

# **VERDAD RESOURCES**

**WATTENBERG FIELD  
8N-60W-14 SCHNEIDER 1414 PAD  
SCHNEIDER 1414-08H**

**Wellbore #1**

**Plan: Design #2**

## **Standard Planning Report**

**13 June, 2018**

Project: WATTENBERG FIELD  
Site: 8N-60W-14 SCHNEIDER 1414 PAD  
Well: SCHNEIDER 1414-08H  
Wellbore: Wellbore #1  
Design: Design #2

# VERDAD RESOURCES

## CASING DETAILS

| TVD     | MD      | Name   | Size  |
|---------|---------|--------|-------|
| 1700.00 | 1758.95 | 9 5/8" | 9-5/8 |

SHL  
241' FNL  
1373' FWL

LP  
300' FNL  
1776' FEL

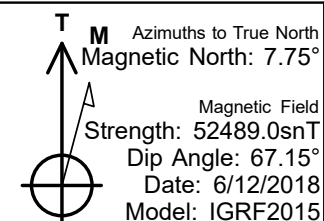
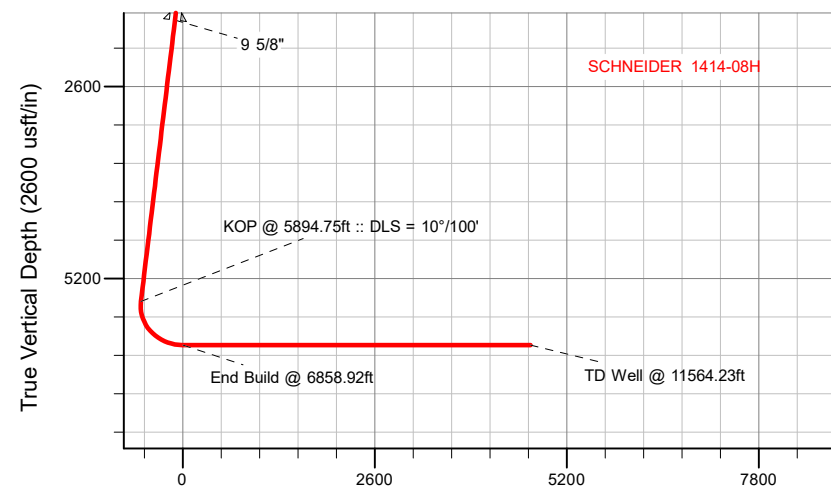
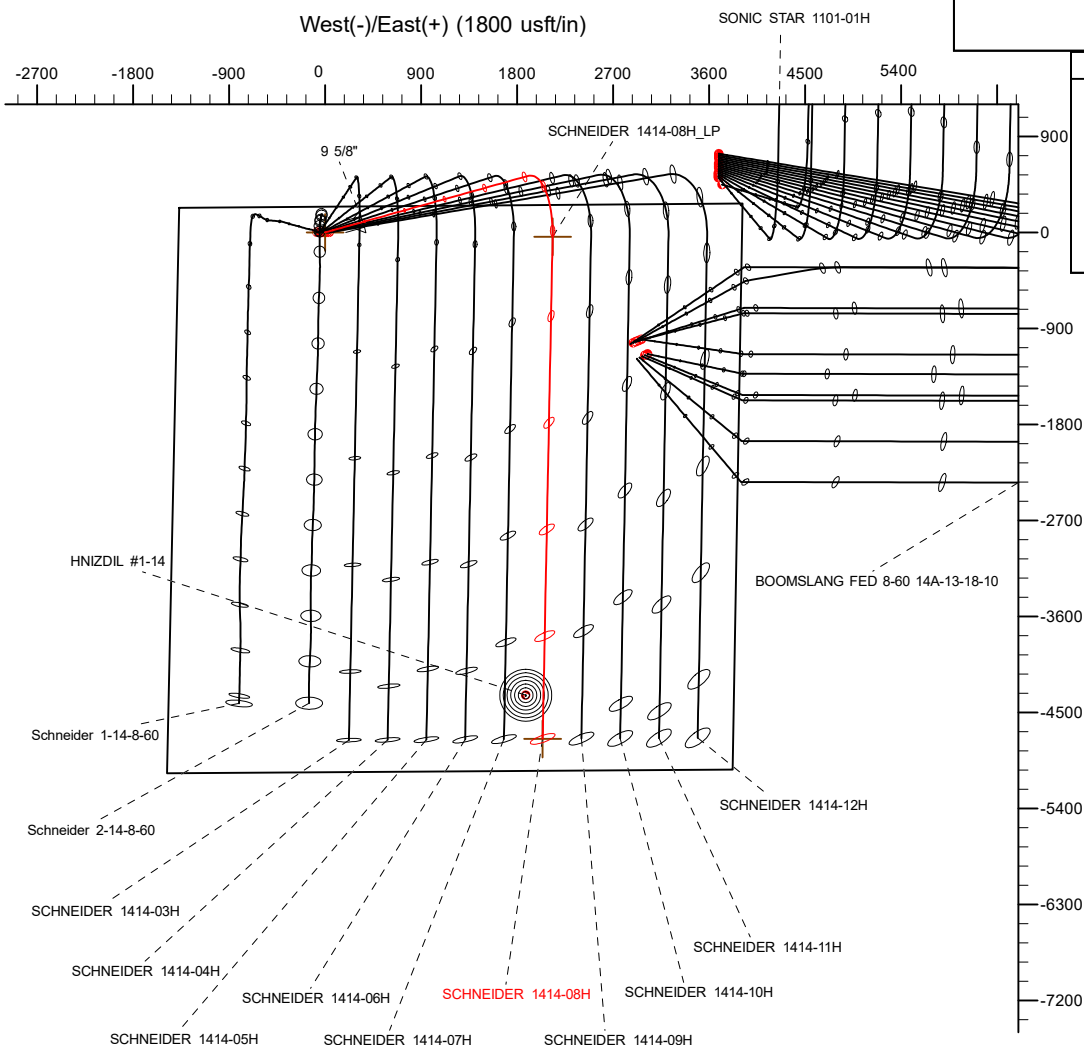
BHL  
300' FSL  
1786' FEL

## 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   | 250.00   | 0.00  | 0.00   | 250.00  | 0.00     | 0.00    | 0.00  | 0.00   | 0.00    |                        |
| 3   | 1395.50  | 22.91 | 74.45  | 1365.22 | 60.58    | 217.71  | 2.00  | 74.45  | -64.86  |                        |
| 4   | 5894.75  | 22.91 | 74.45  | 5509.56 | 530.12   | 1905.09 | 0.00  | 0.00   | -567.59 |                        |
| 5   | 6858.92  | 90.00 | 181.13 | 6100.00 | -43.87   | 2132.80 | 10.00 | 105.43 | 1.80    |                        |
| 6   | 11564.23 | 90.00 | 181.13 | 6100.00 | -4748.26 | 2039.62 | 0.00  | 0.00   | 4707.11 | SCHNEIDER 1414-08H_BHL |

## WELLBORE TARGET DETAILS (LAT/LONG)

| Name                   | TVD     | +N/-S    | +E/-W   | Latitude  | Longitude   |
|------------------------|---------|----------|---------|-----------|-------------|
| SCHNEIDER 1414-08H_SHL | 0.00    | 0.00     | 0.00    | 40.669100 | -104.062409 |
| SCHNEIDER 1414-08H_BHL | 6100.00 | -4748.26 | 2039.62 | 40.656067 | -104.055057 |



## WELL DETAILS: SCHNEIDER 1414-08H

GL = 4943'

RKB = 20' @ 4963.00usft (RIG)

Plan: Design #2 (SCHNEIDER 1414-08H/Wellbore #1)

Date: 6/13/2018

# Hewlett-Packard

## Planning Report

|                  |                              |                                     |                               |
|------------------|------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | EDM 5000.14 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well SCHNEIDER 1414-08H       |
| <b>Company:</b>  | VERDAD RESOURCES             | <b>TVD Reference:</b>               | RKB = 20' @ 4963.00usft (RIG) |
| <b>Project:</b>  | WATTENBERG FIELD             | <b>MD Reference:</b>                | RKB = 20' @ 4963.00usft (RIG) |
| <b>Site:</b>     | 8N-60W-14 SCHNEIDER 1414 PAD | <b>North Reference:</b>             | True                          |
| <b>Well:</b>     | SCHNEIDER 1414-08H           | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Wellbore #1                  |                                     |                               |
| <b>Design:</b>   | Design #2                    |                                     |                               |

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

|                       |           |                              |                   |                   |             |
|-----------------------|-----------|------------------------------|-------------------|-------------------|-------------|
| Site                  |           | 8N-60W-14 SCHNEIDER 1414 PAD |                   |                   |             |
| Site Position:        |           | Northing:                    | 1,489,828.18 usft | Latitude:         | 40.669102   |
| From:                 | Lat/Long  | Easting:                     | 3,398,727.28 usft | Longitude:        | -104.062589 |
| Position Uncertainty: | 0.00 usft | Slot Radius:                 | 13-3/16 "         | Grid Convergence: | 0.93 °      |

| Well                 |       | SCHNEIDER 1414-08H |                     |                   |               |               |
|----------------------|-------|--------------------|---------------------|-------------------|---------------|---------------|
| Well Position        | +N/-S | -0.48 usft         | Northing:           | 1,489,828.51 usft | Latitude:     | 40.669100     |
|                      | +E/-W | 50.02 usft         | Easting:            | 3,398,777.30 usft | Longitude:    | -104.062409   |
| Position Uncertainty |       | 3.28 usft          | Wellhead Elevation: |                   | Ground Level: | 4,943.00 usft |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | Wellbore #1       |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | IGRF2015          | 6/12/2018          | 7.75                   | 67.15                | 52,489.04646576            |

|                          |                                |                     |                      |                      |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|
| <b>Design</b>            | Design #2                      |                     |                      |                      |
| <b>Audit Notes:</b>      |                                |                     |                      |                      |
| <b>Version:</b>          | <b>Phase:</b>                  | PLAN                | <b>Tie On Depth:</b> | 0.00                 |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b>  | <b>Direction (°)</b> |
|                          | 0.00                           | 0.00                | 0.00                 | 181.13               |

|                                 |                        |                          |                         |   |
|---------------------------------|------------------------|--------------------------|-------------------------|---|
| <b>Plan Survey Tool Program</b> | <b>Date</b>            | 6/13/2018                |                         |   |
| <b>Depth From (usft)</b>        | <b>Depth To (usft)</b> | <b>Survey (Wellbore)</b> | <b>Tool Name</b>        | <b>Remarks</b>                                    |
| 1                               | 0.00                   | 1,700.00                 | Design #2 (Wellbore #1) | ISCWSA REV 2 MWD<br>Fixed:v2:standard declination |
| 2                               | 1,700.00               | 11,564.23                | Design #2 (Wellbore #1) | ISCWSA REV 2 MWD<br>Fixed:v2:standard declination |

|                              |                        |                    |                              |                     |                     |                                |                               |                              |                |                   |
|------------------------------|------------------------|--------------------|------------------------------|---------------------|---------------------|--------------------------------|-------------------------------|------------------------------|----------------|-------------------|
| <b>Plan Sections</b>         |                        |                    |                              |                     |                     |                                |                               |                              |                |                   |
| <b>Measured Depth (usft)</b> | <b>Inclination (°)</b> | <b>Azimuth (°)</b> | <b>Vertical Depth (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b> | <b>Dogleg Rate (°/100usft)</b> | <b>Build Rate (°/100usft)</b> | <b>Turn Rate (°/100usft)</b> | <b>TFO (°)</b> | <b>Target</b>     |
| 0.00                         | 0.00                   | 0.00               | 0.00                         | 0.00                | 0.00                | 0.00                           | 0.00                          | 0.00                         | 0.00           |                   |
| 250.00                       | 0.00                   | 0.00               | 250.00                       | 0.00                | 0.00                | 0.00                           | 0.00                          | 0.00                         | 0.00           |                   |
| 1,395.50                     | 22.91                  | 74.45              | 1,365.22                     | 60.58               | 217.71              | 2.00                           | 2.00                          | 0.00                         | 74.45          |                   |
| 5,894.75                     | 22.91                  | 74.45              | 5,509.56                     | 530.12              | 1,905.09            | 0.00                           | 0.00                          | 0.00                         | 0.00           |                   |
| 6,858.92                     | 90.00                  | 181.13             | 6,100.00                     | -43.87              | 2,132.80            | 10.00                          | 6.96                          | 11.06                        | 105.43         |                   |
| 11,564.23                    | 90.00                  | 181.13             | 6,100.00                     | -4,748.26           | 2,039.62            | 0.00                           | 0.00                          | 0.00                         | 0.00           | SCHNEIDER 1414-08 |

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## Planning Report

|                  |                              |                                     |                               |
|------------------|------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | EDM 5000.14 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well SCHNEIDER 1414-08H       |
| <b>Company:</b>  | VERDAD RESOURCES             | <b>TVD Reference:</b>               | RKB = 20' @ 4963.00usft (RIG) |
| <b>Project:</b>  | WATTENBERG FIELD             | <b>MD Reference:</b>                | RKB = 20' @ 4963.00usft (RIG) |
| <b>Site:</b>     | 8N-60W-14 SCHNEIDER 1414 PAD | <b>North Reference:</b>             | True                          |
| <b>Well:</b>     | SCHNEIDER 1414-08H           | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Wellbore #1                  |                                     |                               |
| <b>Design:</b>   | Design #2                    |                                     |                               |

| 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                  |
| 250.00                   | 0.00            | 0.00        | 250.00                | 0.00         | 0.00         | 0.00                    | 0.00                    | 0.00                   | 0.00                  |
| Begin Tangent @ 250.00ft |                 |             |                       |              |              |                         |                         |                        |                       |
| 300.00                   | 1.00            | 74.45       | 300.00                | 0.12         | 0.42         | -0.13                   | 2.00                    | 2.00                   | 0.00                  |
| 400.00                   | 3.00            | 74.45       | 399.93                | 1.05         | 3.78         | -1.13                   | 2.00                    | 2.00                   | 0.00                  |
| 500.00                   | 5.00            | 74.45       | 499.68                | 2.92         | 10.50        | -3.13                   | 2.00                    | 2.00                   | 0.00                  |
| 600.00                   | 7.00            | 74.45       | 599.13                | 5.72         | 20.57        | -6.13                   | 2.00                    | 2.00                   | 0.00                  |
| 700.00                   | 9.00            | 74.45       | 698.15                | 9.46         | 33.98        | -10.12                  | 2.00                    | 2.00                   | 0.00                  |
| 800.00                   | 11.00           | 74.45       | 796.63                | 14.11        | 50.71        | -15.11                  | 2.00                    | 2.00                   | 0.00                  |
| 900.00                   | 13.00           | 74.45       | 894.44                | 19.68        | 70.74        | -21.07                  | 2.00                    | 2.00                   | 0.00                  |
| 1,000.00                 | 15.00           | 74.45       | 991.46                | 26.17        | 94.04        | -28.02                  | 2.00                    | 2.00                   | 0.00                  |
| 1,100.00                 | 17.00           | 74.45       | 1,087.58              | 33.56        | 120.60       | -35.93                  | 2.00                    | 2.00                   | 0.00                  |
| 1,200.00                 | 19.00           | 74.45       | 1,182.68              | 41.84        | 150.36       | -44.80                  | 2.00                    | 2.00                   | 0.00                  |
| 1,300.00                 | 21.00           | 74.45       | 1,276.65              | 51.01        | 183.31       | -54.61                  | 2.00                    | 2.00                   | 0.00                  |
| 1,395.50                 | 22.91           | 74.45       | 1,365.22              | 60.58        | 217.71       | -64.86                  | 2.00                    | 2.00                   | 0.00                  |
| End Tangent @ 1395.50ft  |                 |             |                       |              |              |                         |                         |                        |                       |
| 1,400.00                 | 22.91           | 74.45       | 1,369.36              | 61.05        | 219.40       | -65.37                  | 0.00                    | 0.00                   | 0.00                  |
| 1,500.00                 | 22.91           | 74.45       | 1,461.48              | 71.49        | 256.90       | -76.54                  | 0.00                    | 0.00                   | 0.00                  |
| 1,600.00                 | 22.91           | 74.45       | 1,553.59              | 81.92        | 294.40       | -87.71                  | 0.00                    | 0.00                   | 0.00                  |
| 1,700.00                 | 22.91           | 74.45       | 1,645.70              | 92.36        | 331.91       | -98.89                  | 0.00                    | 0.00                   | 0.00                  |
| 1,758.95                 | 22.91           | 74.45       | 1,700.00              | 98.51        | 354.02       | -105.47                 | 0.00                    | 0.00                   | 0.00                  |
| 9 5/8"                   |                 |             |                       |              |              |                         |                         |                        |                       |
| 1,800.00                 | 22.91           | 74.45       | 1,737.81              | 102.79       | 369.41       | -110.06                 | 0.00                    | 0.00                   | 0.00                  |
| 1,900.00                 | 22.91           | 74.45       | 1,829.92              | 113.23       | 406.92       | -121.23                 | 0.00                    | 0.00                   | 0.00                  |
| 2,000.00                 | 22.91           | 74.45       | 1,922.03              | 123.67       | 444.42       | -132.41                 | 0.00                    | 0.00                   | 0.00                  |
| 2,100.00                 | 22.91           | 74.45       | 2,014.15              | 134.10       | 481.92       | -143.58                 | 0.00                    | 0.00                   | 0.00                  |
| 2,200.00                 | 22.91           | 74.45       | 2,106.26              | 144.54       | 519.43       | -154.75                 | 0.00                    | 0.00                   | 0.00                  |
| 2,300.00                 | 22.91           | 74.45       | 2,198.37              | 154.97       | 556.93       | -165.93                 | 0.00                    | 0.00                   | 0.00                  |
| 2,400.00                 | 22.91           | 74.45       | 2,290.48              | 165.41       | 594.43       | -177.10                 | 0.00                    | 0.00                   | 0.00                  |
| 2,500.00                 | 22.91           | 74.45       | 2,382.59              | 175.85       | 631.94       | -188.27                 | 0.00                    | 0.00                   | 0.00                  |
| 2,600.00                 | 22.91           | 74.45       | 2,474.70              | 186.28       | 669.44       | -199.45                 | 0.00                    | 0.00                   | 0.00                  |
| 2,700.00                 | 22.91           | 74.45       | 2,566.82              | 196.72       | 706.94       | -210.62                 | 0.00                    | 0.00                   | 0.00                  |
| 2,800.00                 | 22.91           | 74.45       | 2,658.93              | 207.15       | 744.45       | -221.79                 | 0.00                    | 0.00                   | 0.00                  |
| 2,900.00                 | 22.91           | 74.45       | 2,751.04              | 217.59       | 781.95       | -232.97                 | 0.00                    | 0.00                   | 0.00                  |
| 3,000.00                 | 22.91           | 74.45       | 2,843.15              | 228.03       | 819.45       | -244.14                 | 0.00                    | 0.00                   | 0.00                  |
| 3,100.00                 | 22.91           | 74.45       | 2,935.26              | 238.46       | 856.96       | -255.31                 | 0.00                    | 0.00                   | 0.00                  |
| 3,200.00                 | 22.91           | 74.45       | 3,027.38              | 248.90       | 894.46       | -266.49                 | 0.00                    | 0.00                   | 0.00                  |
| 3,300.00                 | 22.91           | 74.45       | 3,119.49              | 259.33       | 931.97       | -277.66                 | 0.00                    | 0.00                   | 0.00                  |
| 3,400.00                 | 22.91           | 74.45       | 3,211.60              | 269.77       | 969.47       | -288.84                 | 0.00                    | 0.00                   | 0.00                  |
| 3,500.00                 | 22.91           | 74.45       | 3,303.71              | 280.20       | 1,006.97     | -300.01                 | 0.00                    | 0.00                   | 0.00                  |
| 3,600.00                 | 22.91           | 74.45       | 3,395.82              | 290.64       | 1,044.48     | -311.18                 | 0.00                    | 0.00                   | 0.00                  |
| 3,700.00                 | 22.91           | 74.45       | 3,487.93              | 301.08       | 1,081.98     | -322.36                 | 0.00                    | 0.00                   | 0.00                  |
| 3,800.00                 | 22.91           | 74.45       | 3,580.05              | 311.51       | 1,119.48     | -333.53                 | 0.00                    | 0.00                   | 0.00                  |
| 3,900.00                 | 22.91           | 74.45       | 3,672.16              | 321.95       | 1,156.99     | -344.70                 | 0.00                    | 0.00                   | 0.00                  |
| 4,000.00                 | 22.91           | 74.45       | 3,764.27              | 332.38       | 1,194.49     | -355.88                 | 0.00                    | 0.00                   | 0.00                  |
| 4,100.00                 | 22.91           | 74.45       | 3,856.38              | 342.82       | 1,231.99     | -367.05                 | 0.00                    | 0.00                   | 0.00                  |
| 4,200.00                 | 22.91           | 74.45       | 3,948.49              | 353.26       | 1,269.50     | -378.22                 | 0.00                    | 0.00                   | 0.00                  |
| 4,300.00                 | 22.91           | 74.45       | 4,040.60              | 363.69       | 1,307.00     | -389.40                 | 0.00                    | 0.00                   | 0.00                  |
| 4,400.00                 | 22.91           | 74.45       | 4,132.72              | 374.13       | 1,344.50     | -400.57                 | 0.00                    | 0.00                   | 0.00                  |
| 4,500.00                 | 22.91           | 74.45       | 4,224.83              | 384.56       | 1,382.01     | -411.74                 | 0.00                    | 0.00                   | 0.00                  |
| 4,600.00                 | 22.91           | 74.45       | 4,316.94              | 395.00       | 1,419.51     | -422.92                 | 0.00                    | 0.00                   | 0.00                  |

# Hewlett-Packard

## Planning Report

|                  |                              |                                     |                               |
|------------------|------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | EDM 5000.14 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well SCHNEIDER 1414-08H       |
| <b>Company:</b>  | VERDAD RESOURCES             | <b>TVD Reference:</b>               | RKB = 20' @ 4963.00usft (RIG) |
| <b>Project:</b>  | WATTENBERG FIELD             | <b>MD Reference:</b>                | RKB = 20' @ 4963.00usft (RIG) |
| <b>Site:</b>     | 8N-60W-14 SCHNEIDER 1414 PAD | <b>North Reference:</b>             | True                          |
| <b>Well:</b>     | SCHNEIDER 1414-08H           | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Wellbore #1                  |                                     |                               |
| <b>Design:</b>   | Design #2                    |                                     |                               |

| 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                                 | 22.91           | 74.45       | 4,409.05              | 405.44       | 1,457.02     | -434.09                 | 0.00                    | 0.00                   | 0.00                  |
| 4,800.00                                 | 22.91           | 74.45       | 4,501.16              | 415.87       | 1,494.52     | -445.26                 | 0.00                    | 0.00                   | 0.00                  |
| 4,900.00                                 | 22.91           | 74.45       | 4,593.27              | 426.31       | 1,532.02     | -456.44                 | 0.00                    | 0.00                   | 0.00                  |
| 5,000.00                                 | 22.91           | 74.45       | 4,685.39              | 436.74       | 1,569.53     | -467.61                 | 0.00                    | 0.00                   | 0.00                  |
| 5,100.00                                 | 22.91           | 74.45       | 4,777.50              | 447.18       | 1,607.03     | -478.78                 | 0.00                    | 0.00                   | 0.00                  |
| 5,200.00                                 | 22.91           | 74.45       | 4,869.61              | 457.62       | 1,644.53     | -489.96                 | 0.00                    | 0.00                   | 0.00                  |
| 5,300.00                                 | 22.91           | 74.45       | 4,961.72              | 468.05       | 1,682.04     | -501.13                 | 0.00                    | 0.00                   | 0.00                  |
| 5,400.00                                 | 22.91           | 74.45       | 5,053.83              | 478.49       | 1,719.54     | -512.31                 | 0.00                    | 0.00                   | 0.00                  |
| 5,500.00                                 | 22.91           | 74.45       | 5,145.95              | 488.92       | 1,757.04     | -523.48                 | 0.00                    | 0.00                   | 0.00                  |
| 5,600.00                                 | 22.91           | 74.45       | 5,238.06              | 499.36       | 1,794.55     | -534.65                 | 0.00                    | 0.00                   | 0.00                  |
| 5,700.00                                 | 22.91           | 74.45       | 5,330.17              | 509.79       | 1,832.05     | -545.83                 | 0.00                    | 0.00                   | 0.00                  |
| 5,800.00                                 | 22.91           | 74.45       | 5,422.28              | 520.23       | 1,869.55     | -557.00                 | 0.00                    | 0.00                   | 0.00                  |
| 5,894.75                                 | 22.91           | 74.45       | 5,509.56              | 530.12       | 1,905.09     | -567.59                 | 0.00                    | 0.00                   | 0.00                  |
| <b>KOP @ 5894.75ft :: DLS = 10°/100'</b> |                 |             |                       |              |              |                         |                         |                        |                       |
| 5,900.00                                 | 22.78           | 75.76       | 5,514.39              | 530.64       | 1,907.06     | -568.15                 | 10.00                   | -2.56                  | 24.90                 |
| 6,000.00                                 | 22.40           | 101.97      | 5,606.96              | 531.46       | 1,944.55     | -569.70                 | 10.00                   | -0.38                  | 26.21                 |
| 6,100.00                                 | 25.98           | 124.95      | 5,698.37              | 514.92       | 1,981.24     | -553.89                 | 10.00                   | 3.58                   | 22.98                 |
| 6,200.00                                 | 32.21           | 141.15      | 5,785.84              | 481.53       | 2,016.00     | -521.19                 | 10.00                   | 6.24                   | 16.20                 |
| 6,300.00                                 | 39.87           | 152.15      | 5,866.72              | 432.31       | 2,047.77     | -472.61                 | 10.00                   | 7.66                   | 10.99                 |
| 6,400.00                                 | 48.27           | 159.97      | 5,938.56              | 368.74       | 2,075.60     | -409.60                 | 10.00                   | 8.40                   | 7.83                  |
| 6,500.00                                 | 57.08           | 165.94      | 5,999.16              | 292.77       | 2,098.63     | -334.10                 | 10.00                   | 8.81                   | 5.97                  |
| 6,600.00                                 | 66.12           | 170.81      | 6,046.69              | 206.71       | 2,116.17     | -248.40                 | 10.00                   | 9.04                   | 4.87                  |
| 6,700.00                                 | 75.30           | 175.04      | 6,079.70              | 113.15       | 2,127.69     | -155.09                 | 10.00                   | 9.17                   | 4.22                  |
| 6,800.00                                 | 84.54           | 178.92      | 6,097.20              | 14.96        | 2,132.83     | -57.02                  | 10.00                   | 9.24                   | 3.88                  |
| 6,858.92                                 | 90.00           | 181.13      | 6,100.00              | -43.87       | 2,132.80     | 1.80                    | 10.00                   | 9.27                   | 3.76                  |
| <b>End Build @ 6858.92ft</b>             |                 |             |                       |              |              |                         |                         |                        |                       |
| 6,900.00                                 | 90.00           | 181.13      | 6,100.00              | -84.94       | 2,131.98     | 42.88                   | 0.00                    | 0.00                   | 0.00                  |
| 7,000.00                                 | 90.00           | 181.13      | 6,100.00              | -184.92      | 2,130.00     | 142.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,100.00                                 | 90.00           | 181.13      | 6,100.00              | -284.90      | 2,128.02     | 242.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,200.00                                 | 90.00           | 181.13      | 6,100.00              | -384.88      | 2,126.04     | 342.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,300.00                                 | 90.00           | 181.13      | 6,100.00              | -484.86      | 2,124.06     | 442.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,400.00                                 | 90.00           | 181.13      | 6,100.00              | -584.84      | 2,122.08     | 542.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,500.00                                 | 90.00           | 181.13      | 6,100.00              | -684.82      | 2,120.10     | 642.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,600.00                                 | 90.00           | 181.13      | 6,100.00              | -784.80      | 2,118.12     | 742.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,700.00                                 | 90.00           | 181.13      | 6,100.00              | -884.79      | 2,116.14     | 842.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,800.00                                 | 90.00           | 181.13      | 6,100.00              | -984.77      | 2,114.16     | 942.88                  | 0.00                    | 0.00                   | 0.00                  |
| 7,900.00                                 | 90.00           | 181.13      | 6,100.00              | -1,084.75    | 2,112.18     | 1,042.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,000.00                                 | 90.00           | 181.13      | 6,100.00              | -1,184.73    | 2,110.20     | 1,142.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,100.00                                 | 90.00           | 181.13      | 6,100.00              | -1,284.71    | 2,108.22     | 1,242.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,200.00                                 | 90.00           | 181.13      | 6,100.00              | -1,384.69    | 2,106.24     | 1,342.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,300.00                                 | 90.00           | 181.13      | 6,100.00              | -1,484.67    | 2,104.26     | 1,442.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,400.00                                 | 90.00           | 181.13      | 6,100.00              | -1,584.65    | 2,102.28     | 1,542.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,500.00                                 | 90.00           | 181.13      | 6,100.00              | -1,684.63    | 2,100.30     | 1,642.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,600.00                                 | 90.00           | 181.13      | 6,100.00              | -1,784.61    | 2,098.32     | 1,742.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,700.00                                 | 90.00           | 181.13      | 6,100.00              | -1,884.59    | 2,096.34     | 1,842.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,800.00                                 | 90.00           | 181.13      | 6,100.00              | -1,984.57    | 2,094.36     | 1,942.88                | 0.00                    | 0.00                   | 0.00                  |
| 8,900.00                                 | 90.00           | 181.13      | 6,100.00              | -2,084.55    | 2,092.38     | 2,042.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,000.00                                 | 90.00           | 181.13      | 6,100.00              | -2,184.53    | 2,090.40     | 2,142.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,100.00                                 | 90.00           | 181.13      | 6,100.00              | -2,284.51    | 2,088.42     | 2,242.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,200.00                                 | 90.00           | 181.13      | 6,100.00              | -2,384.49    | 2,086.44     | 2,342.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,300.00                                 | 90.00           | 181.13      | 6,100.00              | -2,484.47    | 2,084.46     | 2,442.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,400.00                                 | 90.00           | 181.13      | 6,100.00              | -2,584.45    | 2,082.48     | 2,542.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,500.00                                 | 90.00           | 181.13      | 6,100.00              | -2,684.43    | 2,080.50     | 2,642.88                | 0.00                    | 0.00                   | 0.00                  |
| 9,600.00                                 | 90.00           | 181.13      | 6,100.00              | -2,784.41    | 2,078.52     | 2,742.88                | 0.00                    | 0.00                   | 0.00                  |

# Hewlett-Packard

## Planning Report

|                  |                              |                                     |                               |
|------------------|------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | EDM 5000.14 Single User Db   | <b>Local Co-ordinate Reference:</b> | Well SCHNEIDER 1414-08H       |
| <b>Company:</b>  | VERDAD RESOURCES             | <b>TVD Reference:</b>               | RKB = 20' @ 4963.00usft (RIG) |
| <b>Project:</b>  | WATTENBERG FIELD             | <b>MD Reference:</b>                | RKB = 20' @ 4963.00usft (RIG) |
| <b>Site:</b>     | 8N-60W-14 SCHNEIDER 1414 PAD | <b>North Reference:</b>             | True                          |
| <b>Well:</b>     | SCHNEIDER 1414-08H           | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Wellbore #1                  |                                     |                               |
| <b>Design:</b>   | Design #2                    |                                     |                               |

| 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           | 181.13      | 6,100.00              | -2,884.39    | 2,076.54     | 2,842.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 9,800.00              | 90.00           | 181.13      | 6,100.00              | -2,984.37    | 2,074.56     | 2,942.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 9,900.00              | 90.00           | 181.13      | 6,100.00              | -3,084.35    | 2,072.58     | 3,042.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,000.00             | 90.00           | 181.13      | 6,100.00              | -3,184.33    | 2,070.60     | 3,142.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,100.00             | 90.00           | 181.13      | 6,100.00              | -3,284.31    | 2,068.62     | 3,242.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,200.00             | 90.00           | 181.13      | 6,100.00              | -3,384.29    | 2,066.64     | 3,342.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,300.00             | 90.00           | 181.13      | 6,100.00              | -3,484.28    | 2,064.66     | 3,442.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,400.00             | 90.00           | 181.13      | 6,100.00              | -3,584.26    | 2,062.68     | 3,542.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,500.00             | 90.00           | 181.13      | 6,100.00              | -3,684.24    | 2,060.70     | 3,642.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,600.00             | 90.00           | 181.13      | 6,100.00              | -3,784.22    | 2,058.72     | 3,742.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,700.00             | 90.00           | 181.13      | 6,100.00              | -3,884.20    | 2,056.74     | 3,842.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,800.00             | 90.00           | 181.13      | 6,100.00              | -3,984.18    | 2,054.76     | 3,942.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 10,900.00             | 90.00           | 181.13      | 6,100.00              | -4,084.16    | 2,052.78     | 4,042.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,000.00             | 90.00           | 181.13      | 6,100.00              | -4,184.14    | 2,050.80     | 4,142.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,100.00             | 90.00           | 181.13      | 6,100.00              | -4,284.12    | 2,048.82     | 4,242.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,200.00             | 90.00           | 181.13      | 6,100.00              | -4,384.10    | 2,046.84     | 4,342.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,300.00             | 90.00           | 181.13      | 6,100.00              | -4,484.08    | 2,044.86     | 4,442.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,400.00             | 90.00           | 181.13      | 6,100.00              | -4,584.06    | 2,042.88     | 4,542.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,500.00             | 90.00           | 181.13      | 6,100.00              | -4,684.04    | 2,040.90     | 4,642.88                | 0.00                    | 0.00                   | 0.00                  |  |
| 11,564.23             | 90.00           | 181.13      | 6,100.00              | -4,748.26    | 2,039.62     | 4,707.11                | 0.00                    | 0.00                   | 0.00                  |  |
| TD Well @ 11564.23ft  |                 |             |                       |              |              |                         |                         |                        |                       |  |

| Casing Points         |                       |        |                     |                   |  |
|-----------------------|-----------------------|--------|---------------------|-------------------|--|
| Measured Depth (usft) | Vertical Depth (usft) | Name   | Casing Diameter (") | Hole Diameter (") |  |
| 1,758.95              | 1,700.00              | 9 5/8" | 9-5/8               | 13-1/2            |  |

| Plan Annotations      |                       |                   |              |                                   |  |
|-----------------------|-----------------------|-------------------|--------------|-----------------------------------|--|
| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates |              |                                   |  |
|                       |                       | +N/-S (usft)      | +E/-W (usft) | Comment                           |  |
| 250.00                | 250.00                | 0.00              | 0.00         | Begin Tangent @ 250.00ft          |  |
| 1,395.50              | 1,365.22              | 60.58             | 217.71       | End Tangent @ 1395.50ft           |  |
| 5,894.75              | 5,509.56              | 530.12            | 1,905.09     | KOP @ 5894.75ft :: DLS = 10°/100' |  |
| 6,858.92              | 6,100.00              | -43.87            | 2,132.80     | End Build @ 6858.92ft             |  |
| 11,564.23             | 6,100.00              | -4,748.26         | 2,039.62     | TD Well @ 11564.23ft              |  |