

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF AVANT OPERATING, LLC
TO AMEND ORDER NO. R-22677
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____

ORDER NO. R-22677

APPLICATION

Avant Operating, LLC (“Avant”), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-22677 (the “Order”) to allow for a one-year extension of time to commence drilling the initial well authorized by the Order until May 7, 2025 and to substitute Avant Operating, LLC as the operator under the Order. In support of this application, Avant states as follows:

1. The Division issued the Order in Case No. 23404 on May 7, 2023, approving a 240-acre, more or less, standard horizontal spacing unit comprised of the E/2E/2 of Section 33, Township 18 South, Range 31 East, and the E/2 NE/4 of Section 4, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico (“Unit”).

2. The Order further pooled all uncommitted interests within the Bone Spring formation and dedicated the Unit to the Jet Fed Com 402H, Jet Fed Com 502H, and Jet Fed Com 602H wells (collectively “Wells”) and designated Legacy Reserves Operating LP (“Legacy”) (OGRID No. 294281) as Operator of the Unit and Wells.

3. The Order required Legacy to commence drilling the initial well within one (1) year of the date of the Order unless Legacy obtained a time extension from the Division for good cause

shown. Order, ¶¶ 20-21. Under the Order, the deadline to commence drilling the initial well is May 7, 2024.

4. Avant is the successor in interest to Legacy, is a working interest owner in the Unit, and has the right to drill thereon.

5. Paragraph 20 of the Order states: “The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.”

6. Further, Paragraph 21 of the Order states: “This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.”

7. Good cause exists for Avant’s request for an extension of time due to Avant’s recent acquisition of the acreage at issue in the Units. Avant requires additional time to commence drilling given its recent acquisition of this acreage.

8. Accordingly, Avant requests that the Division extend the deadline to commence drilling the Wells to May 7, 2025. Avant also requests that it be substituted as operator under the Order.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 7, 2024, and after notice and hearing, the Division as required by law, the Division amend Order No. R-22677 as requested herein.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett

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Application of Avant Operating, LLC to Amend Order No. R-22677 Eddy County, New Mexico. Avant Operating, LLC (“Applicant”), successor in interest to Legacy Reserves Operating, LP, seeks an order amending Order No. R-22677 to extend the deadline to commence drilling the initial well under the Order and to substitute Applicant as operator under the Order. Order R-22677 pooled uncommitted interest owners in a 240-acre, more or less, standard Bone Spring horizontal spacing unit comprised of the E/2E/2 of Section 33, Township 18 South, Range 31 East, and the E/2 NE/4 of Section 4, Township 19 South, Range 31 East, Eddy County, New Mexico. Said area is located approximately 28 miles northeast of Carlsbad, New Mexico.