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

APPLICATION OF AVANT OPERATING II, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

<b>CASE</b>	NO.	

## **APPLICATION**

Avant Operating II, LLC ("AO II"), OGRID Number 332947, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 of Sections 10, 15, and 22, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico. In support of this application, AO II states as follows:

- 1. AO II has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. AO II seeks to dedicate the W/2 of Sections 10, 15, and 22, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico to form a standard 960-acre, more or less, Bone Spring horizontal spacing unit (the "Unit").
  - 3. AO II seeks to dedicate the Unit to the following wells:
    - Triple Stamp 22 15 10 Fed Com #301H, Triple Stamp 22 15 10 Fed Com #302H, Triple Stamp 22 15 10 Fed Com #501H, Triple Stamp 22 15 10 Fed Com #502H, Triple Stamp 22 15 10 Fed Com #601H, and Triple Stamp 22 15 10 Fed Com #602H wells with proposed surface hole locations in the SE/4 SW/4 (Unit N) of Section 22, and proposed last take points in the NW/4 NW/4 (Unit D) of Section 10; and

- Triple Stamp 22 15 10 Fed Com #303H, Triple Stamp 22 15 10 Fed Com #503H, Triple Stamp 22 15 10 Fed Com #504H, and Triple Stamp 22 15 10 Fed Com #603H wells with proposed surface hole locations in the SE/4 SW/4 (Unit N) of Section 22, and proposed last take points in the NE/4 NW/4 (Unit C) of Section 10.
- 4. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.
- 5. The completed intervals for the **Triple Stamp 22 15 10 Fed Com #302H** and the **Triple Stamp 22 15 10 Fed Com #602H** wells are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
- 6. AO II sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed Unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 7. The pooling of all interests in the Bone Spring formation underlying the proposed Unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, AO II requests this application be set for hearing before an Examiner of the Oil Conservation Division on November 13, 2025, and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted interests in Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 10, 15, and 22, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico;
  - B. Designating AO II as operator of this unit and the wells to be drilled thereon;

- C. Authorizing AO II to recover its costs of drilling, equipping and completing the wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800

<u>edebrine@modrall.com</u> deana.bennett@modrall.com

Attorneys for Avant Operating II, LLC

CASE NO. : Application of Avant Operating II, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 of Sections 10, 15, and 22, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Triple Stamp 22 15 10 Fed Com #301H, Triple Stamp 22 15 10 Fed Com #302H, Triple Stamp 22 15 10 Fed Com #501H, Triple Stamp 22 15 10 Fed Com #502H, Triple Stamp 22 15 10 Fed Com #601H, and Triple Stamp 22 15 10 Fed Com #602H wells with proposed surface hole locations in the SE/4 SW/4 (Unit N) of Section 22, and proposed last take points in the NW/4 NW/4 (Unit D) of Section 10; and Triple Stamp 22 15 10 Fed Com #303H, Triple Stamp 22 15 10 Fed Com #503H, Triple Stamp 22 15 10 Fed Com #504H, and Triple Stamp 22 15 10 Fed Com #603H wells with proposed surface hole locations in the SE/4 SW/4 (Unit N) of Section 22, and proposed last take points in the NE/4 NW/4 (Unit C) of Section 10. The wells will be drilled at orthodox locations. The completed intervals for the Triple Stamp 22 15 10 Fed Com #302H and the Triple Stamp 22 15 10 Fed Com #602H wells are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC. Also to be considered will be the cost of drilling and completing said 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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 36 miles southwest of Hobbs, New Mexico.