

GEOLOGIC & DRILLING PROGNOSIS

Prepared: 18-Feb-21 DC

WELL NAME: RG 44-7-297
Directional from the pad RG 41-18-297

API: 05-103-12471-00
STATE: CO
COUNTY: RIO BLANCO
BOTTOM HOLE LOCATION: Sec. 7 T 2S R 97W
TYPE OF UNIT: FED
FEDERAL EA: Yes
HARDLINE: No

Unspaced

ELEVATION (ft):
PAD (ft): 6621
GROUND (ft): 6620
KELLY BUSHING (ft): 6651

RIG INFORMATION:
RIG NAME: HP 329
KB HEIGHT (ft): 30

ESTIMATE TOPS:

| Formation | TVD | MD | Formation Resource Notes |
|---------------------|--------------|--------------|--|
| Green River | 966 | 978 | Potentially Useable Water |
| A Groove | 1126 | 1146 | Potentially Useable Water |
| B Groove | 1311 | 1343 | Potentially Useable Water |
| Dissolution Surface | 1626 | 1679 | Possible Lost Circ Zone |
| Orange Marker | 2546 | 2659 | Potentially Useable Water |
| Wasatch | 2751 | 2877 | Potentially Useable Water |
| Top of "G" Sand | 5201 | 5486 | Possible Lost Circ Zone |
| Fort Union | 5531 | 5837 | Gas and Limited Use and Quality Water |
| Ohio Creek | 6931 | 7325 | Possible Lost Circ Zone |
| Mesaverde | 6931 | 7325 | Gas and Limited Use and Quality Water |
| Approx. Top Gas | 8021 | 8431 | Gas and Limited Use and Quality Water |
| Cameo Coals | 10371 | 10781 | Gas, Coal, and Limited Use and Quality Water |
| Rollins SS | 10951 | 11361 | Gas and Limited Use and Quality Water |
| Cozzette | 11101 | 11511 | Gas and Limited Use and Quality Water |
| Corcoran | 11321 | 11731 | Gas and Limited Use and Quality Water |
| Upper Sego | 11681 | 12091 | Gas and Limited Use and Quality Water |
| Lower Sego | 11981 | 12391 | Gas and Limited Use and Quality Water |
| TD | 12101 | 12511 | |

MUD LOGGING: Type: (Optional) Remote Gas Unit
Interval: Base of surface casing to TD with total gas only

OPEN HOLE LOGS: Specifics: (Optional) Triple-Combo (DIL-GR-SP-Neutron Density)
Interval: GR from TD to surface, DIL-SP and Neutron Density from TD to 100' inside surface casing

CASED HOLE LOGS: Specifics: Pulsed Neutron Log (e.g. RMTE, RPM, or RST)
Processing: Emulation Triple Combo Using OH logs and training well
Cement Evaluation: CBL

CSG & CEMENT PROGRAM: SHOE TEST REQUIRED

| | Csg Size (in) | Depth Set (tvd) | Depth Set (md) | Hole Size (in) | Approx. Cmt Tail (ft3) | Tail Yield (ft3/sx) | Approx. Sx Tail | Approx. Cmt Lead (ft3) | Lead Yield (ft3/sx) | Approx. Sx Lead | WOC (hrs) |
|----------------------|---------------|-----------------|----------------|----------------|-----------------------------|---------------------|------------------------------|------------------------|---------------------------|-----------------|-----------|
| Conductor: | 20 | 84 | 84 | 30 | 228 | 199 | | | | | |
| Surface | 13.375 | 1426 | 1479 | 17.5 | N/A | N/A | N/A | 1130 | 2.34 | 483 | |
| Intermediate | 9.625 | 3251 | 3377 | 12.25 | 172 | 2.10 | 82 | 172 | 2.40 | 72 | |
| Liner or Production: | 4.5 | 12101 | 12511 | 8.75/7.875 | 1446 | 1.85 | 784 | 374 | 2.00 | 187 | |
| | | | | | Surface (sacks): 483 | | Intermediate (sacks): | 154 | Prod. (sacks): 971 | | |

ANTICIPATED PRESSURES (psi)

| MASP | Prod Csg Test Pressure | Anticipated BHP | Prod. Csg. Grade |
|-------|------------------------|-----------------|------------------|
| 2,965 | 8,500 | 5,627 | P-110 |

MUD PROGRAM: (Do not deviate from mud engineer's recommendation without prior consent from Parachute office)

| FROM (md) | TO (md) | TYPE MUD | #/GAL | VIS | WL | CHEMICALS |
|-----------|---------|----------|----------|-------|------|----------------|
| 0 | 3377 | WBM | 8.33-9.0 | 45-50 | 7-15 | Bentonite/PHPA |
| 3377 | 12511 | LSND | 8.7-10.0 | 40-80 | 6-10 | PHPA/Barite |

(Write mud added to system on tour sheets and report all mud mixed and daily cost in morning report)

LOST CIRCULATION: Report depth and bbls of mud lost on morning report and tour sheet. Any severe lost circulation problems should be reported immediately to well supervisor.

SURVEYS: Run every 100' on surface hole and trips unless otherwise instructed.

TEP GEOLOGIST: Office: Stephen Sunnenberg
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(note: if there are questions concerning TD or logging, please call Geologist)

CASING & CEMENTING PLAN

Operator: Terra Energy Partners
 Well Name & Number: RG 44-7-297
 Location: Ryan Gulch

| Casing Design Calculations | | | | | | | | | | | |
|----------------------------|-----------------------|-------------------------|--------------------------|-------|--------|---------------|----------------------|--------------------------|----------------|-------------|---------------|
| Type of Casing | Size of Hole (inches) | Size of Casing (inches) | Weight per Foot (lbs/ft) | Grade | Thread | Interval (ft) | (ft - Length (feet)) | Setting Depth (TVD feet) | Collapse (psi) | Burst (psi) | Tension (lbs) |
| Surface | 17.5 | 13.375 | 54.5 | J-55 | BTC | 0-1479 | 1,479 | 1,426 | 1130 | 2735 | 853,000 |
| Intermediate | 12.250 | 9.625 | 36.0 | J-55 | LTC | 0-3377 | 3,377 | 3,251 | 2,020 | 3,520 | 453,000 |
| Production | 8.750 | 4.500 | 11.6 | P-110 | DWC/C | 0-12511 | 12,511 | 12,101 | 8,860 | 12,150 | 417,000 |

| Surface Casing Shoe | Intermediate Casing Shoe | Production Casing Shoe |
|----------------------------------|------------------------------------|-------------------------------------|
| Max MW = 9.2 ppg HP = 682 psi | Max MW = 9.2 ppg HP = 1,555 psi | Max MW = 10.0 ppg HP = 6,293 psi |

True Vertical Depth = 12,101
 Bottom Hole Pressure = 5,627
 Pore Pressure Gradient = 0.465
 Max. Sur. Pressure = 2,965
 BOP Required = 3M
 5M system will be used as per A

Bottom Hole Temperature = 230 degrees Fahrenheit

| Casing Safety Factors | | | |
|-----------------------|------------|-------------|------|
| Surface Casing | Pb = 3.43 | Min = 1.100 | Pass |
| | Pc = 1.66 | Min = 1.125 | Pass |
| | Sj = 10.58 | Min = 1.500 | Pass |
| Intermediate Casing | Pb = 1.19 | Min = 1.100 | Pass |
| | Pc = 1.30 | Min = 1.125 | Pass |
| | Sj = 3.73 | Min = 1.500 | Pass |
| Production Casing | Pb = 4.10 | Min = 1.100 | Pass |
| | Pc = 1.41 | Min = 1.125 | Pass |
| | Sj = 2.87 | Min = 1.500 | Pass |

Cement Design Calculations

Estimating Cement for Ryan Gulch Wells (Permitting purpose only)

| Critical Depths - Permitting Purposes Only | |
|--|----------------|
| Casing/Formation | Measured Depth |
| Surface Casing | 1,479 ft |
| Intermediate Casing | 3,377 ft |
| Top of Mesaverde | 7,325 ft |
| Top of Gas | 8,431 ft |
| Total Depth | 12,511 ft |

| Production Cement Tops (Permitting Purposes Only) | |
|---|----------------------|
| Cement Slurry | TOC - Measured Depth |
| Scavenger | 3,177 ft |
| Lead | 7,125 ft |
| Tail | 8,231 ft |

| Surface Cement | Lead |
|--|----------------|
| Cement Tops | Surface |
| Volume, bbls | 183 |
| Annular vol w/ excess, ft ³ | 1130 |
| Volume, sacks | 483 |
| Slurry Weight, ppg | 12.3 |
| Slurry Yield, ft ³ /sk | 2.340 |
| Mixwater, gal/sk | 13.40 |
| Annular Capacity (BBB) | 0.1237 |
| Annular Capacity (CF) | 0.6947 |
| Excess | 0.1 |
| Total Sacks | 483 |
| Total Cubic Ft. | 1,130 |

| Intermediate Cement | Lead | Tail |
|--|--------------|--------------|
| Cement Tops | 2,377 | 2,877 |
| Volume, bbls | 28 | 28 |
| Annular vol w/ excess, ft ³ | 172 | 172 |
| Volume, sacks | 72 | 82 |
| Slurry Weight, ppg | 12.3 | 12.8 |
| Slurry Yield, ft ³ /sk | 2.400 | 2.100 |
| Mixwater, gal/sk | 13.30 | 11.30 |
| Annular Capacity (BBB) | 0.0558 | 0.0558 |
| Annular Capacity (CF) | 0.3132 | 0.3132 |
| Excess | 0.1 | 0.1 |
| Total Sacks = | 154 | |
| Total Cubic Ft. = | 345 | |

| Production Cement | Scavenger | Lead |
|---------------------------------------|--------------|-------------|
| Cement Tops | 3,177 | 7125 |
| Volume, bbls | 216 | 61 |
| Annular vol w/excess, ft ³ | 1,334 | 374 |
| Volume, sacks | 434 | 187 |
| Slurry Weight, ppg | 11.0 | 12.7 |
| Slurry Yield, ft ³ /sk | 3.074 | 1.999 |
| Mixwater, gal/sk | 18.830 | 11.000 |
| Annular Capacity (BBB) | 0.0547 | 0.0547 |
| Annular Capacity (CF) | 0.3072 | 0.3072 |
| Excess | 0.1 | 0.1 |
| Total Sacks = | | |
| Total Cubic Ft. = | | |

NOTES:

Surface Casing 17-1/2" hole to TD - Cement to surface.
 54.5# 13-3/8" J-55, BTC surface casing will be ran.
 10% excess is included in calculations.
 Normal Surface excess is 40% over gauge hole
 Normal Intermediate excess is 50% over gauge hole
 Normal Production excess is 45% over gauge hole.

Casing Design Calculations

| Surface Casing - 54.5# | Intermediate Casing - 36# | Production Casing |
|--|---|--|
| <p>Burst</p> <p>Bottom Hole Pressure = TVD * Pore Pressure Gradient = 3251 * 0.465 = 1511.715 psi</p> <p>Pburst = Bottom Hole Pressure - (0.22 * TVD) = 1511.715 - (0.22 * 3251) = 796.495 psi</p> <p>Pb = Casing Burst Rating / Pburst = 2735 / 796.495 = 3.43</p> <p>Pb ≥ 1.1 3.43 ≥ 1.1</p> <p>Collapse</p> <p>If: Max MW * Setting TVD * 0.052 ≥ Pore Pressure Gradient * Setting TVD 9.2 * 1426 * 0.052 ≥ 0.465 * 1426 682.1984 ≥ 663.09</p> <p>Pcollapse = Max MW * Setting TVD * 0.052 = 682.1984 psi</p> <p>Else: Pcollapse = Pore Pressure Gradient * Setting TVD = 663.09 psi Pcollapse = 682.1984 psi</p> <p>Pc = Casing Collapse Rating / Pcollapse = 1130 / 682.1984 = 1.66</p> <p>Pc ≥ 1.125 1.66 ≥ 1.125</p> <p>Tensile</p> <p>Tension = (Weight1 * Length1) = (54.5 * 1479) = 80605.5 lbs</p> <p>Sj = Casing Tension Rating / Tension = 853000 / 80605.5 = 10.58</p> <p>Sj ≥ 1.5 10.58 ≥ 1.5</p> | <p>Burst</p> <p>Bottom Hole Pressure = TVD * Pore Pressure Gradient = 12101 * 0.465 = 5627 psi</p> <p>Pburst = Bottom Hole Pressure - (0.22 * TVD) = 5626.965 - (0.22 * 12101) = 2964.7 psi</p> <p>Pb = Casing Burst Rating / Pburst = 3520 / 2964.745 = 1.19</p> <p>Pb ≥ 1.1 1.19 ≥ 1.1</p> <p>Collapse</p> <p>If: Max MW * Setting TVD * 0.052 ≥ Pore Pressure Gradient * Setting TVD 9.2 * 3251 * 0.052 ≥ 0.465 * 3251 1555.3 ≥ 1511.715</p> <p>Pcollapse = Max MW * Setting TVD * 0.052 = 1555.3 psi</p> <p>Else: Pcollapse = Pore Pressure Gradient * Setting TVD = 1511.7 psi Pcollapse = 1555.3 psi</p> <p>Pc = Casing Collapse Rating / Pcollapse = 2020 / 1555.2784 = 1.30</p> <p>Pc ≥ 1.125 1.30 ≥ 1.125</p> <p>Tensile</p> <p>Tension = (Weight1 * Length1) = (36 * 3377) = 121572 lbs</p> <p>Sj = Casing Tension Rating / Tension = 453000 / 121572 = 3.73</p> <p>Sj ≥ 1.5 3.73 ≥ 1.5</p> | <p>Burst</p> <p>Bottom Hole Pressure = TVD * Pore Pressure Gradient = 12101 * 0.465 = 5627 psi</p> <p>Pburst = Bottom Hole Pressure - (0.22 * TVD) = 5626.965 - (0.22 * 12101) = 2964.7 psi</p> <p>Pb = Casing Burst Rating / Pburst = 12150 / 2964.745 = 4.10</p> <p>Pb ≥ 1.1 4.10 ≥ 1.1</p> <p>Collapse</p> <p>If: Max MW * Setting TVD * 0.052 ≥ Pore Pressure Gradient * Setting TVD 10 * 12101 * 0.052 ≥ 0.465 * 12101 6292.5 ≥ 5626.965</p> <p>Pcollapse = Max MW * Setting TVD * 0.052 = 6292.5 psi</p> <p>Else: Pcollapse = Pore Pressure Gradient * Setting TVD = 5627 psi Pcollapse = 6292.5 psi</p> <p>Pc = Casing Collapse Rating / Pcollapse = 8860 / 6292.52 = 1.41</p> <p>Pc ≥ 1.125 1.41 ≥ 1.125</p> <p>Tensile</p> <p>Tension = Weight * Length = 11.6 * 12511 = 145128 lbs</p> <p>Sj = Casing Tension Rating / Tension = 417000 / 145127.6 = 2.87</p> <p>Sj ≥ 1.5 2.87 ≥ 1.5</p> |