WATER PLAN

GMT EXPLORATION COMPANY LLC

Ragged 6-64 4 Pad

Sec. 4 T6S R64W Lot 1

Elbert County, Colorado

Surface: Fee

Submitted as an accompaniment to the Form 2A Application.
This plan identifies the planned source of water for drilling and completion operations.
Consistent with the requirements of Rule 1003.

October 19, 2022

UPSTREAM
Petroleum Management, Inc.

GMT Exploration Company LLC
Elbert County, Colorado

Water Plan

Project Summary:

GMT Exploration Company LLC's (GMT's) proposed Ragged 6-64 4 Pad "Location" is located in Township 6 South Range 64 West of Section 4 in Elbert County, Colorado. The proposed location is on fee surface with a total Location disturbance of 15.898 acres which includes the active working pad surface area of 9.055 acres. During interim reclamation and production phase 8.919 acres will be reclaimed leaving a disturbed production area of 6.979 acres. Construction is anticipated to begin no sooner than January 2023.

GMT's Water Plan contains all requirements set forth by the Colorado Oil and Gas Conservation Rule 304.c.(18).

Water for drilling and completion operations for the Ragged 6-64 4 location will be sourced from Rangeview Metropolitan District. The water pit is located in T5S R64W Sec. 8 (39.635789 Lat/ -104.583319 Long). The majority of the water will come from the Sky Ranch Pond which will be piped to their Lowry Pond. Water used for completion operations will be transported by a temporary water line ("layflat") and stored in a Modular Large Volume Tank.

Layflat definition: Temporary, above-ground water supply line, typically 12" in diameter and typically made of synthetic rubber or similar "hose" material. Layflat lines are used for the transfer of water from an identified water source to support company's hydraulic fracturing operations.

Layflat lines are laid on the surface, at grade and do not require excavation. They do not require staking to secure them from movement and are placed at least 10' from the edge of the roadway.

"Facilities" associated with use of Layflat lines include the following:

- In-line pumps
- Light plants with generators
- Spools
- Secondary containment equipment
- Ramps

Equipment used for installation may include pick-up trucks, flatbed trailers, skid steer, and skid steer mounted reel winder.

Deployment and Retrieval of a Layflat Line:

A truck carrying spools of hose follows alongside a skid steer tractor. The skid steer carries and straddles the spool of Layflat line and releases the hose by the reel rolling forward. Victaulic couplings are used to

assemble segments of Layflat line. The process of retrieving the Layflat line involves the same equipment and process in reverse (reel rolling backward).

Layflat lines are periodically pressure tested to assess the integrity of the materials as well as determine if there are any leak points. Any line that does not pass the periodic pressure testing is retired and replaced.

GMT does not operate a produced water treatment facility that could be used as a source for recycling frac water. GMT has also approached key produced water disposal vendors about recycling water and they do not offer this service in our area of operation.

GMT is anticipating that approximately 12,000,000 barrels of surface and ground water will be used for the drilling and completion of 20 wells on the Ragged 6-64 4 location. GMT utilizes advanced hydraulic fracture modeling to optimize frac volumes and sand schedule to generate the best well stimulation with the least amount of water necessary.