

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

**APPLICATION OF AVANT OPERATING II, LLC  
FOR APPROVAL OF A NON-STANDARD HORIZONTAL  
SPACING UNIT, COMPULSORY POOLING, AND,  
TO THE EXTENT NECESSARY, APPROVAL  
OF AN OVERLAPPING SPACING UNIT,  
EDDY COUNTY, NEW MEXICO.**

CASE NO. \_\_\_\_\_

**APPLICATION**

Avant Operating II, LLC (“Avant”), OGRID No. 332947, through its undersigned attorney, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a non-standard unit, (2) pooling all uncommitted interests in the Bone Spring formation, [Pool WC-015 G-03 S192703I; BONE SPRING (Pool Code: 98239)], within a non-standard 715.53-acre, more or less, horizontal spacing unit comprised of Lots 1-4, S/2N/2, and the N/2S/2 of irregular Section 3, and Lots 1-2, S/2 NE/4, and the N/2 SE/4 of irregular Section 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico (the “Unit”), and (3) approving, to the extent necessary, an overlapping spacing unit. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to minimize cost, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing by combining facilities and commingling production from both the proposed and future wells in the proposed non-standard spacing unit.

3. To allow the proposed wells to be dedicated to a 715.53-acre federal Communitization Agreement, Avant seeks approval of a corresponding non-standard horizontal well spacing unit in the Bone Spring formation.

4. If the proposed non-standard spacing unit is approved by the Division, then Avant understands that the Bureau of Land Management will issue a corresponding Communitization Agreement for the federal leases within the subject area to allow commingling and the corresponding surface use and facility benefits.

5. Avant seeks to dedicate the Unit to the following wells (API Nos. Pending):

- the **Remington 3 4 Federal Com #501H** and the **Remington 3 4 Federal Com #601H** wells, with proposed surface hole locations in the SE/4 NE/4 (Unit H) of irregular Section 3, and proposed bottom hole locations in the NW/4 NE/4 equivalent (Lot 2) of irregular Section 4;
- the **Remington 3 4 Federal Com #502H** and the **Remington 3 4 Federal Com #602H** wells, with proposed surface hole locations in the SE/4 NE/4 (Unit H) of irregular Section 3, and proposed bottom hole locations in the SW/4 NE/4 (Unit G) of irregular Section 4;
- the **Remington 3 4 Federal Com #503H** and the **Remington 3 4 Federal Com #603H** wells with proposed surface hole locations in the SE/4 NE/4 (Unit H) of irregular Section 3, and proposed bottom hole locations in the NW/4 SE/4 (Unit J) of irregular Section 4.

6. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.

7. The proposed Unit will partially overlap the following spacing unit: a 240.00-acre spacing unit dedicated to the Secretariat 3 Federal Com 501H well (API: 30-015-44291), operated by EOG Resources, Inc., located in the E/2 SE/4 of Section 3 and the E/2 E/2 of Section 10, Township 19 South, Range 27 East, Eddy Co., New Mexico, and producing from pool WC-015 G-03 S192703I; BONE SPRING [98239].

8. Avant 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.

9. Approval of this non-standard spacing unit and the pooling of interests therein will allow Avant to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands, reduce surface disturbance, lower operating costs, avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Avant requests this application be set for a hearing before an Examiner of the Oil Conservation Division, on June 4, 2026, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the proposed non-standard horizontal spacing unit and pooling all uncommitted interests in the Bone Spring formation, within a non-standard 715.53-acre, more or less, horizontal spacing unit comprised of Lots 1-4, S/2N/2, and the N/2S/2 of irregular Section 3, and Lots 1-2, S/2 NE/4, and the N/2 SE/4 of irregular Section 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico;
- B. Designating Avant as operator of the Unit and the wells to be drilled thereon;
- C. Authorizing Avant 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,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", is written over a horizontal line.

Kaitlyn A. Luck

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*Attorney for Avant Operating II, LLC*

**CASE NO. \_\_\_\_\_: Application of Avant Operating II, LLC for approval of a non-standard horizontal spacing unit, compulsory pooling, and to the extent necessary, approval of an overlapping spacing unit, Eddy County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation, [Pool WC-015 G-03 S192703I; BONE SPRING (Pool Code: 98239)], within a non-standard 715.53-acre, more or less, horizontal spacing unit comprised of Lots 1-4, S/2N/2, and the N/2S/2 of irregular Section 3, and Lots 1-2, S/2 NE/4, and the N/2 SE/4 of irregular Section 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. This spacing unit will be dedicated to the following wells: the **Remington 3 4 Federal Com #501H** and the **Remington 3 4 Federal Com #601H** wells, with proposed surface hole locations in the SE/4 NE/4 (Unit H) of irregular Section 3, and proposed bottom hole locations in the NW/4 NE/4 equivalent (Lot 2) of irregular Section 4; the **Remington 3 4 Federal Com #502H** and the **Remington 3 4 Federal Com #602H** wells, with proposed surface hole locations in the SE/4 NE/4 (Unit H) of irregular Section 3, and proposed bottom hole locations in the SW/4 NE/4 (Unit G) of irregular Section 4; and the **Remington 3 4 Federal Com #503H** and the **Remington 3 4 Federal Com #603H** wells with proposed surface hole locations in the SE/4 NE/4 (Unit H) of irregular Section 3, and proposed bottom hole locations in the NW/4 SE/4 (Unit J) of irregular Section 4. The wells will be drilled at orthodox locations. Applicant also seeks approval of an overlapping spacing unit, to the extent necessary, as the proposed spacing unit will partially overlap the following spacing unit: a 240.00-acre spacing unit dedicated to the Secretariat 3 Federal Com 501H well (API: 30-015-44291), operated by EOG Resources, Inc., located in the E/2 SE/4 of Section 3 and the E/2 E/2 of Section 10, Township 19 South, Range 27 East, Eddy Co., New Mexico. 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 13 miles southeast of Artesia, New Mexico.