

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

**APPLICATIONS OF AVANT OPERATING II, LLC
FOR APPROVAL OF A NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NOS. 25347, 25348

**AVANT OPERATING II, LLC's AMENDED
CONSOLIDATED PRE-HEARING STATEMENT**

Avant Operating II, LLC ("AO II") submits this Amended Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Avant Operating II, LLC

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Paloma Permian AssetCo, LLC

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STATEMENT OF CASES

These matters only involve Avant Operating II LLC's pooling applications proposed to develop the Bone Spring and Wolfcamp formations underlying the E/2 of Section 22 and the NE/4 and N/2SE/4 of Section 27, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico. No other party has proposed any competing applications.

In Case No. **25347**, Avant Operating II LLC seeks an order from the Division approving a non-standard 560-acre, more or less, Wolfcamp horizontal spacing unit and pooling all uncommitted interests in the E/2 of Section 22 and the NE/4 and N/2SE/4 of Section 27, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico, in the Salt Lake; Wolfcamp pool (Pool code 53570). This spacing unit will be dedicated to the following wells: the **Thai Curry 22-27 Fed Com #701H, Thai Curry 22-27 Fed Com #721H, Thai Curry 22-27 Fed Com #722H, Thai Curry 22-27 Fed Com #801H, and Thai Curry 22-27 Fed Com #802H** wells with

proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 22, and proposed last take points in the NE/4 SE/4 (Unit I) of Section 27; and the **Thai Curry 22-27 Fed Com #702H, Thai Curry 22-27 Fed Com #723H, and Thai Curry 22-27 Fed Com #803H** wells with proposed surface hole locations in the N/4 NE/4 (Unit A) of Section 22, and proposed last take points in the NW/4 SE/4 (Unit J) of Section 27. The wells will be drilled at orthodox locations.

In Case No. **25348**, Avant Operating II LLC seeks an order from the Division approving a non-standard 560-acre, more or less, Bone Spring horizontal spacing unit and pooling all uncommitted interests in the E/2 of Section 22 and the NE/4 and N/2SE/4 of Section 27, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico in the Salt Lake; Bone Spring pool (Pool code 53560). This spacing unit will be dedicated to the following wells: **Thai Curry 22-27 Fed Com #301H, Thai Curry 22-27 Fed Com #302H, Thai Curry 22-27 Fed Com #401H, Thai Curry 22-27 Fed Com #501H, Thai Curry 22-27 Fed Com #502H, Thai Curry 22-27 Fed Com #601H, and Thai Curry 22-27 Fed Com #602H** wells with proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 22, and proposed last take points in the NE/4 SE/4 (Unit I) of Section 27; and the **Thai Curry 22-27 Fed Com #303H, Thai Curry 22-27 Fed Com #402H, Thai Curry 22-27 Fed Com #503H, and Thai Curry 22-27 Fed Com #603H** wells with proposed surface hole locations in the N/4 NE/4 (Unit A) of Section 22, and proposed last take points in the NW/4 SE/4 (Unit J) of Section 27. The wells will be drilled at orthodox locations.

Also to be considered will be the cost of drilling and completing the Thai Curry wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating II, LLC as operator of the Thai Curry wells, and a 200% charge for risk involved in drilling the Thai Curry wells. Said area is located approximately 36 miles southwest of Hobbs, New Mexico.

DISPUTED MATERIAL FACTS AND ISSUES

AO II believes it has resolved the concerns raised by all operators who submitted objections in these matters, with the sole remaining objection coming from MRC Permian Company ("MRC"). As previously stated on the record, MRC's objection appears to relate to the number of wells proposed. AO II has initiated multiple communications with MRC, and both parties are nearing an agreement that would address and resolve the outstanding issues.

PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Tiffany Sarantinos	Approx. 10 minutes	Approx. 14
Geologist: John Harper	Approx. 10 minutes	Approx. 16
Reservoir Engineer: Shane Kelly	Approx. 5 minutes	Approx. 2

PROCEDURAL ISSUES

MRC Permian Company ("MRC"), Civitas Permian Operating, LLC, and Paloma Permian AssetCo, LLC have entered objections to the above-referenced matters proceeding by affidavit. Additionally, Permian Resources Operating, LLC has entered their appearance in these matters. Paloma Permian AssetCo, LLC withdrew their objection in these matters on June 17. Civitas Permian Operating, LLC withdrew their objection in these matters on July 2. AO II is in discussions with MRC and if those discussions are resolved prior to the July 15 docket date, and MRC's objection withdrawn, AO II intends to consolidate these cases for presentation by affidavit on August 7, 2025.

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

By: 
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of Record by electronic mail on July 8, 2025:

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Energy, Minerals and Natural Resources
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QUESTIONS

Action 482944

QUESTIONS

Operator: Avant Operating II, LLC 1515 Wynkoop Street Denver, CO 80202	OGRID: 332947
	Action Number: 482944
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	3
Testimony time (in minutes)	Not answered.