700.00 | 9 5/8" | | 9-5/8 | 13-1/2 |

| Plan Annotations | | | | | |
|-----------------------|-----------------------|-------------------|--------------|----------------------------------|--|
| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates | | Comment | |
| | | +N/-S (usft) | +E/-W (usft) | | |
| 320.00 | 320.00 | 0.00 | 0.00 | Begin Nudge @ 320.00ft | |
| 1,210.00 | 1,195.75 | 52.48 | -126.70 | Hold Tangent @ 1210.00ft | |
| 6,399.36 | 6,136.69 | 659.56 | -1,592.31 | KOP @ 6399.36ft :: DLS = 9°/100' | |
| 7,323.98 | 6,675.00 | 1,291.06 | -1,754.29 | End Build @ 7323.98ft | |
| 11,682.63 | 6,675.00 | 5,649.68 | -1,772.04 | TD Well @ 11682.63ft | |