

Water Plan

Red Rocks 1-14 Red Rocks 1-16

This Water Plan has been prepared by Desert Eagle Operating, LLC (DEO) for its Red Rocks 1-14 and 1-16 helium gas well locations in Las Animas County, Colorado. The Plan addresses the Colorado Oil & Gas Conservation Commission (COGCC) requirement at Rule 304.c.(18) to prepare a Water Plan and the water sourcing criteria in the rules.

1.0 Planned Source, Volume, and Coordinates

The single well at each location will be a vertical well, approximately 1,800 feet deep. The well will be drilled using air and a water mist system for dust mitigation. Water will be sourced from groundwater. The estimated volume will be 100 bbl (4,200 gallons) of water per well, or 200 bbl (8,400 gallons) total. The coordinates for the planned source of water are:

37.474157
-103.536369

Lat 37° 28' 26.9646" / Lon -103° 32' 10.9278"

2.0 Seller's Name and Address

Water will be sourced from the landowners listed below.

Tom and Kimberly Dahlberg
11805 Prestwick Rd.
Belvidere, Illinois 61008

3.0 Recycled or Reused Water

The Oil and Gas Locations are in a remote area in Las Animas County. Recycled or reused water will not be available for this location. There are no industrial facilities or oil and gas operations available to provide recycled or reused water.

4.0 Fresh Water

Fresh water will be used from the landowner's groundwater well via a stock tank. Water will be loaded into a water truck with a 100-bbl tank and transported to the location. The water truck will remain on the location for the approximately 7 to 10 days needed for well drilling and completion. The water truck will be monitored for leakage during that time. Then, the water truck will be removed from the location and returned to its base.