

Oklahoma Corporation Commission
Oil & Gas Conservation Division
Post Office Box 52000
Oklahoma City, Oklahoma 73152-2000
Rule 165: 10-3-25

Form 1002A

API No.: 35045236970000

Completion Report

Spud Date: October 22, 2017

OTC Prod. Unit No.: 045-223053

Drilling Finished Date: December 10, 2017

1st Prod Date: February 11, 2018

Completion Date: January 21, 2018

Drill Type: HORIZONTAL HOLE

Min Gas Allowable: Yes

Well Name: TERRY 14-11 1H

Purchaser/Measurer: MARKWEST

Location: ELLIS 14 18N 23W
SE SE SW SW
250 FSL 1110 FWL of 1/4 SEC
Latitude: 36.0288 Longitude: -99.6271
Derrick Elevation: 2273 Ground Elevation: 2246

First Sales Date: 02/11/2018

Operator: VALPOINT OPERATING LLC 23241

600 S TYLER ST STE 1701
AMARILLO, TX 79101-2353

| Completion Type | |
|-----------------|---------------|
| X | Single Zone |
| | Multiple Zone |
| | Commingled |

| Location Exception | |
|---|--|
| Order No | |
| There are no Location Exception records to display. | |

| Increased Density | |
|--|--|
| Order No | |
| There are no Increased Density records to display. | |

| Casing and Cement | | | | | | | |
|-------------------|--------|--------|--------|-------|-----|------|------------|
| Type | Size | Weight | Grade | Feet | PSI | SAX | Top of CMT |
| CONDUCTOR | 20 | 54 | H-40 | 120 | | | SURFACE |
| SURFACE | 13 3/8 | 54.5 | J-55 | 1536 | | 1010 | SURFACE |
| INTERMEDIATE | 9 5/8 | 40 | HCL-80 | 9489 | | 860 | 5727 |
| INTERMEDIATE | 7 | 29 | P-110 | 9842 | | 495 | 6832 |
| PRODUCTION | 5 1/2 | 20 | P-110 | 18758 | | 870 | 2909 |

| Liner | | | | | | | | |
|--|------|--------|-------|--------|-----|-----|-----------|--------------|
| Type | Size | Weight | Grade | Length | PSI | SAX | Top Depth | Bottom Depth |
| There are no Liner records to display. | | | | | | | | |

Total Depth: 18758

| Packer | |
|---|--------------|
| Depth | Brand & Type |
| There are no Packer records to display. | |

| Plug | |
|---------------------------------------|-----------|
| Depth | Plug Type |
| There are no Plug records to display. | |

| Initial Test Data | | | | | | | | | | |
|-------------------|-----------|-------------|-------------------|-------------|-------------------------|---------------|-------------------|--------------------------|------------|----------------------|
| Test Date | Formation | Oil BBL/Day | Oil-Gravity (API) | Gas MCF/Day | Gas-Oil Ratio Cu FT/BBL | Water BBL/Day | Pumpin or Flowing | Initial Shut-In Pressure | Choke Size | Flow Tubing Pressure |
| Feb 13, 2018 | OSWEGO | 743 | 42 | 1356 | 1825 | 2838 | FLOWING | 2000 | 40 | 820 |

| Completion and Test Data by Producing Formation | | | | | | | | | | | | | | |
|---|---------------|----------------|-------------------------|---|---------------------|---|------|---|----------------------|--|------|----|------|-------|
| Formation Name: OSWEGO | Code: 404OSWG | Class: OIL | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th colspan="2">Spacing Orders</th> </tr> <tr> <th>Order No</th> <th>Unit Size</th> </tr> </thead> <tbody> <tr> <td>670973</td> <td>1280</td> </tr> </tbody> </table> | | Spacing Orders | | Order No | Unit Size | 670973 | 1280 | <table border="1"> <thead> <tr> <th colspan="2">Perforated Intervals</th> </tr> <tr> <th>From</th> <th>To</th> </tr> </thead> <tbody> <tr> <td>9880</td> <td>18161</td> </tr> </tbody> </table> | Perforated Intervals | | From | To | 9880 | 18161 |
| Spacing Orders | | | | | | | | | | | | | | |
| Order No | Unit Size | | | | | | | | | | | | | |
| 670973 | 1280 | | | | | | | | | | | | | |
| Perforated Intervals | | | | | | | | | | | | | | |
| From | To | | | | | | | | | | | | | |
| 9880 | 18161 | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Acid Volumes</th> </tr> </thead> <tbody> <tr> <td>160,860 GALLONS 15% HCL</td> </tr> </tbody> </table> | | Acid Volumes | 160,860 GALLONS 15% HCL | <table border="1"> <thead> <tr> <th>Fracture Treatments</th> </tr> </thead> <tbody> <tr> <td>11,159,736 GALLONS, 881,957 POUNDS 100 MESH SAND, 2,622,581 POUNDS 40/70 SAND</td> </tr> </tbody> </table> | Fracture Treatments | 11,159,736 GALLONS, 881,957 POUNDS 100 MESH SAND, 2,622,581 POUNDS 40/70 SAND | | | | | | | | |
| Acid Volumes | | | | | | | | | | | | | | |
| 160,860 GALLONS 15% HCL | | | | | | | | | | | | | | |
| Fracture Treatments | | | | | | | | | | | | | | |
| 11,159,736 GALLONS, 881,957 POUNDS 100 MESH SAND, 2,622,581 POUNDS 40/70 SAND | | | | | | | | | | | | | | |

| Formation | Top |
|---------------|------|
| DOUGLAS | 7284 |
| TONKAWA | 7818 |
| COTTAGE GROVE | 8379 |
| CLEVELAND | 8933 |
| BIG LIME | 9291 |
| OSWEGO | 9396 |

Were open hole logs run? Yes

Date last log run:

Were unusual drilling circumstances encountered? Yes

Explanation: OCC - OPERATOR LOST HOLE AT 9531'.
SIDE TRACK STARTED AT 9303'.

| Other Remarks |
|---|
| 7" CASING IS 2ND INTERMEDIATE STRING - 6,472' - 9,842' MD. PRODUCTION CASING - 5-1/2" 20# @ 9,473' AND 4-1/2" 9,473' - 18,754' MD. FRAC COMPLETED ON FEBRUARY 1, 2018. STARTED THROUGH PRODUCTION EQUIPMENT AND FIRST SALES ON FEBRUARY 11, 2018 @ 8:30 PM. OCC - THIS WELL IS SPACED ON A 1280 ACRE UNIT COMPRISING OF SECTION 11 & 14 OF 18N-23W. THE WELL IS AT A LEGAL DISTANCE TO WHAT THE SPACING ORDER ALLOWS. |

| Lateral Holes |
|---|
| Sec: 11 TWP: 18N RGE: 23W County: ELLIS |
| NE SE NW NW |
| 1770 FSL 1113 FWL of 1/4 SEC |
| Depth of Deviation: 8883 Radius of Turn: 1156 Direction: 6 Total Length: 8719 |
| Measured Total Depth: 18758 True Vertical Depth: 9404 End Pt. Location From Release, Unit or Property Line: 870 |

| FOR COMMISSION USE ONLY |
|-------------------------|
| Status: Accepted |
| 1139083 |

API NO. 35-045-23697
 OTC PROD. UNIT NO. 045-223053

PLEASE TYPE OR USE BLACK INK ONLY
 NOTE:

Attach copy of original 1002A
 if recompletion or reentry.

OKLAHOMA CORPORATION COMMISSION
 Oil & Gas Conservation Division
 Post Office Box 52000
 Oklahoma City, Oklahoma 73152-2000
 Rule 165:10-3-25

RECEIVED

Form 1002A
 Rev. 2009

MAR 19 2018

OKLAHOMA CORPORATION
 COMMISSION

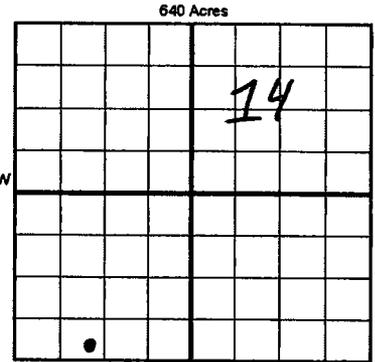
ORIGINAL
 AMENDED (Reason)

COMPLETION REPORT

TYPE OF DRILLING OPERATION
 STRAIGHT HOLE DIRECTIONAL HOLE HORIZONTAL HOLE
 SERVICE WELL

If directional or horizontal, see reverse for bottom hole location.

| | | | | | | | | | | |
|---------------------|-----------------------------|--------|--------|---------------------|----------------------|----------------|----------------------|-------------------------|---------------|-----------|
| COUNTY | Ellis | SEC | 14 | TWP | 18N | RGE | 23W | SPUD DATE | 10/23/2017 | |
| LEASE NAME | Terry | | | WELL NO. | 14-11 11 | | | DRLG FINISHED DATE | 12/10/2017 | |
| SE 1/4 | SE 1/4 | SW 1/4 | SW 1/4 | FSL OF 1/4 SEC | 250' | FWL OF 1/4 SEC | 1110' | DATE OF WELL COMPLETION | 1/21/2018 | |
| ELEVATION Demark FL | 2,273' | Ground | 2,246' | Latitude (if known) | 36.02880 | | Longitude (if known) | -99.62710 | 1st PROD DATE | 2/11/2018 |
| OPERATOR NAME | VALPOINT OPERATING, LLC | | | | OTC/OCC OPERATOR NO. | 23241 | | | | |
| ADDRESS | 600 S. Tyler St, Suite 1701 | | | | | | | | | |
| CITY | Amarillo | STATE | Texas | ZIP | 79101 | | | | | |



COMPLETION TYPE

| | |
|-------------------------------------|--------------------|
| <input checked="" type="checkbox"/> | SINGLE ZONE |
| <input type="checkbox"/> | MULTIPLE ZONE |
| <input type="checkbox"/> | Application Date |
| <input type="checkbox"/> | COMMINGLED |
| <input type="checkbox"/> | Application Date |
| <input type="checkbox"/> | LOCATION EXCEPTION |
| <input type="checkbox"/> | ORDER NO. |
| <input type="checkbox"/> | INCREASED DENSITY |
| <input type="checkbox"/> | ORDER NO. |

CASING & CEMENT (Form 1002C must be attached)

| TYPE | SIZE | WEIGHT | GRADE | FEET | PSI | SAX | TOP OF CMT |
|--------------|---------|--------|--------|----------|-----|-------|------------|
| CONDUCTOR | 20" | 54# | H-40 | 120' | | | Surface |
| SURFACE | 13-3/8" | 54.5# | J-55 | 1,536.5' | | 1,010 | Surface |
| INTERMEDIATE | 9-5/8" | 40# | HCL-80 | 9,489' | | 860 | 5,727' |
| PRODUCTION | 7" | 29# | P-110 | 9,842' | | 495 | 6,832' |
| LINER | 5-1/2" | 20# | P-110 | 18,758' | | 870 | 2,909' |

PACKER @ _____ BRAND & TYPE _____ PLUG @ _____ TYPE _____ PLUG @ _____ TYPE _____
 PACKER @ _____ BRAND & TYPE _____ PLUG @ _____ TYPE _____ PLUG @ _____ TYPE _____

TOTAL DEPTH **18758**

Per 1002C

Sidetrack 1

COMPLETION & TEST DATA BY PRODUCING FORMATION

| FORMATION | SPACING & SPACING ORDER NUMBER | CLASS: Oil, Gas, Dry, Inj, Disp, Comm Disp, Svc | PERFORATED INTERVALS | ACID/VOLUME | FRACTURE TREATMENT (Fluids/Prop Amounts) |
|-----------|--------------------------------|---|--------------------------------------|----------------------|--|
| Oswego | 201706295 (1280 ac) | Oil | Last: 18,161' MD First: 9,880' MD | 160,860 gals 15% HCL | 11,159,736 gals 881,957 # 100 Mesh Sand 2,622,581 # 40/70 Sand |
| | 4040 SWG | | | | |

Reported to Frac Focus

Min Gas Allowable (185:10-17-7) OR Oil Allowable (185:10-13-3)
 Gas Purchaser/Measurer: Markwest
 First Sales Date: 2/11/2018

INITIAL TEST DATA

| | |
|--------------------------|-----------|
| INITIAL TEST DATE | 2/13/2018 |
| OIL-BBL/DAY | 743 |
| OIL-GRAVITY (API) | 42 |
| GAS-MCF/DAY | 1,356 |
| GAS-OIL RATIO CU FT/BBL | 1,825 |
| WATER-BBL/DAY | 2,838 |
| PUMPING OR FLOWING | Flowing |
| INITIAL SHUT-IN PRESSURE | 2000 |
| CHOKE SIZE | 40 |
| FLOW TUBING PRESSURE | 820 |

AS SUBMITTED

A record of the formations drilled through, and pertinent remarks are presented on the reverse. I declare that I have knowledge of the contents of this report and am authorized by my organization to make this report, which was prepared by me or under my supervision and direction, with the data and facts stated herein to be true, correct, and complete to the best of my knowledge and belief.

Matt Ramsden
 SIGNATURE NAME (PRINT OR TYPE) DATE 2/27/2018 PHONE NUMBER 806-376-4675
 600 S. Tyler St, Suite 1701 Amarillo TX 79101
 ADDRESS CITY STATE ZIP matt@valpointoperating.com
 EMAIL ADDRESS

PLEASE TYPE OR USE BLACK INK ONLY
FORMATION RECORD

Give formation names and tops, if available, or descriptions and thickness of formations drilled through. Show intervals cored or drillstem tested.

LEASE NAME _____ WELL NO. _____

| NAMES OF FORMATIONS | TOP |
|---------------------|----------------|
| Douglas | 7284' (-5011') |
| Tonkawa | 7818' (-5539') |
| Cottage Grove | 8379' (-6106') |
| Cleveland | 8933' (-6659') |
| Big Lime | 9291' (-7018') |
| Oswego | 9396' (-7123') |

FOR COMMISSION USE ONLY

ITD on file YES NO

APPROVED _____ DISAPPROVED _____

2) Reject Codes _____

Were open hole logs run? yes no

Date Last log was run 12/7/2018

Was CO₂ encountered? yes no at what depths? _____

Was H₂S encountered? yes no at what depths? _____

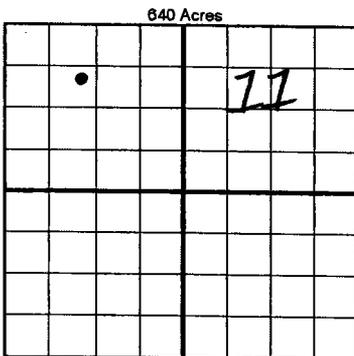
Were unusual drilling circumstances encountered? yes no
if yes, briefly explain below _____

Other remarks:

7" casing is 2nd intermediate string - 6,472' - 9,842' MD.

Production Casing - 5-1/2" 20# @ 9,473' and 4-1/2" 9,473'-18,754' MD.

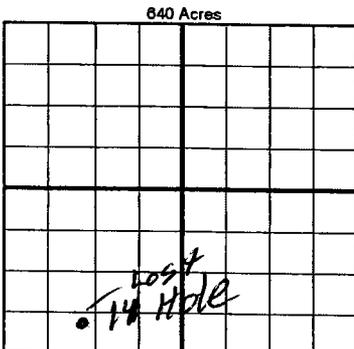
Frac completed on 2/1/2018. Started through production equipment and first sales on 2/11/2018 @8:30 pm.



If more than three drainholes are proposed, attach a separate sheet indicating the necessary information.

Direction must be stated in degrees azimuth. Please note, the horizontal drainhole and its end point must be located within the boundaries of the lease or spacing unit.

Directional surveys are required for all drainholes and directional wells.



BOTTOM HOLE LOCATION FOR DIRECTIONAL HOLE *Lost Hole (see Surveys)*

| | | | |
|---|---------|--------------------------|---|
| SEC 14 | TWP 18N | RGE 23W | COUNTY Ellis |
| Spot Location NE 1/4 SE 1/4 SW 1/4 SW 1/4 | | Feet From 1/4 Sec Lines | FSL 586 FWL 994 |
| Measured Total Depth 9531 | | True Vertical Depth 9408 | BHL From Lease, Unit, or Property Line: 586 |

BOTTOM HOLE LOCATION FOR HORIZONTAL HOLE: (LATERALS)

LATERAL #1 *Sidetrack #1*

| | | | |
|---|----------------------------|--|---------------------|
| SEC 11 | TWP 18N | RGE 23W | COUNTY Ellis |
| Spot Location NE 1/4 SE 1/4 NW 1/4 NW 1/4 | | Feet From 1/4 Sec Lines | FSL 1770' FWL 1113' |
| Depth of Deviation 8,883' | Radius of Turn 1,156' | Direction 6.1 | Total Length 8,719' |
| Measured Total Depth 18,758' | True Vertical Depth 9,404' | BHL From Lease, Unit, or Property Line: 870' | |

LATERAL #2

| | | | |
|---|--------------------------|---|-----------------|
| SEC 14 | TWP 18N | RGE 23W | COUNTY Ellis |
| Spot Location NE 1/4 SE 1/4 SW 1/4 SW 1/4 | | Feet From 1/4 Sec Lines | FSL 586 FWL 994 |
| Depth of Deviation | Radius of Turn 123 | Direction 4 | Total Length |
| Measured Total Depth 9531 | True Vertical Depth 9408 | BHL From Lease, Unit, or Property Line: 586 | |

LATERAL #3

| | | | |
|-------------------------------|---------------------|---|--------------|
| SEC | TWP | RGE | COUNTY |
| Spot Location 1/4 1/4 1/4 1/4 | | Feet From 1/4 Sec Lines | FSL FWL |
| Depth of Deviation | Radius of Turn | Direction | Total Length |
| Measured Total Depth | True Vertical Depth | BHL From Lease, Unit, or Property Line: | |