



**Compulsory Pooling Hearing- Case No. 26190**  
**ALL of Section 23, N2 of Section 26**  
**T20S-R32E (960-acre Unit, Penn Formation)**

**Wells:**      **Spicy Chicken 23-26 Fed Com #801H**  
                  **Spicy Chicken 23-26 Fed Com #802H**  
                  **Spicy Chicken 23-26 Fed Com #803H**  
                  **Spicy Chicken 23-26 Fed Com #804H**

**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 UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 26190**

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- Exhibit A.7: Summary of Communications with Other Working Interest Owners
- Exhibit A.8: Committed/Uncommitted Notice Exhibit
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**Exhibit B: Self-Affirmed Declaration of John Harper, Geologist**

- Exhibit B.1: Locator Map
- Exhibit B.2: Wellbore Schematic
- Exhibit B.3: Structure Map
- Exhibit B.4: Cross-reference Well Locator
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**Exhibit C: Self-Affirmed Declaration of Deana Bennett Regarding Notice**

- Exhibit C.1: Sample Notice Letter, dated May 15, 2026
- Exhibit C.2: Mailing List of Parties
- Exhibit C.3: Certified Mailing Tracking List
- Exhibit C.4: Affidavit of Publication for May 21, 2026

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 26190</b>	<b>APPLICANT'S RESPONSE</b>
<b>Hearing Date:</b>	<b>June 30, 2026</b>
Applicant	<b>Avant Operating II, LLC</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Avant Operating II, LLC (332947)</b>
Applicant's Counsel:	Modrall Sperleng
Case Title:	APPLICATION OF AVANT OPERATING II, LLC FOR APPROVAL OF A NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Spicy Chicken 23-26 Fed Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Pennsylvanian
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Pennsylvanian
Pool Name and Pool Code:	WC-025 G-08 S203222N; CISCO-CANYON pool (Code 98410)
Well Location Setback Rules:	Statewide rules
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	960
Building Blocks:	40
Orientation:	<b>North-South</b>
Description: TRS/County	Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	N: AO II seeks approval of a 960-acre non-standard spacing unit to allow efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.167(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	See Exhibit A.4
<b>Well(s)</b>	

**EXHIBIT****A**

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Spicy Chicken 23 26 Fed Com #801H	API No. Pending SHL: 180' FNL & 2142' FWL, (Unit C), Section 23, T20S, R32E BHL: 2536' FNL & 990' FWL, (Unit E), Section 26, T20S, R32E FTP: 100' FNL & 990' FWL, Section 23, T20S, R32E LTP: 2536' FNL & 990' FWL, Section 26, T20S, R32E  Completion Target: Upper Penn (Approx. 11,700' TVD) Orientation: North/South
Well #2: Spicy Chicken 23 26 Fed Com #802H	API No. Pending SHL: 180' FNL & 2182' FWL, (Unit C), Section 23, T20S, R32E BHL: 2536' FNL & 2310' FWL, (Unit F), Section 26, T20S, R32E FTP: 100' FNL & 2310' FWL, Section 23, T20S, R32E LTP: 2536' FNL & 2310' FWL, Section 22, T20S, R32E  Completion Target: Upper Penn (Approx. 11,700' TVD) Orientation: North/South
Well #3: Spicy Chicken 23 26 Fed Com #803H	API No. Pending SHL: 180' FNL & 2256' FEL, (Unit B), Section 23, T20S, R32E BHL: 2536' FNL & 1650' FEL, (Unit G), Section 26, T20S, R32E FTP: 100' FNL & 1650' FEL, Section 23, T20S, R32E LTP: 2536' FNL & 1650' FEL, Section 23, T20S, R32E  Completion Target: Upper Penn (Approx. 11,700' TVD) Orientation: North/South
Well #4: Spicy Chicken 23 26 Fed Com #804H	API No. Pending SHL: 180' FNL & 2176' FEL, (Unit B), Section 23, T20S, R32E BHL: 2536' FNL & 330' FEL, (Unit H), Section 26, T20S, R32E FTP: 100' FNL & 330' FEL, Section 23, T20S, R32E LTP: 2536' FNL & 330' FEL, Section 23, T20S, R32E  Completion Target: Upper Penn (Approx. 11,700' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	Exhibit A.3
Completion Target (Formation, TVD and MD)	Exhibit A.6 (Proposal Letter)
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000. See Exhibit A.6 (Proposal Letter)
Production Supervision/Month \$	\$1,000. See Exhibit A. 6 (Proposal Letter)
Justification for Supervision Costs	See Exhibit A.2, Paragraph 18
Requested Risk Charge	200%. See Exhibit A.6 (Proposal Letter)

<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibits A.1; C.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C.2 and D.3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C.4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A.4
Tract List (including lease numbers and owners)	Exhibit A.4
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice	A.9
Pooled Parties (including ownership type)	Exhibit A.4/A.5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A.4/A.5
Chronology of Contact with Non-Joined Working Interests	Exhibit A.7
Overhead Rates In Proposal Letter	Exhibit A.6
Cost Estimate to Drill and Complete	Exhibit A.6
Cost Estimate to Equip Well	Exhibit A.6
Cost Estimate for Production Facilities	Exhibit A.6
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B.2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B.2
Well Orientation (with rationale)	Exhibit B, Para. 10
Target Formation	Exhibit B.3
HSU Cross Section	Exhibit B.5
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A.3
Tracts	Exhibit A.4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A.4
General Location Map (including basin)	Exhibit B.1
Well Bore Location Map	Exhibit B.1
Structure Contour Map - Subsea Depth	Exhibit B.3
Cross Section Location Map (including well)	Exhibit B.4

Cross Section (including Landing Zone)	Exhibit B.5
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	<i>Deana M. Bennett</i>
<b>Date:</b>	6/23/2026

**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 UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO.** 26190

**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 (1) approving a non-standard unit to the extent necessary, and (2) pooling all uncommitted interests within a non-standard 960-acre, more or less Pennsylvanian horizontal spacing unit comprised of all of Section 23 and the N/2 of Section 26, 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 all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, Lea County, New Mexico to form a 960-acre, more or less, Pennsylvanian horizontal spacing unit in the WC-025 G-08 S203222N;CISCO-CANYON pool (pool code 98410) (the “Unit”).
3. AO II seeks approval of the 960-acre non-standard spacing unit because approval of this application will allow AO II to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing.
4. AO II seeks to dedicate the Unit to the following wells:

**EXHIBIT  
A-1**

- **Spicy Chicken 23-26 Fed Com #801H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 26;
- **Spicy Chicken 23-26 Fed Com #802H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4 NW/4 (Unit F) of Section 26;
- **Spicy Chicken 23-26 Fed Com #803H** well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4 NE/4 (Unit G) of Section 26; and
- **Spicy Chicken 23-26 Fed Com #804H** well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26.

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

6. AO II sought, but has been unable to obtain, a voluntary agreement from all interest owners in the 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 Unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

8. Approval of a non-standard spacing unit will allow AO II to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands and reduce surface disturbance.

WHEREFORE, AO II requests this application be set for 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 its order:

- A. Approving the non-standard spacing Unit;
- B. Pooling all uncommitted interests in the Unit;
- C. Designating AO II as operator of the Unit and the wells to be drilled thereon;
- D. Authorizing AO II to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. 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  
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*Attorneys for Avant Operating II, LLC*

**CASE NO. 26190 : Application of Avant Operating II, LLC for approval of a non-standard spacing unit, compulsory pooling, and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian horizontal spacing unit and pooling all uncommitted interests in all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico, in the WC-025 G-08 S203222N;CISCO-CANYON pool (pool code 98410). This spacing unit will be dedicated to the following wells: **Spicy Chicken 23-26 Fed Com #801H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 26; **Spicy Chicken 23-26 Fed Com #802H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4 NW/4 (Unit F) of Section 26; **Spicy Chicken 23-26 Fed Com #803H** well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4 NE/4 (Unit G) of Section 26; and **Spicy Chicken 23-26 Fed Com #804H** well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26. The wells will be drilled at orthodox locations. 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.

**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 UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 26190**

**SELF-AFFIRMED STATEMENT OF TIFFANY SARANTINOS**

Tiffany Sarantinos hereby states and declares as follows:

1. I am over the age of 18, I am a senior landman for Avant Operating II, LLC (“AO II”) and have personal knowledge of the matters stated herein.

2. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum landman were accepted as a matter of record.

3. My area of responsibility at AO II includes the area Lea County in New Mexico.

4. I am familiar with the application filed by AO II in this case, which is attached as **Exhibit A-1.**

5. I am familiar with the status of the lands that are subject to this application.

6. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced application.

7. AO II seeks an order order (1) approving a non-standard unit, and (2) pooling all uncommitted interests within a non-standard 960-acre, more or less, Pennsylvanian horizontal spacing unit comprised of all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico in the WC-025 G-08 S203222N;CISCO-CANYON pool (pool code 98410) (the “Unit”).

8. AO II seeks approval of a 960-acre non-standard spacing unit to allow efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and

**EXHIBIT  
A-2**

promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.167(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

9. AO II seeks to dedicate the Unit to the following wells:

- **Spicy Chicken 23-26 Fed Com #801H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 26;
- **Spicy Chicken 23-26 Fed Com #802H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4 NW/4 (Unit F) of Section 26;
- **Spicy Chicken 23-26 Fed Com #803H** well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4 NE/4 (Unit G) of Section 26; and
- **Spicy Chicken 23-26 Fed Com #804H** well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26.

10. Avant had originally included these wells in its Wolfcamp application in Case No. 25832 but dismissed the 800 series wells from that application due to the fact that these 800 series wells are in the Pennsylvanian formation and not the Wolfcamp. After dismissing the 800 series wells from the Wolfcamp case, AO II filed this application for the 800 series wells.

11. Attached as **Exhibit A-3** are the proposed C-102s for the wells.

12. The C-102s identify the proposed surface hole locations and the bottom hole locations, and the first take points.

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

14. There are no depth severances within the proposed spacing unit.

15. **Exhibit A-4** includes a lease tract map outlining the unit being pooled. Exhibit A-4 is a unit recapitulation with the working interest owners to be pooled highlighted in yellow.

16. **Exhibit A-5** is a list of the overriding royalty owners to be pooled.

17. **Exhibit A-6** contains a sample well proposal letter and Authorizations for Expenditure (“AFEs”) sent to all working interest owners. The estimated cost of the wells set forth in the AFEs are fair and reasonable and comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico. Exhibit A-6 also includes an update letter sent to working interest owners informing them of the change from the 800 series wells being Wolfcamp wells to being Pennsylvanian wells.

18. AO II requests overhead and administrative rates of \$10,000.00/month for drilling a well and \$1,000.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. AO II requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

19. AO II requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

20. I have conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.

21. In my opinion, AO II has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells as demonstrated by the chronology of contact in **Exhibit A-7**.

22. AO II requests that it be designated operator of the wells.

23. AO II seeks to pool overriding royalty interest owners, and they were also provided notice of this hearing.

24. The parties AO II is seeking to pool were notified of this hearing. **Exhibit A-8** identifies the owners in the proposed unit, whether they are committed or uncommitted, and, if uncommitted, the date notice was provided.

25. **Exhibit A-9** includes a tract map showing the location of the wells within AO II's proposed non-standard unit along with the pool name and pool code for each well. Exhibit A-9 also includes a map comparing standard units to the proposed non-standard unit scenario.

26. AO II also provided notice to offset affected parties for purposes of the non-standard unit application.

27. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

28. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

29. I attest under penalty of perjury the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

*[Signature Page Follows]*

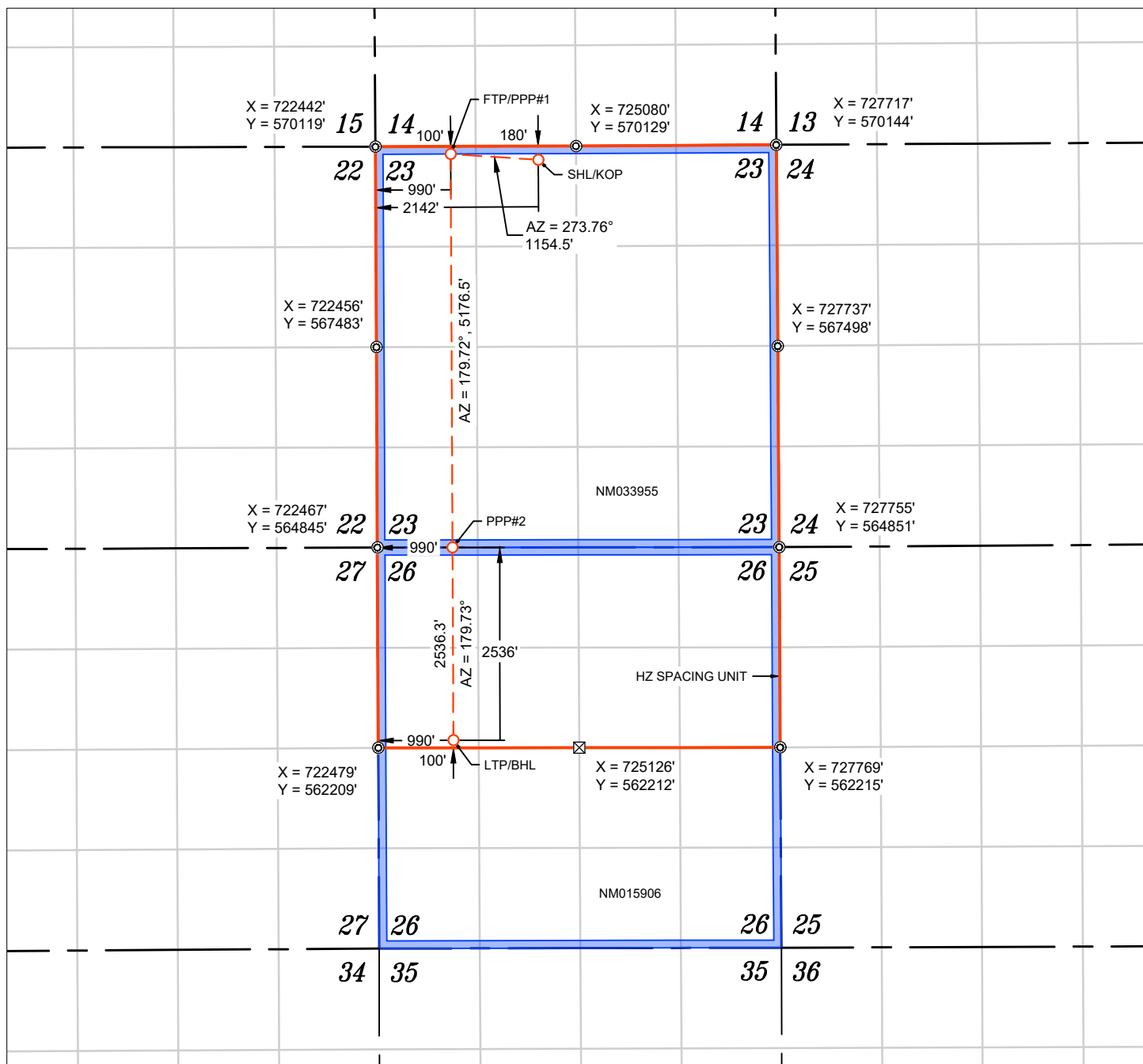
\_\_\_\_ June 22, 2026 \_\_\_\_\_

Date

A handwritten signature in blue ink that reads "T Sarantinos". The signature is written in a cursive style with a large initial 'T'.

\_\_\_\_\_  
Tiffany Sarantinos





WELL NAME: SPICY CHICKEN 23 26 FED COM #801H  
 ELEVATION: 3536'

**NOTES**

1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING NOVEMBER, 2025. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS INFORMATION IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

<b>NAD 83 (SHL/KOP) 180' FNL &amp; 2142' FWL</b>
LATITUDE = 32.565433°
LONGITUDE = -103.738518°
<b>NAD 27 (SHL/KOP)</b>
LATITUDE = 32.565312°
LONGITUDE = -103.738020°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 569947.19' E: 724584.17'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569885.49' E: 683404.31'

<b>NAD 83 (FTP/PPP#1) 100' FNL &amp; 990' FWL</b>
LATITUDE = 32.565659°
LONGITUDE = -103.742255°
<b>NAD 27 (FTP/PPP#1)</b>
LATITUDE = 32.565538°
LONGITUDE = -103.741757°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 570022.92' E: 723432.21'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569961.20' E: 682252.38'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
NM033955	5176.51'
NM015906	2536.28'
<b>TOTAL</b>	<b>7712.79'</b>

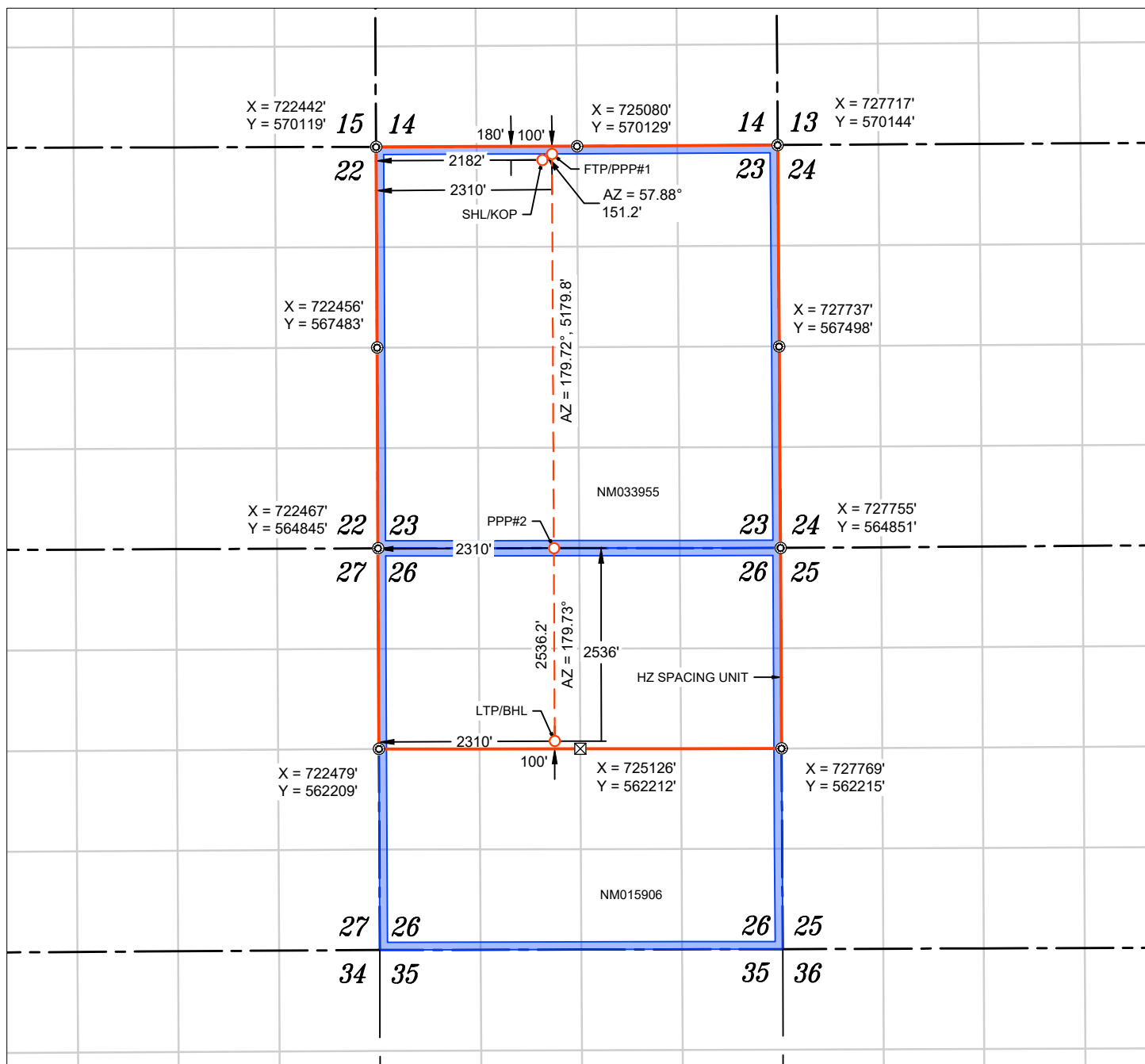
<b>NAD 83 (PPP#2) 990' FWL</b>
LATITUDE = 32.551430°
LONGITUDE = -103.742268°
<b>NAD 27 (PPP#2)</b>
LATITUDE = 32.551310°
LONGITUDE = -103.741770°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 564846.47' E: 723457.11'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 564784.84' E: 682277.09'

<b>NAD 83 (LTP/BHL) 2536' FNL &amp; 990' FWL</b>
LATITUDE = 32.544459°
LONGITUDE = -103.742275°
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32.544338°
LONGITUDE = -103.741778°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 562310.22' E: 723469.00'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 562248.63' E: 682288.90'

FOUND MONUMENT  
 CALC. CORNER  
 SHL/ KOP/ FTP / PPP / LTP / BHL  
 WELLBORE  
 HORIZONTAL SPACING UNIT  
 STATE OIL & GAS LEASE  
 BLM OIL & GAS LEASE







WELL NAME: SPICY CHICKEN 23 26 FED COM #802H  
 ELEVATION: 3536'

<b>NAD 83 (SHL/KOP) 180' FNL &amp; 2182' FWL</b>
LATITUDE = 32.565433°
LONGITUDE = -103.738388°
<b>NAD 27 (SHL/KOP)</b>
LATITUDE = 32.565312°
LONGITUDE = -103.737890°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 569947.38' E: 724624.17'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569885.68' E: 683444.31'

<b>NAD 83 (FTP/PPP#1) 100' FNL &amp; 2310' FWL</b>
LATITUDE = 32.565652°
LONGITUDE = -103.737971°
<b>NAD 27 (FTP/PPP#1)</b>
LATITUDE = 32.565531°
LONGITUDE = -103.737473°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 570027.77' E: 724752.20'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569966.06' E: 683572.34'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
NM033955	5179.84'
NM015906	2536.21'
<b>TOTAL</b>	<b>7716.05'</b>

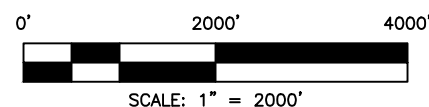
<b>NAD 83 (PPP#2) 2310' FWL</b>
LATITUDE = 32.551414°
LONGITUDE = -103.737984°
<b>NAD 27 (PPP#2)</b>
LATITUDE = 32.551294°
LONGITUDE = -103.737487°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 564847.99' E: 724777.11'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 564786.37' E: 683597.07'

<b>NAD 83 (LTP/BHL) 2536' FNL &amp; 2310' FWL</b>
LATITUDE = 32.544443°
LONGITUDE = -103.737991°
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32.544322°
LONGITUDE = -103.737494°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 562311.80' E: 724789.01'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 562250.23' E: 683608.88'

● FOUND MONUMENT  
⊗ CALC. CORNER  
 WELLBORE  
 HORIZONTAL SPACING UNIT  
 STATE OIL & GAS LEASE  
 BLM OIL & GAS LEASE

**NOTES**

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- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number	Pool Code <b>98410</b>	Pool Name <b>WC-025 G-08 S203222N;CISCO-CANYON</b>
Property Code	Property Name <b>SPICY CHICKEN 23 26 FED COM</b>	Well Number <b>#803H</b>
OGRID No. <b>332947</b>	Operator Name <b>AVANT OPERATING II, LLC</b>	Ground Level Elevation <b>3536'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

**Surface Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	23	20 S	32 E		180' FNL	2256' FEL	32.565431°	-103.735666°	LEA

**Bottom Hole Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
G	26	20 S	32 E		2536' FNL	1650' FEL	32.544427°	-103.733678°	LEA

Dedicated Acres <b>960.00</b>	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

**Kick Off Point (KOP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	23	20 S	32 E		180' FNL	2256' FEL	32.565431°	-103.735666°	LEA


**First Take Point (FTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	23	20 S	32 E		100' FNL	1650' FEL	32.565650°	-103.733700°	LEA

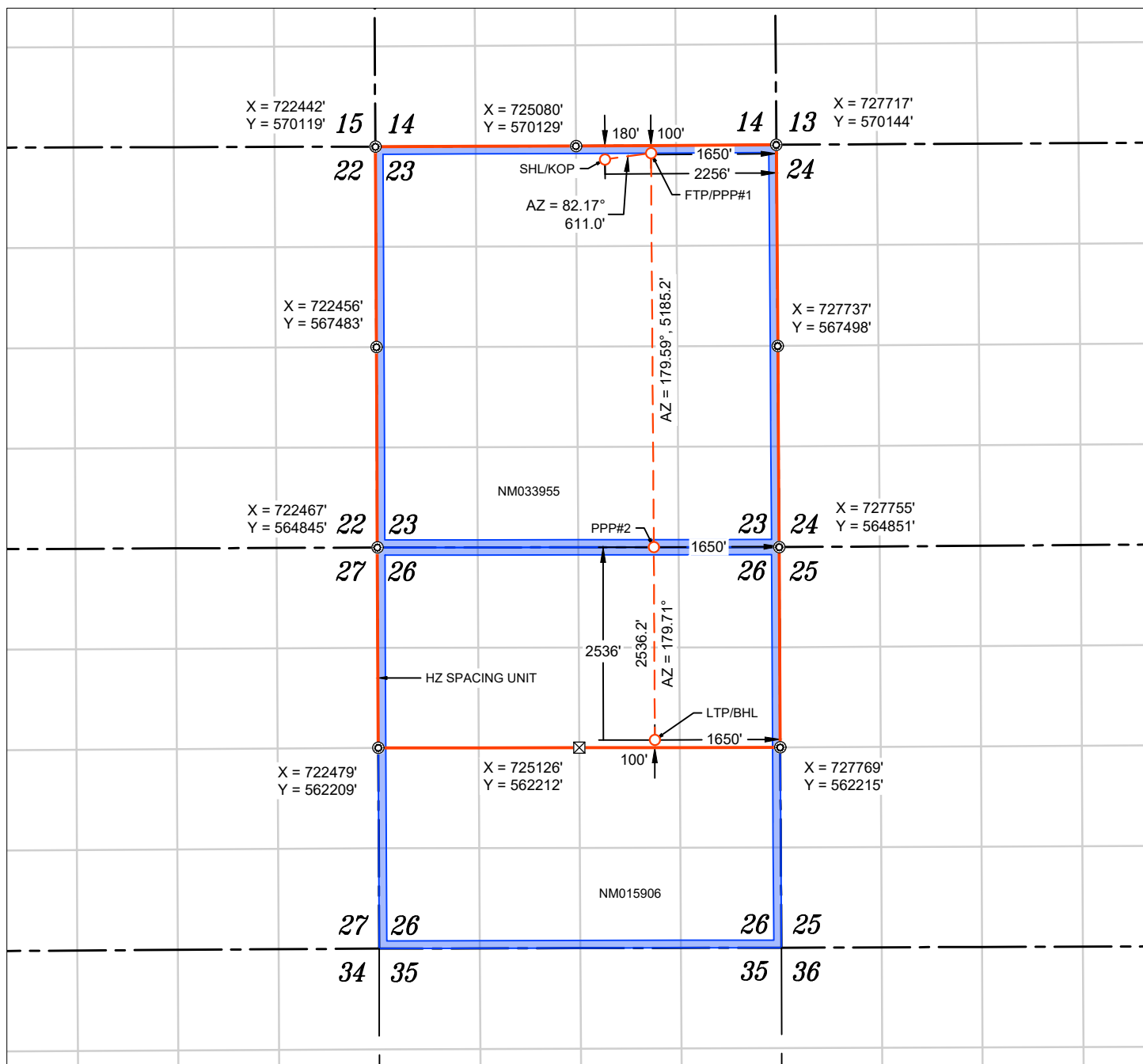
**Last Take Point (LTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
G	26	20 S	32 E		2536' FNL	1650' FEL	32.544427°	-103.733678°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: <b>3536'</b>
---	--	--------------------------------------

<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: right;">  </div>
Signature _____ Date _____	Signature and Seal of Professional Surveyor
Printed Name _____	23203 DECEMBER 3, 2025
Email Address _____	Certificate Number _____ Date of Survey _____

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



WELL NAME: SPICY CHICKEN 23 26 FED COM #803H  
 ELEVATION: 3536'

<b>NAD 83 (SHL/KOP) 180' FNL &amp; 2256' FEL</b>
LATITUDE = 32.565431°
LONGITUDE = -103.735666°
<b>NAD 27 (SHL/KOP)</b>
LATITUDE = 32.565310°
LONGITUDE = -103.735168°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 569951.36' E: 725462.67'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569889.67' E: 684282.79'

<b>NAD 83 (FTP/PPP#1) 100' FNL &amp; 1650' FEL</b>
LATITUDE = 32.565650°
LONGITUDE = -103.733700°
<b>NAD 27 (FTP/PPP#1)</b>
LATITUDE = 32.565530°
LONGITUDE = -103.733202°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 570034.57' E: 726067.98'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569972.89' E: 684888.09'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
NM033955	5185.19'
NM015906	2536.15'
<b>TOTAL</b>	<b>7721.34'</b>

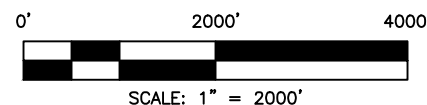
<b>NAD 83 (PPP#2) 1650' FEL</b>
LATITUDE = 32.551398°
LONGITUDE = -103.733673°
<b>NAD 27 (PPP#2)</b>
LATITUDE = 32.551277°
LONGITUDE = -103.733176°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 564849.51' E: 726105.41'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 564787.91' E: 684925.35'

<b>NAD 83 (LTP/BHL) 2536' FNL &amp; 1650' FEL</b>
LATITUDE = 32.544427°
LONGITUDE = -103.733678°
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32.544306°
LONGITUDE = -103.733181°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 562313.39' E: 726118.32'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 562251.83' E: 684938.17'

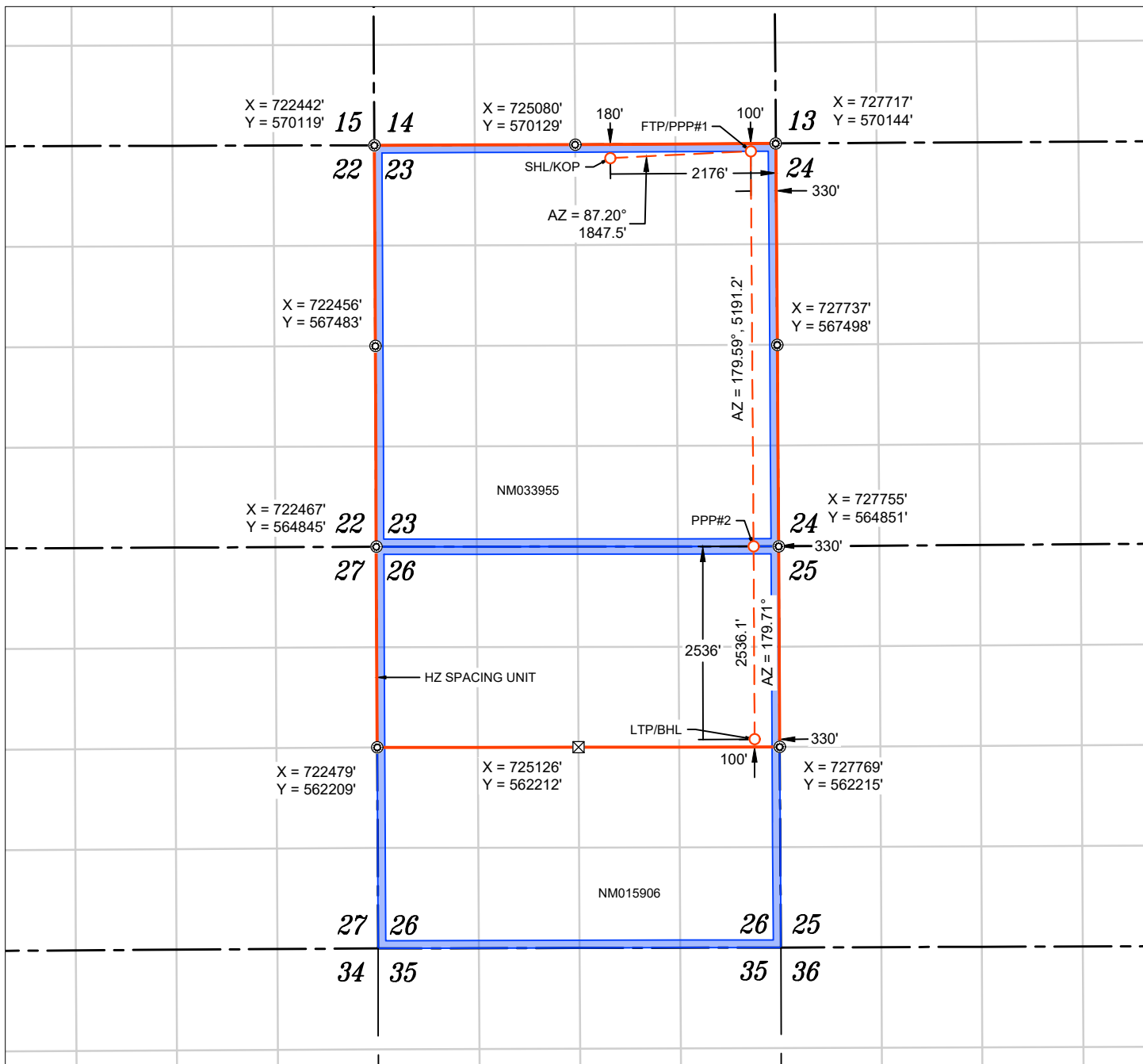
FOUND MONUMENT  
 CALC. CORNER  
 SHL/ KOP/ FTP / PPP / LTP / BHL  
 WELLBORE  
 HORIZONTAL SPACING UNIT  
 STATE OIL & GAS LEASE  
 BLM OIL & GAS LEASE

**NOTES**

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WELL NAME: SPICY CHICKEN 23 26 FED COM #804H  
 ELEVATION: 3536'

<b>NAD 83 (SHL/KOP) 180' FNL &amp; 2176' FEL</b>
LATITUDE = 32.565431°
LONGITUDE = -103.735406°
<b>NAD 27 (SHL/KOP)</b>
LATITUDE = 32.565310°
LONGITUDE = -103.734908°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 569951.74' E: 725542.67'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569890.05' E: 684362.79'

<b>NAD 83 (FTP/PPP#1) 100' FNL &amp; 330' FEL</b>
LATITUDE = 32.565650°
LONGITUDE = -103.729415°
<b>NAD 27 (FTP/PPP#1)</b>
LATITUDE = 32.565530°
LONGITUDE = -103.728918°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 570042.06' E: 727387.96'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 569980.39' E: 686208.05'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
NM033955	5191.17'
NM015906	2536.09'
<b>TOTAL</b>	<b>7727.26'</b>

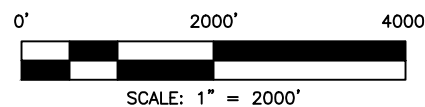
<b>NAD 83 (PPP#2) 330' FEL</b>
LATITUDE = 32.551382°
LONGITUDE = -103.729389°
<b>NAD 27 (PPP#2)</b>
LATITUDE = 32.551261°
LONGITUDE = -103.728892°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 564851.03' E: 727425.41'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 564789.45' E: 686245.33'

<b>NAD 83 (LTP/BHL) 2536' FNL &amp; 330' FEL</b>
LATITUDE = 32.544411°
LONGITUDE = -103.729394°
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32.544290°
LONGITUDE = -103.728897°
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 562314.97' E: 727438.33'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 562253.43' E: 686258.15'

FOUND MONUMENT  
 CALC. CORNER  
 WELLBORE  
 HORIZONTAL SPACING UNIT  
 STATE OIL & GAS LEASE  
 BLM OIL & GAS LEASE

**NOTES**

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# Lease Tract Map

Spicy Chicken 23 26 Fed Com #801H - 804H

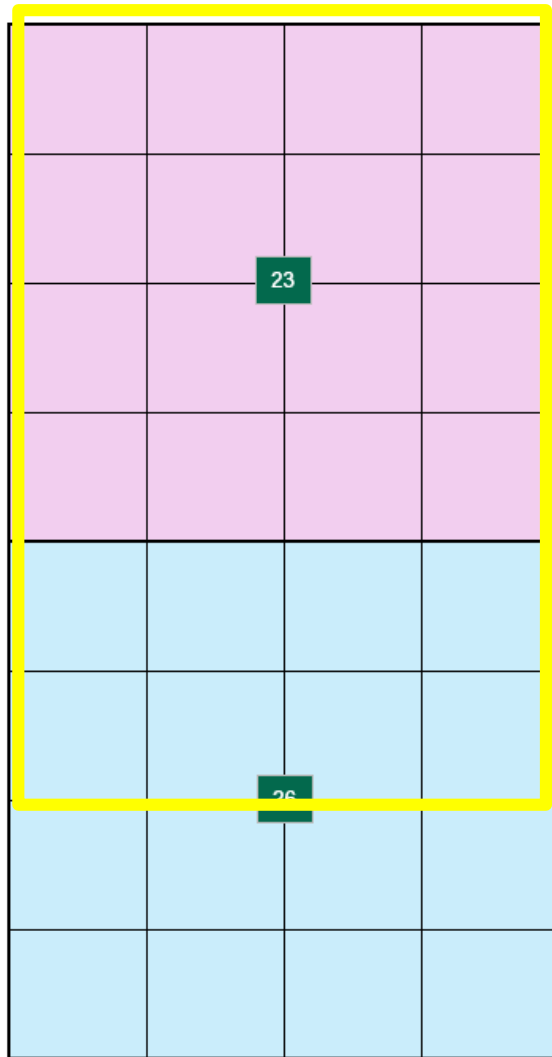
AO II

Case No. 26190

Exhibit A-4



*AO II holds majority working interest in the unit and owns an interest across the entire unit*



Tract 1		FED	NMNM 033955	640.00
Tract 2		FED	NMNM 015906	320.00
<b>UNIT TOTAL:</b>				<b>960.00</b>

AO II SPICY CHICKEN UNIT



Working Interest Owners to be Pooled  
 Spicy Chicken 23 26 Fed Com #801H - 804H

AO II  
 Case No. 26190  
 Exhibit A-4



ALL of Section 23 and N2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**Summary of Working Interest Owners:**

Unit Breakout by Owner	Owner Type	NMA	Unit WI	Tract No.	Tract WI	Status
AVANT OPERATING II, LLC	WI	524.9182	<b>54.68%</b>	1	80.28%	<b>OPERATOR</b>
Diaga Mineral Group	WI	3.0987	<b>0.32%</b>	1	0.48%	JOA - Committed
Andrew H. Jackson	WI	3.0987	<b>0.32%</b>	1	0.48%	Uncommitted - Compulsary Pool
Chief Capital (O&G) II LLC	WI	58.4873	<b>6.09%</b>	1	9.14%	JOA - Committed
WR Non-Op LLC	WI	18.9793	<b>1.98%</b>	1	2.97%	Uncommitted - Compulsary Pool
Earthstone Permian LLC	WI	11.1510	<b>1.16%</b>	1	1.74%	Uncommitted - Compulsary Pool
TD Minerals, LLC	WI	20.2667	<b>2.11%</b>	1	3.17%	JOA - Committed
Earthstone Permian LLC	WI	305.6000	<b>31.83%</b>	2	95.50%	Uncommitted - Compulsary Pool
Petrolux, Inc.	WI	8.0000	<b>0.83%</b>	2	2.50%	Under Contract - Committed
MRC Permian Company	WI	6.4000	<b>0.67%</b>	2	2.00%	Uncommitted - Compulsary Pool
		<b>960.00</b>	<b>100.00%</b>			

<b>64.04%</b>	<b>AO II Working Interest Control</b>
---------------	---------------------------------------

Highlighted = Parties to be Pooled



**EXHIBIT  
A-4**

**ORRI Ownership**  
 Spicy Chicken 23 26 Fed Com #801H - 804H

**AO II**  
 Case No. 26144  
 Exhibit A-5

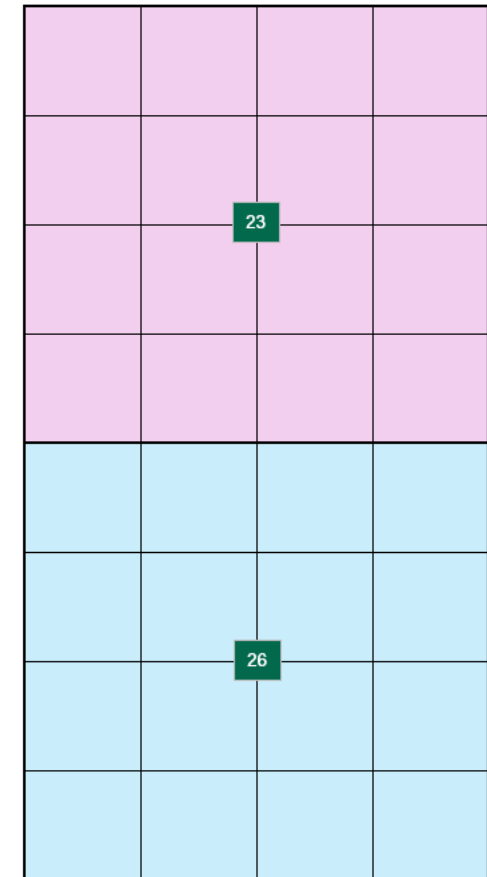


ALL of Section 23 and N2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico

**Summary of ORRI Owners to be Pooled:**

ORRI Owners to Pool	Tract No
Marie I. Baetz, Trustee of the Marie I. Baetz Family 2012 Trust	1
Barbara Shelby Baetz Shipper a/k/a Barbara B. Shipper	1
CSC3 Holdings, Ltd.	1
Trainer Partners LTD.	1
Earthstone Permian LLC	1
SITL Energy, LLC	1
Ventura Oil & Gas, LLC	1
PBC Resources, LLC	1
TD Minerals, LLC	1
Blue Star Royalty, LLC	1
AO II Permian, LLC	1
Earthstone Permian LLC	1
Brigham Royalties Fund I Holdco, LLC	1
John R. Lewis	1
WRH I, LP	1
Kimbell Royalty Holdings, LLC	1
David Charles Lougee, Kipp Lougee Frederiksen and Fred Frederiksen, Trustees of the Lougee Oil & Gas Trust	1

ORRI Owners to Pool	Tract No
Patricia Owens Preston, Trustee of the Charles Dean Preston Revocable Trust Dated August 4, 2011	2
DNR Oil & Gas, Inc	2
Sydney Investments LP	2
Hidden Hills Minerals, LLC	2
Topsey, LLC	2
Hatch Royalty, LLC	2
James C. Whitten, Trustee of the Whitten Management Trust	2
Brigham Royalties Fund I Holdco, LLC	2
Milestone Oil, LLC	2
Mustang Mud, Inc	22
Lario Oil & Gas Company	2
Harken Exploration Company	2
Mark B. Murphy, Trustee of the Mark B, Murphy Irrevocable Trust, UTA dated December 12, 2012	2
Susan S. Murphy, Trustee of the Susan S. Murphy Marital Trust, UTA dated November 12, 2012	2
Robin L. Morgan, a widow	2
Hutchings Oil Company	2



Tract 1		FED	NMNM 033955	640.00
Tract 2		FED	NMNM 015906	320.00
<b>UNIT TOTAL:</b>				<b>960.00</b>





October 1, 2025

**Blue Star Royalty, LLC**

607 Bailey Avenue  
Fort Worth, Texas 76107

RE: Spicy Chicken 23 26 Fed Com #201H - #205H, #301H - #302H  
#401H - #402H, #601H - #603H, #701H - #702H  
#751H - #754H and #801H - #804H  
All of Section 23 and N2 of Section 26, Township 20 South, Range 32 East  
Lea County, New Mexico

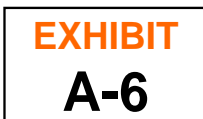
Ladies and Gentlemen:

AO II Permian, LLC, through its operating affiliate, Avant Operating II, LLC ("Avant") hereby proposes to drill and complete the Spicy Chicken 23 26 Fed Com #201H - #205H, #301H - #302H, #401H - #402H, #601H - #603H, #701H - #702H, #751H - #754H and #801H - #804H wells in All of Section 23 and N2 of Section 26, Township 20 South, Range 32 East, Lea County, New Mexico, to test portions of the Bone Spring and Wolfcamp Formations. Please note, Avant is finalizing reports and preliminary title shows you may have an interest in the referenced lands.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each well and CTB is itemized on the enclosed Authority for Expenditure ("AFE") dated July 23<sup>rd</sup>, 2025.
- **Spicy Chicken 23 26 Fed Com #201H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,750' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 990' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,250' TVD and will be drilled horizontally to a Measured Depth of approximately 16,173'.
- **Spicy Chicken 23 26 Fed Com #202H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,770' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 1,980' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,250' TVD and will be drilled horizontally to a Measured Depth of approximately 16,173'.
- **Spicy Chicken 23 26 Fed Com #203H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,580' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 2,310' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,250' TVD and will be drilled horizontally to a Measured Depth of approximately 16,173'.

Avant Operating II, LLC | 1515 Wynkoop Street, Suite #700 | Land Department | Denver, CO 80202





- **Spicy Chicken 23 26 Fed Com #204H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,520' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 1,320' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,250' TVD and will be drilled horizontally to a Measured Depth of approximately 16,173'.
- **Spicy Chicken 23 26 Fed Com #205H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,480' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 330' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,250' TVD and will be drilled horizontally to a Measured Depth of approximately 16,417'.
- **Spicy Chicken 23 26 Fed Com #301H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,730' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 990' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,823'.
- **Spicy Chicken 23 26 Fed Com #302H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,560' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 2,090' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,823'.
- **Spicy Chicken 23 26 Fed Com #401H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,790' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 2,090' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,080' TVD and will be drilled horizontally to a Measured Depth of approximately 17,003'.
- **Spicy Chicken 23 26 Fed Com #402H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,500' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 990' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,080' TVD and will be drilled horizontally to a Measured Depth of approximately 17,003'.
- **Spicy Chicken 23 26 Fed Com #601H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,740' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 990' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,700' TVD and will be drilled horizontally to a Measured Depth of approximately 18,623'.



- **Spicy Chicken 23 26 Fed Com #602H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,820' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 2,310' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,700' TVD and will be drilled horizontally to a Measured Depth of approximately 18,623'.
- **Spicy Chicken 23 26 Fed Com #603H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,540' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 770' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,700' TVD and will be drilled horizontally to a Measured Depth of approximately 18,623'.
- **Spicy Chicken 23 26 Fed Com #701H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,760' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 1,650' FWL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 10,800' TVD and will be drilled horizontally to a Measured Depth of approximately 18,723'.
- **Spicy Chicken 23 26 Fed Com #702H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,560' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 1,650' FEL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 10,800' TVD and will be drilled horizontally to a Measured Depth of approximately 18,723'.
- **Spicy Chicken 23 26 Fed Com #751H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,720' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 990' FWL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,200' TVD and will be drilled horizontally to a Measured Depth of approximately 19,123'.
- **Spicy Chicken 23 26 Fed Com #752H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,800' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 2,310' FWL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,200' TVD and will be drilled horizontally to a Measured Depth of approximately 19,123'.
- **Spicy Chicken 23 26 Fed Com #753H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,580' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 1,650' FEL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,200' TVD and will be drilled horizontally to a Measured Depth of approximately 19,123'.



- **Spicy Chicken 23 26 Fed Com #754H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,520' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 330' FEL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,200' TVD and will be drilled horizontally to a Measured Depth of approximately 19,123'.
- **Spicy Chicken 23 26 Fed Com #801H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,700' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 990' FWL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a Measured Depth of approximately 19,623'.
- **Spicy Chicken 23 26 Fed Com #802H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,780' FWL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 2,310' FWL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a Measured Depth of approximately 19,623'.
- **Spicy Chicken 23 26 Fed Com #803H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,600' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 1,650' FEL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a Measured Depth of approximately 19,623'.
- **Spicy Chicken 23 26 Fed Com #804H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 200' FNL and 1,500' FEL and a proposed last take point and bottom hole location of Section 26 of T20S-R32E at 2,540' FNL and 330' FEL. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a Measured Depth of approximately 19,623'.

Avant reserves the right to modify the locations and drilling plans described above to address topography, cultural or environmental concerns, among other reasons.

Avant is proposing to drill the proposed wells under the terms of a modified 1989 AAPL form of Operating Agreement ("JOA") with the below general provisions, which will be provided at a later date.

- 100%/300%/300% non-consent penalty
- \$10,000/\$1000 drilling and producing monthly overhead rates
- Contract Area of All of Section 23 and N2 of Section 26, Township 20 South, Range 32
  - Less and except the Second Bone Spring Sand is defined as the depths between the stratigraphic equivalent intervals of 9,519' TVD and 10,172' TVD based upon the Gamma Ray Log of the Sam H Snoddy Federal #1 (API: 30025278120000) located in section 26 of T20S R32E.



- Avant Operating II, LLC named as Operator
- This proposed Operating Agreement will supersede any and all existing Operating Agreements as to all depths on all horizontal wells drilled after the effective date of the JOA.

If your election is to participate in the drilling and completion of the wells, please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

If you would like to discuss a farmout, an assignment of interest, an acreage trade or other form of agreement for your interests in the Subject Lands, please contact the undersigned. If we do not reach an agreement within thirty (30) days of receipt of these well proposals, Avant will file an application(s) with the New Mexico Oil Conservation Division to compulsory pool your interest into a spacing unit(s) for the proposed wells to promote the development of these lands.

Should you have any questions, please feel free to contact me at [tiffany@avantnr.com](mailto:tiffany@avantnr.com) or 720-746-5048.

Sincerely,

Tiffany Sarantinos  
Senior Landman  
Enclosures

**Blue Star Royalty, LLC hereby elects to:**

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #201H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #201H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #202H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #202H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #203H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #203H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #204H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #204H** well.

Avant Operating II, LLC | 1515 Wynkoop Street, Suite #700 | Land Department | Denver, CO 80202



\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #205H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #205H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #301H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #301H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #302H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #302H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #401H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #401H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #402H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #402H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #601H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #601H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #602H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #602H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #603H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #603H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #701H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #701H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #702H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #702H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #751H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #751H** well.



\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #752H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #752H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #753H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #753H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #754H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #754H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #801H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #801H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #802H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #802H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #803H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #803H** well.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Avant Operating II, LLC's **Spicy Chicken 23 26 Fed Com #804H** well.

\_\_\_\_\_ Not to participate in **Spicy Chicken 23 26 Fed Com #804H** well.

**BLUE STAR ROYALTY, LLC**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



October 1, 2025

**Blue Star Royalty, LLC**

607 Bailey Avenue  
Fort Worth, Texas 76107

RE: Spicy Chicken 23 Fed Com #501H, #502H, #503H and #504H  
All of Section 23, Township 20 South, Range 32 East  
Lea County, New Mexico

Ladies and Gentlemen:

AO II Permian, LLC, through its operating affiliate, Avant Operating II, LLC ("Avant") hereby proposes to drill and complete the Spicy Chicken 23 Fed Com #501H – #504H wells in All of Section 23, Township 20 South, Range 32 East, Lea County, New Mexico, to test the Second Bone Spring Sand Formation. Please note, Avant is finalizing reports and preliminary title shows you may have an interest in the referenced lands.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each well and CTB is itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2025.
- **Spicy Chicken 23 Fed Com #501H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,710' FWL and a proposed last take point and bottom hole location of Section 23 of T20S-R32E at 100' FSL and 990' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,700' TVD and will be drilled horizontally to a Measured Depth of approximately 15,123'.
- **Spicy Chicken 23 Fed Com #502H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,810' FWL and a proposed last take point and bottom hole location of Section 23 of T20S-R32E at 100' FSL and 2,310' FWL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,700' TVD and will be drilled horizontally to a Measured Depth of approximately 15,123'.
- **Spicy Chicken 23 Fed Com #503H:** to be drilled from a legal location with a proposed surface hole location of Section 23 of T20S-R32E at 350' FNL and 1,540' FEL and a proposed last take point and bottom hole location of Section 23 of T20S-R32E at 100' FSL and 1,650' FEL. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,700' TVD and will be drilled horizontally to a Measured Depth of approximately 15,123'.



May 7<sup>th</sup>, 2026

**Chief Capital (O&G) II, LLC**

8111 Westchester Drive, Suite #900  
Dallas, TX 75225

RE: Spicy Chicken 23 26 Fed Com #801H - #804H wells  
All of Section 23 and N2 of Section 26, Township 20 South, Range 32 East  
Lea County, New Mexico

Ladies and Gentlemen:

AO II Permian, LLC, through its operating affiliate, Avant Operating II, LLC ("AO II"), hereby proposes to drill and complete the Spicy Chicken 23 26 Fed Com #801H, #802H, #803H and #804H wells in all of Section 23 and the north half of Section 26, Township 20 South, Range 32 East, Lea County, New Mexico, to test portions of the Cisco formation. Attached are Authorities for Expenditures ("AFE") dated May 4, 2026.

As you are aware, we presented Case No 25827, 25829, 25831 and 25832 at the OCD on April 21, 2026, in a contested hearing setting. This letter serves as an update to the Wolfcamp case; AOII dismissed the Spicy Chicken #801H, #802H, #803H, and #804H wells from its pending Wolfcamp application (25832), but these wells were and continue to be part of AO II's full development plan for the Spicy Chicken unit.

This letter serves as an update to the proposals originally distributed under AOII's letter dated on or around October 1, 2025. There have been no substantive changes to the previously proposed development plan. The proposed well locations, spacing, target intervals, and overall development concept remain consistent with what was originally presented. The only modification is the update to the pool code designation to reflect the Upper Penn Wildcat formation, as required by the OCD.

Should you have any questions, please feel free to contact me at [tiffany@avantnr.com](mailto:tiffany@avantnr.com) or 720-746-5048.

Sincerely,

A handwritten signature in blue ink that reads "Tiffany Sarantinos".

Tiffany Sarantinos  
Senior Landman  
Enclosures



**AUTHORIZATION FOR EXPENDITURE**

**AFE:** NM1424

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #801H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2142' FWL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 990' FWL

State: NM

**PROJECT DESCRIPTION:**

The proposed AFE is for the Spicy Chicken 23 26 Fed Com #801H, a 1.5 section Cisco horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
<b>DRILLING:</b>	<b>\$4,062,921</b>
<b>COMPLETIONS:</b>	<b>\$3,996,799</b>
<b>FACILITIES:</b>	<b>\$849,938</b>
<b>COMPLETED WELL COST:</b>	<b>\$8,909,657</b>

**OPERATOR APPROVAL:**



**AUTHORIZATION FOR EXPENDITURE**

AFE: NM1424

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #801H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2142' FWL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 990' FWL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Tangible Drilling</b>			\$ 1,371,452	\$ -	\$ -	\$ 1,371,452
	8400.301	Surface Casing	\$ 152,226	\$ -	\$ -	\$ 152,226
	8400.302	Intermediate 1 Casing	\$ 158,349	\$ -	\$ -	\$ 158,349
	8400.303	Production Casing	\$ 416,222	\$ -	\$ -	\$ 416,222
	8400.312	Intermediate 2 Casing	\$ 246,285	\$ -	\$ -	\$ 246,285
	8400.322	Intermediate 3 Casing	\$ 335,221	\$ -	\$ -	\$ 335,221
	8400.340	Wellhead	\$ 63,150	\$ -	\$ -	\$ 63,150
<b>Tangible Completion</b>			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
<b>Tangible Workover</b>			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
<b>Tangible Facility</b>			\$ -	\$ -	\$ 557,321	\$ 557,321
	8355.500	Vessels	\$ -	\$ -	\$ 187,688	\$ 187,688
	8355.510	Tanks	\$ -	\$ -	\$ 59,825	\$ 59,825
	8355.515	Flare	\$ -	\$ -	\$ 13,788	\$ 13,788
	8355.520	PVF	\$ -	\$ -	\$ 82,225	\$ 82,225
	8355.525	Containment	\$ -	\$ -	\$ 13,100	\$ 13,100
	8355.530	Compressors	\$ -	\$ -	\$ 3,838	\$ 3,838
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 24,525	\$ 24,525
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 31,700	\$ 31,700
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 33,256	\$ 33,256
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 15,638	\$ 15,638
	8355.560	Pipeline	\$ -	\$ -	\$ 2,763	\$ 2,763
	8355.565	Flowline	\$ -	\$ -	\$ 88,975	\$ 88,975
<b>TOTAL TANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 1,371,452	\$ 559,296	\$ 557,321	\$ 2,488,069

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Intangible Drilling</b>			\$ 2,691,469	\$ -	\$ -	\$ 2,691,469
	8200.102	Drilling - Daywork	\$ 484,272	\$ -	\$ -	\$ 484,272
	8200.103	Drilling - Rig Move	\$ 49,906	\$ -	\$ -	\$ 49,906
	8200.104	Fuel - Rig	\$ 99,167	\$ -	\$ -	\$ 99,167
	8200.106	Transportation	\$ 97,129	\$ -	\$ -	\$ 97,129
	8200.111	Survey, Stake/Permit	\$ 17,893	\$ -	\$ -	\$ 17,893
	8200.112	Location & Roads, Conductor	\$ 89,331	\$ -	\$ -	\$ 89,331
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 170,301	\$ -	\$ -	\$ 170,301
	8200.115	Mud-Drill Water	\$ 6,702	\$ -	\$ -	\$ 6,702
	8200.116	Drill Bits & BHA	\$ 148,931	\$ -	\$ -	\$ 148,931
	8200.117	Mud & Chemicals	\$ 115,289	\$ -	\$ -	\$ 115,289
	8200.119	Mud-Auxiliary	\$ 25,232	\$ -	\$ -	\$ 25,232
	8200.124	Equipment Rental	\$ 146,140	\$ -	\$ -	\$ 146,140
	8200.125	Inspection	\$ 55,783	\$ -	\$ -	\$ 55,783
	8200.127	Contract Labor	\$ 47,661	\$ -	\$ -	\$ 47,661
	8200.128	Drilling - Directional	\$ 310,724	\$ -	\$ -	\$ 310,724
	8200.136	Mudlogging	\$ 12,892	\$ -	\$ -	\$ 12,892
	8200.137	Casing Services	\$ 145,633	\$ -	\$ -	\$ 145,633
	8200.138	Cementing Services	\$ 256,640	\$ -	\$ -	\$ 256,640
	8200.143	Geological Services	\$ 16,000	\$ -	\$ -	\$ 16,000
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 21,133	\$ -	\$ -	\$ 21,133
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894



**AUTHORIZATION FOR EXPENDITURE**

	8200.162	Mancamp	\$ 34,096	\$ -	\$ -	\$ 34,096
	8200.164	Solids Control & Closed Loop	\$ 72,310	\$ -	\$ -	\$ 72,310
	8200.165	Safety/Environmental	\$ 1,539	\$ -	\$ -	\$ 1,539
	8200.167	Consulting Services	\$ 135,063	\$ -	\$ -	\$ 135,063
	8200.168	Roustabout Services	\$ 2,411	\$ -	\$ -	\$ 2,411
	8200.169	Mud-Brine	\$ 22,654	\$ -	\$ -	\$ 22,654
	8200.170	Mud-Diesel	\$ 77,926	\$ -	\$ -	\$ 77,926
<b>Intangible Completion</b>			\$ -	\$ 2,870,641	\$ -	\$ 2,870,641
	8300.203	Fuel	\$ -	\$ 300,060	\$ -	\$ 300,060
	8300.205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300.207	Fresh Water	\$ -	\$ 294,621	\$ -	\$ 294,621
	8300.209	Chemicals	\$ -	\$ 176,789	\$ -	\$ 176,789
	8300.210	Surface Rental Equip	\$ -	\$ 182,517	\$ -	\$ 182,517
	8300.212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300.214	Perforating & Plugs	\$ -	\$ 221,607	\$ -	\$ 221,607
	8300.220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300.229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300.232	Disposal	\$ -	\$ 11,215	\$ -	\$ 11,215
	8300.240	Pump Down Services	\$ -	\$ 49,162	\$ -	\$ 49,162
	8300.248	Mancamp	\$ -	\$ 29,156	\$ -	\$ 29,156
	8300.250	Downhole Rental Equip	\$ -	\$ 38,167	\$ -	\$ 38,167
	8300.270	Frac - Equipment	\$ -	\$ 830,631	\$ -	\$ 830,631
	8300.271	Coil Tubing	\$ -	\$ 87,098	\$ -	\$ 87,098
	8300.273	Flowback	\$ -	\$ 20,942	\$ -	\$ 20,942
	8300.274	Water Transfer	\$ -	\$ 49,153	\$ -	\$ 49,153
	8300.275	Frac - Sand	\$ -	\$ 475,072	\$ -	\$ 475,072
	8300.276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300.277	Consulting Services	\$ -	\$ 63,508	\$ -	\$ 63,508
	8300.278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300.279	Completions Overhead	\$ -	\$ 10,255	\$ -	\$ 10,255
<b>Intangible Workover</b>			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320.602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320.605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320.610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320.621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320.625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
<b>Intangible Flowback</b>			\$ -	\$ 456,712	\$ -	\$ 456,712
	8360.805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360.810	Frac Water Recovery	\$ -	\$ 115,368	\$ -	\$ 115,368
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360.820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360.845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360.850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
<b>Intangible Facility</b>			\$ -	\$ -	\$ 292,617	\$ 292,617
	8350.403	Roads/Location	\$ -	\$ -	\$ 26,350	\$ 26,350
	8350.404	Equipment Rental	\$ -	\$ -	\$ 11,588	\$ 11,588
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 5,513	\$ 5,513
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 6,213	\$ 6,213
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 23,438	\$ 23,438
	8350.416	Supervision	\$ -	\$ -	\$ 12,550	\$ 12,550
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 19,464	\$ 19,464
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 55,625	\$ 55,625
	8350.419	Automation Labor	\$ -	\$ -	\$ 10,613	\$ 10,613
	8350.420	Electrical Labor	\$ -	\$ -	\$ 31,363	\$ 31,363
	8350.421	Commissioning	\$ -	\$ -	\$ 1,175	\$ 1,175
	8350.422	Flowline Labor	\$ -	\$ -	\$ 88,725	\$ 88,725
<b>TOTAL INTANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 2,691,469	\$ 3,437,503	\$ 292,617	\$ 6,421,589
<b>TOTAL PROJECT COSTS &gt;&gt;&gt;</b>			\$ 4,062,921	\$ 3,996,799	\$ 849,938	\$ 8,909,657
			<b>Drilling</b>	<b>Completion</b>	<b>Facility</b>	<b>Total</b>



**AUTHORIZATION FOR EXPENDITURE**

This Authority for Expenditure is based on cost estimates. Billing will reflect your proportionate share of the actual invoice costs.

**JOINT INTEREST APPROVAL:**

Company: \_\_\_\_\_

Working Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_



**AUTHORIZATION FOR EXPENDITURE**

**AFE:** NM1425

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #802H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2182' FWL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 2310' FWL

State: NM

**PROJECT DESCRIPTION:**

The proposed AFE is for the Spicy Chicken 23 26 Fed Com #802H, a 1.5 section Cisco horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
<b>DRILLING:</b>	<b>\$4,062,921</b>
<b>COMPLETIONS:</b>	<b>\$3,996,799</b>
<b>FACILITIES:</b>	<b>\$849,938</b>
<b>COMPLETED WELL COST:</b>	<b>\$8,909,657</b>

**OPERATOR APPROVAL:**



**AUTHORIZATION FOR EXPENDITURE**

AFE: NM1425

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #802H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2182' FWL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 2310' FWL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Tangible Drilling</b>			\$ 1,371,452	\$ -	\$ -	\$ 1,371,452
	8400.301	Surface Casing	\$ 152,226	\$ -	\$ -	\$ 152,226
	8400.302	Intermediate 1 Casing	\$ 158,349	\$ -	\$ -	\$ 158,349
	8400.303	Production Casing	\$ 416,222	\$ -	\$ -	\$ 416,222
	8400.312	Intermediate 2 Casing	\$ 246,285	\$ -	\$ -	\$ 246,285
	8400.322	Intermediate 3 Casing	\$ 335,221	\$ -	\$ -	\$ 335,221
	8400.340	Wellhead	\$ 63,150	\$ -	\$ -	\$ 63,150
<b>Tangible Completion</b>			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
<b>Tangible Workover</b>			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
<b>Tangible Facility</b>			\$ -	\$ -	\$ 557,321	\$ 557,321
	8355.500	Vessels	\$ -	\$ -	\$ 187,688	\$ 187,688
	8355.510	Tanks	\$ -	\$ -	\$ 59,825	\$ 59,825
	8355.515	Flare	\$ -	\$ -	\$ 13,788	\$ 13,788
	8355.520	PVF	\$ -	\$ -	\$ 82,225	\$ 82,225
	8355.525	Containment	\$ -	\$ -	\$ 13,100	\$ 13,100
	8355.530	Compressors	\$ -	\$ -	\$ 3,838	\$ 3,838
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 24,525	\$ 24,525
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 31,700	\$ 31,700
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 33,256	\$ 33,256
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 15,638	\$ 15,638
	8355.560	Pipeline	\$ -	\$ -	\$ 2,763	\$ 2,763
	8355.565	Flowline	\$ -	\$ -	\$ 88,975	\$ 88,975
<b>TOTAL TANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 1,371,452	\$ 559,296	\$ 557,321	\$ 2,488,069

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Intangible Drilling</b>			\$ 2,691,469	\$ -	\$ -	\$ 2,691,469
	8200.102	Drilling - Daywork	\$ 484,272	\$ -	\$ -	\$ 484,272
	8200.103	Drilling - Rig Move	\$ 49,906	\$ -	\$ -	\$ 49,906
	8200.104	Fuel - Rig	\$ 99,167	\$ -	\$ -	\$ 99,167
	8200.106	Transportation	\$ 97,129	\$ -	\$ -	\$ 97,129
	8200.111	Survey, Stake/Permit	\$ 17,893	\$ -	\$ -	\$ 17,893
	8200.112	Location & Roads, Conductor	\$ 89,331	\$ -	\$ -	\$ 89,331
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 170,301	\$ -	\$ -	\$ 170,301
	8200.115	Mud-Drill Water	\$ 6,702	\$ -	\$ -	\$ 6,702
	8200.116	Drill Bits & BHA	\$ 148,931	\$ -	\$ -	\$ 148,931
	8200.117	Mud & Chemicals	\$ 115,289	\$ -	\$ -	\$ 115,289
	8200.119	Mud-Auxiliary	\$ 25,232	\$ -	\$ -	\$ 25,232
	8200.124	Equipment Rental	\$ 146,140	\$ -	\$ -	\$ 146,140
	8200.125	Inspection	\$ 55,783	\$ -	\$ -	\$ 55,783
	8200.127	Contract Labor	\$ 47,661	\$ -	\$ -	\$ 47,661
	8200.128	Drilling - Directional	\$ 310,724	\$ -	\$ -	\$ 310,724
	8200.136	Mudlogging	\$ 12,892	\$ -	\$ -	\$ 12,892
	8200.137	Casing Services	\$ 145,633	\$ -	\$ -	\$ 145,633
	8200.138	Cementing Services	\$ 256,640	\$ -	\$ -	\$ 256,640
	8200.143	Geological Services	\$ 16,000	\$ -	\$ -	\$ 16,000
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 21,133	\$ -	\$ -	\$ 21,133
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894



**AUTHORIZATION FOR EXPENDITURE**

	8200.162	Mancamp	\$ 34,096	\$ -	\$ -	\$ 34,096
	8200.164	Solids Control & Closed Loop	\$ 72,310	\$ -	\$ -	\$ 72,310
	8200.165	Safety/Environmental	\$ 1,539	\$ -	\$ -	\$ 1,539
	8200.167	Consulting Services	\$ 135,063	\$ -	\$ -	\$ 135,063
	8200.168	Roustabout Services	\$ 2,411	\$ -	\$ -	\$ 2,411
	8200.169	Mud-Brine	\$ 22,654	\$ -	\$ -	\$ 22,654
	8200.170	Mud-Diesel	\$ 77,926	\$ -	\$ -	\$ 77,926
<b>Intangible Completion</b>			\$ -	\$ 2,870,641	\$ -	\$ 2,870,641
	8300.203	Fuel	\$ -	\$ 300,060	\$ -	\$ 300,060
	8300.205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300.207	Fresh Water	\$ -	\$ 294,621	\$ -	\$ 294,621
	8300.209	Chemicals	\$ -	\$ 176,789	\$ -	\$ 176,789
	8300.210	Surface Rental Equip	\$ -	\$ 182,517	\$ -	\$ 182,517
	8300.212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300.214	Perforating & Plugs	\$ -	\$ 221,607	\$ -	\$ 221,607
	8300.220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300.229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300.232	Disposal	\$ -	\$ 11,215	\$ -	\$ 11,215
	8300.240	Pump Down Services	\$ -	\$ 49,162	\$ -	\$ 49,162
	8300.248	Mancamp	\$ -	\$ 29,156	\$ -	\$ 29,156
	8300.250	Downhole Rental Equip	\$ -	\$ 38,167	\$ -	\$ 38,167
	8300.270	Frac - Equipment	\$ -	\$ 830,631	\$ -	\$ 830,631
	8300.271	Coil Tubing	\$ -	\$ 87,098	\$ -	\$ 87,098
	8300.273	Flowback	\$ -	\$ 20,942	\$ -	\$ 20,942
	8300.274	Water Transfer	\$ -	\$ 49,153	\$ -	\$ 49,153
	8300.275	Frac - Sand	\$ -	\$ 475,072	\$ -	\$ 475,072
	8300.276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300.277	Consulting Services	\$ -	\$ 63,508	\$ -	\$ 63,508
	8300.278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300.279	Completions Overhead	\$ -	\$ 10,255	\$ -	\$ 10,255
<b>Intangible Workover</b>			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320.602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320.605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320.610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320.621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320.625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
<b>Intangible Flowback</b>			\$ -	\$ 456,712	\$ -	\$ 456,712
	8360.805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360.810	Frac Water Recovery	\$ -	\$ 115,368	\$ -	\$ 115,368
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360.820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360.845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360.850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
<b>Intangible Facility</b>			\$ -	\$ -	\$ 292,617	\$ 292,617
	8350.403	Roads/Location	\$ -	\$ -	\$ 26,350	\$ 26,350
	8350.404	Equipment Rental	\$ -	\$ -	\$ 11,588	\$ 11,588
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 5,513	\$ 5,513
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 6,213	\$ 6,213
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 23,438	\$ 23,438
	8350.416	Supervision	\$ -	\$ -	\$ 12,550	\$ 12,550
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 19,464	\$ 19,464
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 55,625	\$ 55,625
	8350.419	Automation Labor	\$ -	\$ -	\$ 10,613	\$ 10,613
	8350.420	Electrical Labor	\$ -	\$ -	\$ 31,363	\$ 31,363
	8350.421	Commissioning	\$ -	\$ -	\$ 1,175	\$ 1,175
	8350.422	Flowline Labor	\$ -	\$ -	\$ 88,725	\$ 88,725
<b>TOTAL INTANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 2,691,469	\$ 3,437,503	\$ 292,617	\$ 6,421,589
<b>TOTAL PROJECT COSTS &gt;&gt;&gt;</b>			\$ 4,062,921	\$ 3,996,799	\$ 849,938	\$ 8,909,657
			<b>Drilling</b>	<b>Completion</b>	<b>Facility</b>	<b>Total</b>



**AUTHORIZATION FOR EXPENDITURE**

This Authority for Expenditure is based on cost estimates. Billing will reflect your proportionate share of the actual invoice costs.

**JOINT INTEREST APPROVAL:**

Company: \_\_\_\_\_

Working Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_



**AUTHORIZATION FOR EXPENDITURE**

**AFE:** NM1430

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #803H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2256' FEL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 1650' FEL

State: NM

**PROJECT DESCRIPTION:**

The proposed AFE is for the Spicy Chicken 23 26 Fed Com #803H, a 1.5 section Cisco horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
<b>DRILLING:</b>	<b>\$4,062,921</b>
<b>COMPLETIONS:</b>	<b>\$3,996,799</b>
<b>FACILITIES:</b>	<b>\$849,938</b>
<b>COMPLETED WELL COST:</b>	<b>\$8,909,657</b>

**OPERATOR APPROVAL:**



**AUTHORIZATION FOR EXPENDITURE**

AFE: NM1430

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #803H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2256' FEL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 1650' FEL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Tangible Drilling</b>			\$ 1,371,452	\$ -	\$ -	\$ 1,371,452
	8400.301	Surface Casing	\$ 152,226	\$ -	\$ -	\$ 152,226
	8400.302	Intermediate 1 Casing	\$ 158,349	\$ -	\$ -	\$ 158,349
	8400.303	Production Casing	\$ 416,222	\$ -	\$ -	\$ 416,222
	8400.312	Intermediate 2 Casing	\$ 246,285	\$ -	\$ -	\$ 246,285
	8400.322	Intermediate 3 Casing	\$ 335,221	\$ -	\$ -	\$ 335,221
	8400.340	Wellhead	\$ 63,150	\$ -	\$ -	\$ 63,150
<b>Tangible Completion</b>			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
<b>Tangible Workover</b>			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
<b>Tangible Facility</b>			\$ -	\$ -	\$ 557,321	\$ 557,321
	8355.500	Vessels	\$ -	\$ -	\$ 187,688	\$ 187,688
	8355.510	Tanks	\$ -	\$ -	\$ 59,825	\$ 59,825
	8355.515	Flare	\$ -	\$ -	\$ 13,788	\$ 13,788
	8355.520	PVF	\$ -	\$ -	\$ 82,225	\$ 82,225
	8355.525	Containment	\$ -	\$ -	\$ 13,100	\$ 13,100
	8355.530	Compressors	\$ -	\$ -	\$ 3,838	\$ 3,838
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 24,525	\$ 24,525
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 31,700	\$ 31,700
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 33,256	\$ 33,256
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 15,638	\$ 15,638
	8355.560	Pipeline	\$ -	\$ -	\$ 2,763	\$ 2,763
	8355.565	Flowline	\$ -	\$ -	\$ 88,975	\$ 88,975
<b>TOTAL TANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 1,371,452	\$ 559,296	\$ 557,321	\$ 2,488,069

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Intangible Drilling</b>			\$ 2,691,469	\$ -	\$ -	\$ 2,691,469
	8200.102	Drilling - Daywork	\$ 484,272	\$ -	\$ -	\$ 484,272
	8200.103	Drilling - Rig Move	\$ 49,906	\$ -	\$ -	\$ 49,906
	8200.104	Fuel - Rig	\$ 99,167	\$ -	\$ -	\$ 99,167
	8200.106	Transportation	\$ 97,129	\$ -	\$ -	\$ 97,129
	8200.111	Survey, Stake/Permit	\$ 17,893	\$ -	\$ -	\$ 17,893
	8200.112	Location & Roads, Conductor	\$ 89,331	\$ -	\$ -	\$ 89,331
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 170,301	\$ -	\$ -	\$ 170,301
	8200.115	Mud-Drill Water	\$ 6,702	\$ -	\$ -	\$ 6,702
	8200.116	Drill Bits & BHA	\$ 148,931	\$ -	\$ -	\$ 148,931
	8200.117	Mud & Chemicals	\$ 115,289	\$ -	\$ -	\$ 115,289
	8200.119	Mud-Auxiliary	\$ 25,232	\$ -	\$ -	\$ 25,232
	8200.124	Equipment Rental	\$ 146,140	\$ -	\$ -	\$ 146,140
	8200.125	Inspection	\$ 55,783	\$ -	\$ -	\$ 55,783
	8200.127	Contract Labor	\$ 47,661	\$ -	\$ -	\$ 47,661
	8200.128	Drilling - Directional	\$ 310,724	\$ -	\$ -	\$ 310,724
	8200.136	Mudlogging	\$ 12,892	\$ -	\$ -	\$ 12,892
	8200.137	Casing Services	\$ 145,633	\$ -	\$ -	\$ 145,633
	8200.138	Cementing Services	\$ 256,640	\$ -	\$ -	\$ 256,640
	8200.143	Geological Services	\$ 16,000	\$ -	\$ -	\$ 16,000
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 21,133	\$ -	\$ -	\$ 21,133
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894



**AUTHORIZATION FOR EXPENDITURE**

	8200.162	Mancamp	\$ 34,096	\$ -	\$ -	\$ 34,096
	8200.164	Solids Control & Closed Loop	\$ 72,310	\$ -	\$ -	\$ 72,310
	8200.165	Safety/Environmental	\$ 1,539	\$ -	\$ -	\$ 1,539
	8200.167	Consulting Services	\$ 135,063	\$ -	\$ -	\$ 135,063
	8200.168	Roustabout Services	\$ 2,411	\$ -	\$ -	\$ 2,411
	8200.169	Mud-Brine	\$ 22,654	\$ -	\$ -	\$ 22,654
	8200.170	Mud-Diesel	\$ 77,926	\$ -	\$ -	\$ 77,926
<b>Intangible Completion</b>			\$ -	\$ 2,870,641	\$ -	\$ 2,870,641
	8300.203	Fuel	\$ -	\$ 300,060	\$ -	\$ 300,060
	8300.205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300.207	Fresh Water	\$ -	\$ 294,621	\$ -	\$ 294,621
	8300.209	Chemicals	\$ -	\$ 176,789	\$ -	\$ 176,789
	8300.210	Surface Rental Equip	\$ -	\$ 182,517	\$ -	\$ 182,517
	8300.212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300.214	Perforating & Plugs	\$ -	\$ 221,607	\$ -	\$ 221,607
	8300.220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300.229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300.232	Disposal	\$ -	\$ 11,215	\$ -	\$ 11,215
	8300.240	Pump Down Services	\$ -	\$ 49,162	\$ -	\$ 49,162
	8300.248	Mancamp	\$ -	\$ 29,156	\$ -	\$ 29,156
	8300.250	Downhole Rental Equip	\$ -	\$ 38,167	\$ -	\$ 38,167
	8300.270	Frac - Equipment	\$ -	\$ 830,631	\$ -	\$ 830,631
	8300.271	Coil Tubing	\$ -	\$ 87,098	\$ -	\$ 87,098
	8300.273	Flowback	\$ -	\$ 20,942	\$ -	\$ 20,942
	8300.274	Water Transfer	\$ -	\$ 49,153	\$ -	\$ 49,153
	8300.275	Frac - Sand	\$ -	\$ 475,072	\$ -	\$ 475,072
	8300.276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300.277	Consulting Services	\$ -	\$ 63,508	\$ -	\$ 63,508
	8300.278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300.279	Completions Overhead	\$ -	\$ 10,255	\$ -	\$ 10,255
<b>Intangible Workover</b>			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320.602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320.605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320.610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320.621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320.625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
<b>Intangible Flowback</b>			\$ -	\$ 456,712	\$ -	\$ 456,712
	8360.805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360.810	Frac Water Recovery	\$ -	\$ 115,368	\$ -	\$ 115,368
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360.820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360.845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360.850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
<b>Intangible Facility</b>			\$ -	\$ -	\$ 292,617	\$ 292,617
	8350.403	Roads/Location	\$ -	\$ -	\$ 26,350	\$ 26,350
	8350.404	Equipment Rental	\$ -	\$ -	\$ 11,588	\$ 11,588
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 5,513	\$ 5,513
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 6,213	\$ 6,213
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 23,438	\$ 23,438
	8350.416	Supervision	\$ -	\$ -	\$ 12,550	\$ 12,550
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 19,464	\$ 19,464
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 55,625	\$ 55,625
	8350.419	Automation Labor	\$ -	\$ -	\$ 10,613	\$ 10,613
	8350.420	Electrical Labor	\$ -	\$ -	\$ 31,363	\$ 31,363
	8350.421	Commissioning	\$ -	\$ -	\$ 1,175	\$ 1,175
	8350.422	Flowline Labor	\$ -	\$ -	\$ 88,725	\$ 88,725
<b>TOTAL INTANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 2,691,469	\$ 3,437,503	\$ 292,617	\$ 6,421,589
<b>TOTAL PROJECT COSTS &gt;&gt;&gt;</b>			\$ 4,062,921	\$ 3,996,799	\$ 849,938	\$ 8,909,657
			<b>Drilling</b>	<b>Completion</b>	<b>Facility</b>	<b>Total</b>



**AUTHORIZATION FOR EXPENDITURE**

This Authority for Expenditure is based on cost estimates. Billing will reflect your proportionate share of the actual invoice costs.

**JOINT INTEREST APPROVAL:**

Company: \_\_\_\_\_

Working Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_



**AUTHORIZATION FOR EXPENDITURE**

**AFE:** NM1431

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #804H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2176' FEL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 330' FEL

State: NM

**PROJECT DESCRIPTION:**

The proposed AFE is for the Spicy Chicken 23 26 Fed Com #804H, a 1.5 section Cisco horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
<b>DRILLING:</b>	<b>\$4,062,921</b>
<b>COMPLETIONS:</b>	<b>\$3,996,799</b>
<b>FACILITIES:</b>	<b>\$849,938</b>
<b>COMPLETED WELL COST:</b>	<b>\$8,909,657</b>

**OPERATOR APPROVAL:**



**AUTHORIZATION FOR EXPENDITURE**

AFE: NM1431

Date: May 04, 2026

Well Name: Spicy Chicken 23 26 Fed Com #804H

Projected MD/TVD: 19623/11700

Target: CISCO

SHL: S23-T20S-R32E 180' FNL, 2176' FEL

County: Lea

BHL: S26-T20S-R32E 2536' FNL, 330' FEL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Tangible Drilling</b>			\$ 1,371,452	\$ -	\$ -	\$ 1,371,452
	8400.301	Surface Casing	\$ 152,226	\$ -	\$ -	\$ 152,226
	8400.302	Intermediate 1 Casing	\$ 158,349	\$ -	\$ -	\$ 158,349
	8400.303	Production Casing	\$ 416,222	\$ -	\$ -	\$ 416,222
	8400.312	Intermediate 2 Casing	\$ 246,285	\$ -	\$ -	\$ 246,285
	8400.322	Intermediate 3 Casing	\$ 335,221	\$ -	\$ -	\$ 335,221
	8400.340	Wellhead	\$ 63,150	\$ -	\$ -	\$ 63,150
<b>Tangible Completion</b>			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
<b>Tangible Workover</b>			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
<b>Tangible Facility</b>			\$ -	\$ -	\$ 557,321	\$ 557,321
	8355.500	Vessels	\$ -	\$ -	\$ 187,688	\$ 187,688
	8355.510	Tanks	\$ -	\$ -	\$ 59,825	\$ 59,825
	8355.515	Flare	\$ -	\$ -	\$ 13,788	\$ 13,788
	8355.520	PVF	\$ -	\$ -	\$ 82,225	\$ 82,225
	8355.525	Containment	\$ -	\$ -	\$ 13,100	\$ 13,100
	8355.530	Compressors	\$ -	\$ -	\$ 3,838	\$ 3,838
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 24,525	\$ 24,525
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 31,700	\$ 31,700
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 33,256	\$ 33,256
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 15,638	\$ 15,638
	8355.560	Pipeline	\$ -	\$ -	\$ 2,763	\$ 2,763
	8355.565	Flowline	\$ -	\$ -	\$ 88,975	\$ 88,975
<b>TOTAL TANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 1,371,452	\$ 559,296	\$ 557,321	\$ 2,488,069

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
<b>Intangible Drilling</b>			\$ 2,691,469	\$ -	\$ -	\$ 2,691,469
	8200.102	Drilling - Daywork	\$ 484,272	\$ -	\$ -	\$ 484,272
	8200.103	Drilling - Rig Move	\$ 49,906	\$ -	\$ -	\$ 49,906
	8200.104	Fuel - Rig	\$ 99,167	\$ -	\$ -	\$ 99,167
	8200.106	Transportation	\$ 97,129	\$ -	\$ -	\$ 97,129
	8200.111	Survey, Stake/Permit	\$ 17,893	\$ -	\$ -	\$ 17,893
	8200.112	Location & Roads, Conductor	\$ 89,331	\$ -	\$ -	\$ 89,331
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 170,301	\$ -	\$ -	\$ 170,301
	8200.115	Mud-Drill Water	\$ 6,702	\$ -	\$ -	\$ 6,702
	8200.116	Drill Bits & BHA	\$ 148,931	\$ -	\$ -	\$ 148,931
	8200.117	Mud & Chemicals	\$ 115,289	\$ -	\$ -	\$ 115,289
	8200.119	Mud-Auxiliary	\$ 25,232	\$ -	\$ -	\$ 25,232
	8200.124	Equipment Rental	\$ 146,140	\$ -	\$ -	\$ 146,140
	8200.125	Inspection	\$ 55,783	\$ -	\$ -	\$ 55,783
	8200.127	Contract Labor	\$ 47,661	\$ -	\$ -	\$ 47,661
	8200.128	Drilling - Directional	\$ 310,724	\$ -	\$ -	\$ 310,724
	8200.136	Mudlogging	\$ 12,892	\$ -	\$ -	\$ 12,892
	8200.137	Casing Services	\$ 145,633	\$ -	\$ -	\$ 145,633
	8200.138	Cementing Services	\$ 256,640	\$ -	\$ -	\$ 256,640
	8200.143	Geological Services	\$ 16,000	\$ -	\$ -	\$ 16,000
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 21,133	\$ -	\$ -	\$ 21,133
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894



**AUTHORIZATION FOR EXPENDITURE**

	8200.162	Mancamp	\$ 34,096	\$ -	\$ -	\$ 34,096
	8200.164	Solids Control & Closed Loop	\$ 72,310	\$ -	\$ -	\$ 72,310
	8200.165	Safety/Environmental	\$ 1,539	\$ -	\$ -	\$ 1,539
	8200.167	Consulting Services	\$ 135,063	\$ -	\$ -	\$ 135,063
	8200.168	Roustabout Services	\$ 2,411	\$ -	\$ -	\$ 2,411
	8200.169	Mud-Brine	\$ 22,654	\$ -	\$ -	\$ 22,654
	8200.170	Mud-Diesel	\$ 77,926	\$ -	\$ -	\$ 77,926
<b>Intangible Completion</b>			\$ -	\$ 2,870,641	\$ -	\$ 2,870,641
	8300.203	Fuel	\$ -	\$ 300,060	\$ -	\$ 300,060
	8300.205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300.207	Fresh Water	\$ -	\$ 294,621	\$ -	\$ 294,621
	8300.209	Chemicals	\$ -	\$ 176,789	\$ -	\$ 176,789
	8300.210	Surface Rental Equip	\$ -	\$ 182,517	\$ -	\$ 182,517
	8300.212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300.214	Perforating & Plugs	\$ -	\$ 221,607	\$ -	\$ 221,607
	8300.220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300.229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300.232	Disposal	\$ -	\$ 11,215	\$ -	\$ 11,215
	8300.240	Pump Down Services	\$ -	\$ 49,162	\$ -	\$ 49,162
	8300.248	Mancamp	\$ -	\$ 29,156	\$ -	\$ 29,156
	8300.250	Downhole Rental Equip	\$ -	\$ 38,167	\$ -	\$ 38,167
	8300.270	Frac - Equipment	\$ -	\$ 830,631	\$ -	\$ 830,631
	8300.271	Coil Tubing	\$ -	\$ 87,098	\$ -	\$ 87,098
	8300.273	Flowback	\$ -	\$ 20,942	\$ -	\$ 20,942
	8300.274	Water Transfer	\$ -	\$ 49,153	\$ -	\$ 49,153
	8300.275	Frac - Sand	\$ -	\$ 475,072	\$ -	\$ 475,072
	8300.276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300.277	Consulting Services	\$ -	\$ 63,508	\$ -	\$ 63,508
	8300.278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300.279	Completions Overhead	\$ -	\$ 10,255	\$ -	\$ 10,255
<b>Intangible Workover</b>			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320.602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320.605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320.610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320.621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320.625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
<b>Intangible Flowback</b>			\$ -	\$ 456,712	\$ -	\$ 456,712
	8360.805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360.810	Frac Water Recovery	\$ -	\$ 115,368	\$ -	\$ 115,368
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360.820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360.845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360.850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
<b>Intangible Facility</b>			\$ -	\$ -	\$ 292,617	\$ 292,617
	8350.403	Roads/Location	\$ -	\$ -	\$ 26,350	\$ 26,350
	8350.404	Equipment Rental	\$ -	\$ -	\$ 11,588	\$ 11,588
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 5,513	\$ 5,513
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 6,213	\$ 6,213
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 23,438	\$ 23,438
	8350.416	Supervision	\$ -	\$ -	\$ 12,550	\$ 12,550
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 19,464	\$ 19,464
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 55,625	\$ 55,625
	8350.419	Automation Labor	\$ -	\$ -	\$ 10,613	\$ 10,613
	8350.420	Electrical Labor	\$ -	\$ -	\$ 31,363	\$ 31,363
	8350.421	Commissioning	\$ -	\$ -	\$ 1,175	\$ 1,175
	8350.422	Flowline Labor	\$ -	\$ -	\$ 88,725	\$ 88,725
<b>TOTAL INTANGIBLE COSTS &gt;&gt;&gt;</b>			\$ 2,691,469	\$ 3,437,503	\$ 292,617	\$ 6,421,589
<b>TOTAL PROJECT COSTS &gt;&gt;&gt;</b>			\$ 4,062,921	\$ 3,996,799	\$ 849,938	\$ 8,909,657
			<b>Drilling</b>	<b>Completion</b>	<b>Facility</b>	<b>Total</b>



**AUTHORIZATION FOR EXPENDITURE**

This Authority for Expenditure is based on cost estimates. Billing will reflect your proportionate share of the actual invoice costs.

**JOINT INTEREST APPROVAL:**

Company: \_\_\_\_\_

Working Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

## Summary of Contacts

Spicy Chicken 23 26 Fed Com #801H - 804H

AO II  
Case No. 26190  
Exhibit A-7



### Summary of Contacts

- AO II retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- AO II searched public records, phone directory, LexisNexis subscription and conducted various internet searches.
- AOII sent original well proposals on or around October 1, 2025.
- AO II proposed general terms of a Joint Operating Agreement (JOA) within the well proposal letters sent to all working interest owners.
- AO II sent working interest owners a JOA upon request.
- AOII had multiple communications with uncommitted working interest owners, outlined in the following slides.
- AO II counsel sent notices of force pooling applications to the address of record for uncommitted interest owners and overriding royalty owners.
- AO II counsel published notice in a newspaper of general circulation in the County where the wells will be located.
- AOII sent out updated pool code letters on or around May 7, 2026



Summary of Contacts with uncommitted owners  
Spicy Chicken 23 26 Fed Com #801H - 804H

AO II  
Case No. 26190  
Exhibit A-7



**AO II has been proactive and consistently engaged with all working interest owners.**

Owner Name	Follow-up / Comments
Andrew H. Jackson	Well proposal package received 11/24/25 - Call with Sandra; confirmed interest and potential openness to a deal 12/15/25 - JOA and offer sent 1/12/26 - Followed up on offer 1/16/26 - Owner indicated no longer interested in selling 5/7/26 - Sent updated Pool Code Letter
MRC Permian Company	Well proposal package received 3/18/26 - AO II reached out regarding JOA participation; no response 3/24/26 - Follow-up; no response 3/30/26 - Additional follow-up 4/7/26 - MRC confirmed they are still evaluating which party to support, if any 5/7/26 - Sent updated Pool Code Letter
WR Non-Op, LLC	Well proposal package received 12/15/25 - Proposals and AFEs sent via email 1/20/26 - JOA sent 4/6/26 - AO II followed up regarding JOA participation 4/9/26 - WR responded they are "still figuring out next steps" 5/7/26 - Sent updated Pool Code Letter
Earthstone Permian LLC	Well proposal package received 11/18/25 - PR sent AOII trade proposal 1/23/26 - PR informs AOII that multiple high value tracts have been pulled from original proposal 2/10/26 -PR sends over revised trade menu w/considerably less acreage and high value units removed 4/9/26 - AOII delivers new trade offer to PR 4/17/26 - AOII delivers offer ahead of contested hearing, no response received 5/7/26 - Sent updated Pool Code Letter



Committed/Uncommitted Exhibit



Owner Name	Owner Type (WIO/UMI/ORRI)	Ownership Status (Committed/Uncommitted)	Commitment Type (JOA, Letter of Support, Etc.)	Date of Hearing Notice Letter	Date of Publication	Exhibit
<b>AVANT OPERATING II, LLC*</b>	WIO	OPERATOR	OPERATOR	N/A	N/A	N/A
Diaga Mineral Group	WIO	Committed	JOA	2/17/2026	2/22/2026	D
Andrew H. Jackson	WIO	Uncommitted	N/A	2/17/2026	2/22/2026	D
Chief Capital (O&G) II LLC	WIO	Committed	JOA	2/17/2026	2/22/2026	D
WR Non-Op LLC	WIO	Uncommitted	N/A	2/17/2026	2/22/2026	D
Earthstone Permian LLC	WIO	Uncommitted	N/A	2/17/2026	2/22/2026	D
TD Minerals, LLC	WIO	Committed	JOA	2/17/2026	2/22/2026	D
Earthstone Permian LLC	WIO	Uncommitted	N/A	2/17/2026	2/22/2026	D
Petrolux, Inc.	WIO	Committed - Under Contract	JOA	2/17/2026	2/22/2026	D
MRC Permian Company	WIO	Uncommitted	N/A	2/17/2026	2/22/2026	D
Marie I. Baetz, Trustee of the Marie I. Baetz Family 2012 Trust	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Barbara Shelby Baetz Shipper a/k/a Barbara B. Shipper	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
CSC3 Holdings, Ltd.	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Trainer Partners LTD.	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Earthstone Permian LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
SITL Energy, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Ventura Oil & Gas, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
PBC Resources, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
TD Minerals, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Blue Star Royalty, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
AO II Permian, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Earthstone Permian LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Brigham Royalties Fund I Holdco, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
John R. Lewis	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
WRH I, LP	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Kimbell Royalty Holdings, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
David Charles Lougee, Kipp Lougee Frederiksen and Fred Frederiksen, Trustees of the Lougee Oil & Gas Trust	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D



**EXHIBIT**  
**A-8**

## Committed/Uncommitted Exhibit



Owner Name	Owner Type (WIO/UMI/ORRI)	Ownership Status (Committed/Uncommitted)	Commitment Type (JOA, Letter of Support, Etc.)	Date of Hearing Notice Letter	Date of Publication	Exhibit
Patricia Owens Preston, Trustee of the Charles Dean Preston Revocable Trust Dated August 4, 2011	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
DNR Oil & Gas, Inc	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Sydney Investments LP	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Hidden Hills Minerals, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Topsey, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Hatch Royalty, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
James C. Whitten, Trustee of the Whitten Management Trust	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Brigham Royalties Fund I Holdco, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Milestone Oil, LLC	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Mustang Mud, Inc	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Lario Oil & Gas Company	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Harken Exploration Company	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Mark B. Murphy, Trustee of the Mark B, Murphy Irrevocable Trust, UTA dated December 12, 2012	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Susan S. Murphy, Trustee of the Susan S. Murphy Marital Trust, UTA dated November 12, 2012	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Robin L. Morgan, a widow	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D
Hutchings Oil Company	ORRI	Uncommitted	N/A	2/17/2026	2/22/2026	D



# Lease Tract Map

Spicy Chicken 23 26 Fed Com #801H - 804H

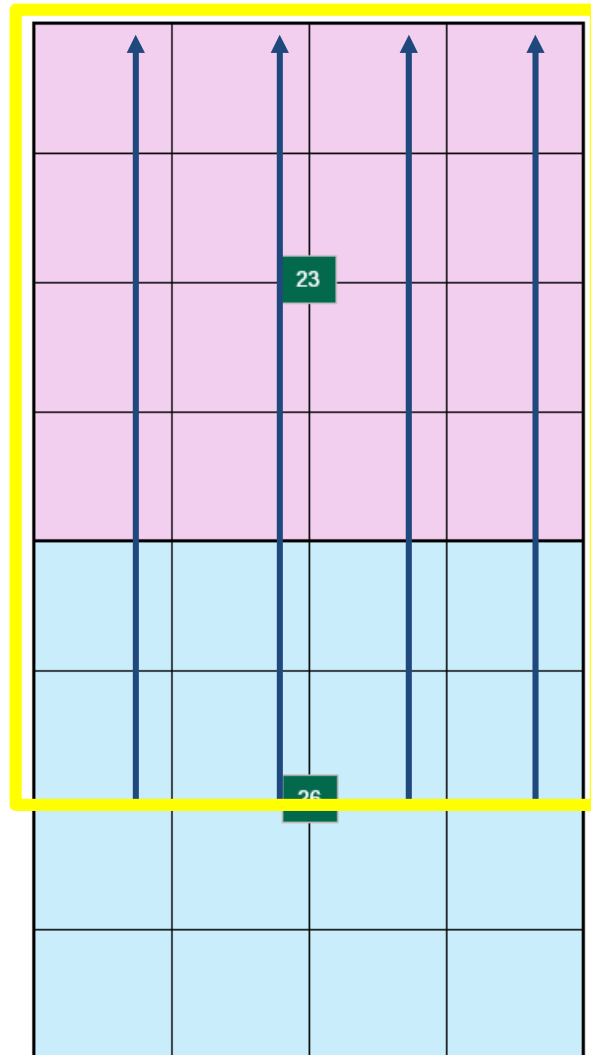
AO II

Case No. 26190

Exhibit A-9



## Tract Map with approx. well locations



Pennsylvanian

Well Name	Pool Code / Pool Name
Spicy Chicken 23 26Fed Com #801H	WC-025 G-08 S203222N; CISCO-CANYON
Spicy Chicken 23 26Fed Com #802H	WC-025 G-08 S203222N; CISCO-CANYON
Spicy Chicken 23 26Fed Com #803H	WC-025 G-08 S203222N; CISCO-CANYON
Spicy Chicken 23 26Fed Com #804H	WC-025 G-08 S203222N; CISCO-CANYON

 AO II SPICY CHICKEN UNIT



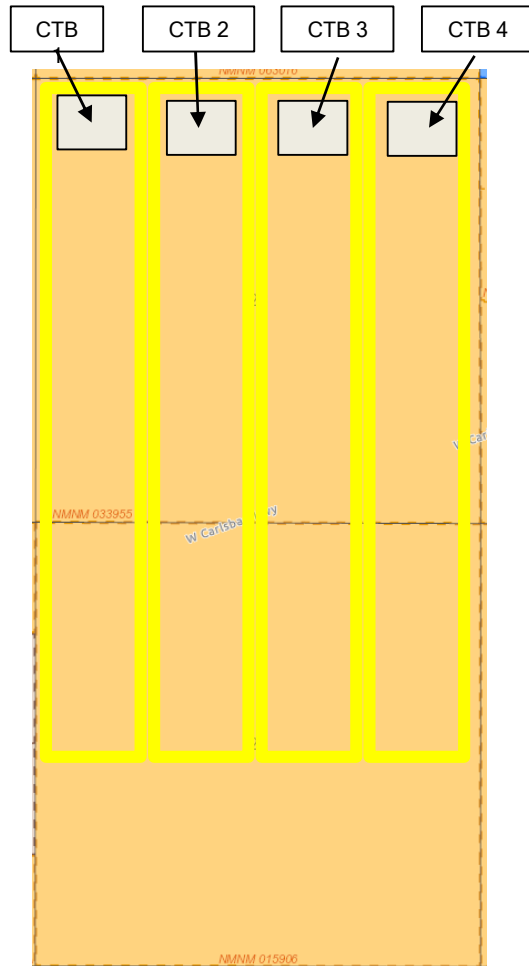
# Standard vs. Non-Standard Unit Comparison

Spicy Chicken 23 26 Fed Com #801H - 804H

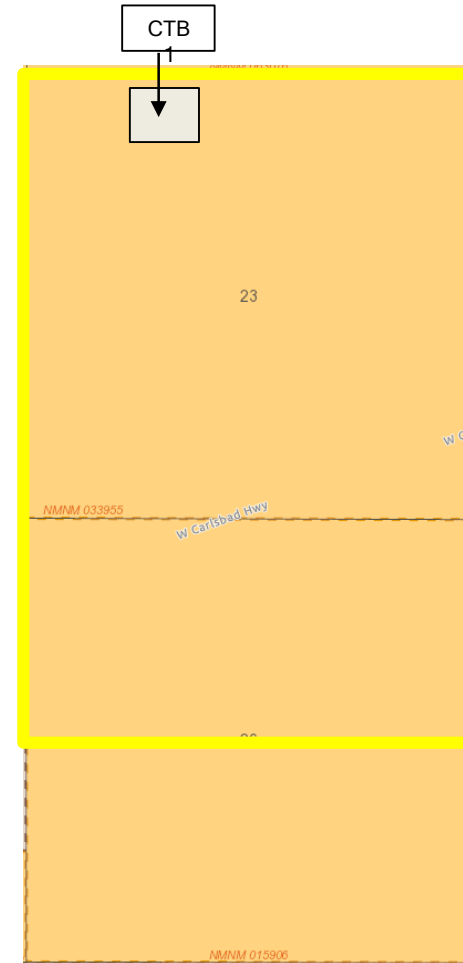


## NSSU reduces surface facilities and surface impacts

Standard Unit Development

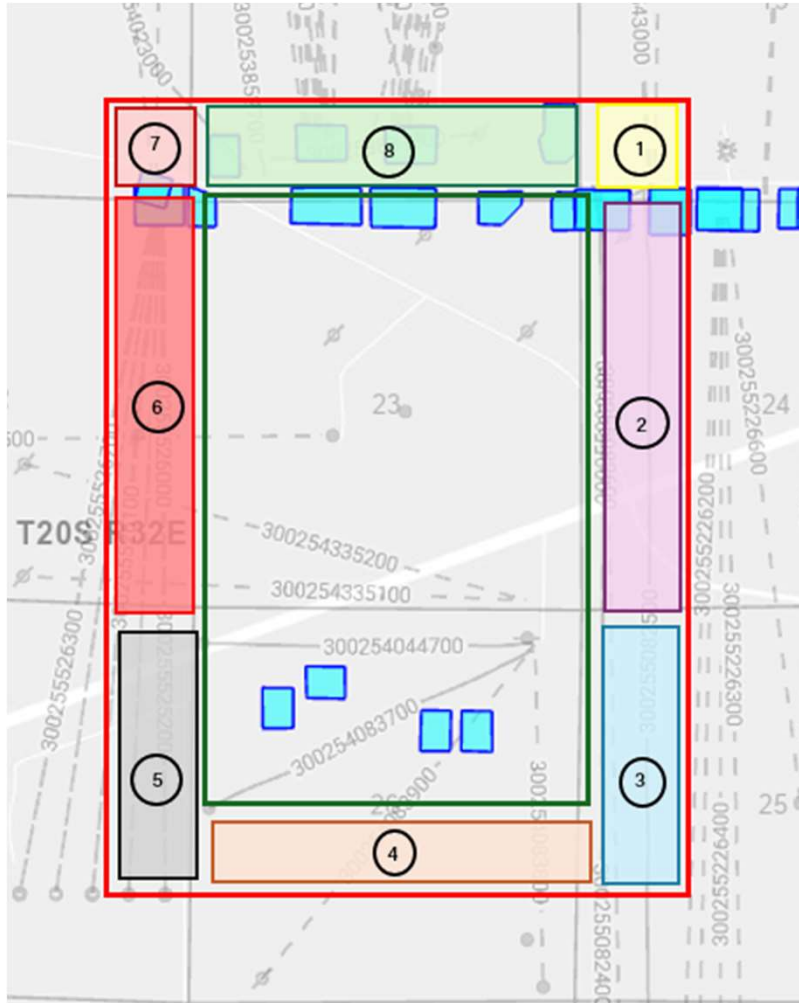


Non-Standard Unit Development





### NSU Notice Information

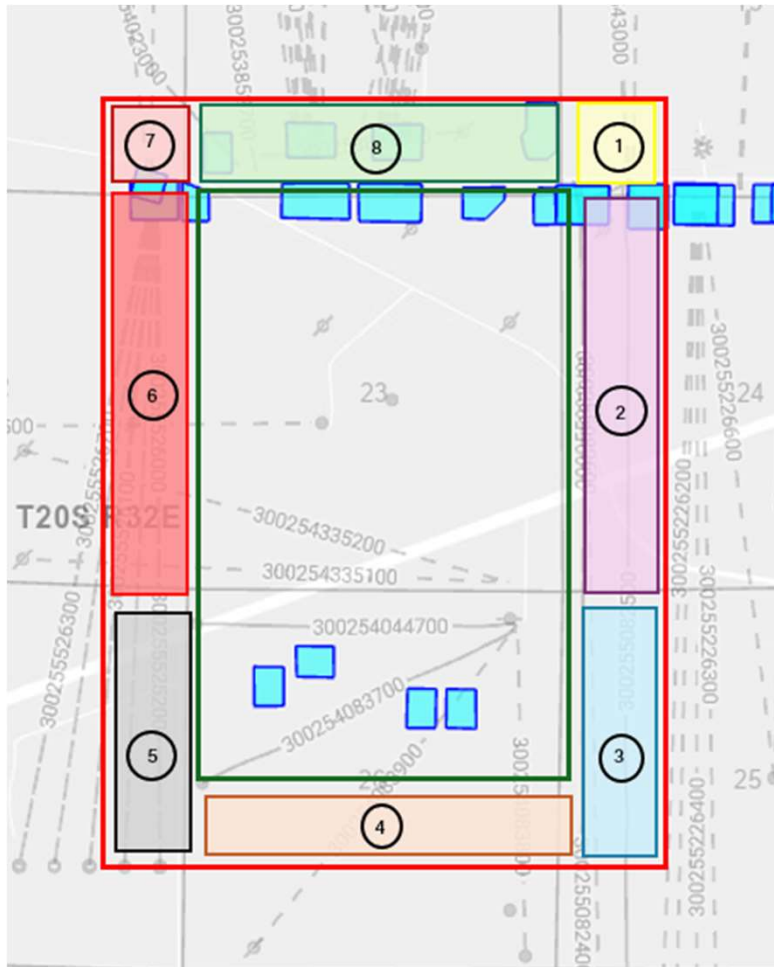


Tract	Description	Notice Party Name	Address
8	14-20S-32E, Fed Lease RT Owner NMNM 063016	EOG Resources Inc	5509 Champions Drive Midland, TX 79706
8	14-20S-32E, Fed Lease RT Owner NMNM 063016	Tap Rock Resources II LLC	523 Park Point Drive, Suite #200 Golden, CO 80401
1	13-20S-32E, SLO Lease RT Owner	COG Operating LLC	925 N. Eldridge Parkway Houston, TX 77079-2703
2	24-20S-32E, Fed Lease RT Owner NMNM 016640B	Gross Family LTD	PO Box 358 Roswell, NM 3788
2	24-20S-32E, Fed Lease RT Owner NMNM 016640B	Trainer Partners LTD	2925 Richmond Ave, Ste 1200 Houston, TX 77098
2	24-20S-32E, Fed Lease RT Owner NMNM 016640B	Earthstone Permian LLC c/o Permian Resources	300 N Marienfeld Street, #100 Midland, TX 79707
2	24-20S-32E, Fed Lease RT Owner NMNM 016640A	EOG Resources Inc	5509 Champions Drive Midland, TX 79706
3	25-20S-32E, Fed Lease RT Owner NMNM 015907	COG Operating LLC	925 N. Eldridge Parkway Houston, TX 77079-2703
5	27-20S-32E, Fed Lease RT Owner and Unit Operator	XTO Delaware Basin LLC	22777 Springwoods Village Pkwy Spring, TX 77389-1425
5	27-20S-32E, FEE Leases WI Owners	Chief Capital O&G II LLC	8111 Westchester Drive, Suite #900 Dallas, TX 75225
5	27-20S-32E, FEE Leases WI Owners	MRC	5400 LBJ Freeway, Suite 1500 Dallas, TX 75240
5	27-20S-32E, FEE Leases WI Owners	Paloma Permian Assets LLC	1100 Louisiana, Suite 5100 Houston, TX 77002
5	27-20S-32E, FEE Leases WI Owners	WR Non-Op LLC	200 North Loraine, Suite 1260 Midland, Texas 79701
5	27-20S-32E, FEE Leases WI Owners	Southpaw Land and Timber LLC	4300 Macarthur Ave, Ste. 235 Dallas, Texas 75209
5	27-20S-32E, Fed Lease RT Owner NMNM 015024	Chevron USA Inc	1400 Smith Street Houston, TX 77002





NSU Notice Information Cont.



Tract	Description	Notice Party Name	Address
6	22-20S-32E, Fed Lease RT Owner NMNM 033955	AOII	1515 Wynkoop Street, Suite #700 Denver, CO 80202
7	15-20S-32E, fed Lease RT Owners NMNM 112275	Marathon Oil (ConocoPhillips)	925 N. Eldridge Parkway Houston, TX 77079-2703
8	14-20S-32E, Operator (APDs)	Civitas Resources	9950 Woodloch Forest Drive, Suite #1400 The Woodlands, TX 77380
7	15-20S-32E, Operator (APDs)	ConocoPhillips	925 N. Eldridge Parkway Houston, TX 77079-2703
6	22-20S-32E, Operator (APDs)	AOII	1515 Wynkoop Street, Suite #700 Denver, CO 80202
5	27-20S-32E, Operator (APDs)	AOII	1515 Wynkoop Street, Suite #700 Denver, CO 80202
4	26-20S-32E, Operator	Coterra Energy	6001 Deauville Blvd. Midland, TX 79706
3	25-20S-32E, Operator	Permian Resources	300 N Marienfeld Street, #100 Midland, TX 79707
1	13-20S-32E, Operator	EOG Resources Inc	5509 Champions Drive Midland, TX 79706
1	24-20S-32E, Operator	EOG Resources Inc	5509 Champions Drive Midland, TX 79706



## NSU Notice Parties for Tracts Where AO II Is Operator

## Tract 5:

5	XTO Delaware Basin LLC	22777 Springwoods Village Pkwy Spring, TX 77389-1425
5	Chief Capital O&G II LLC	8111 Westchester Drive, Suite #900 Dallas, TX 75225
5	MRC	5400 LBJ Freeway, Suite 1500 Dallas, TX 75240
5	Paloma Permian Assets LLC	1100 Louisiana, Suite 5100 Houston, TX 77002
5	WR Non-Op LLC	200 North Loraine, Suite 1260 Midland, Texas 79701
5	Southpaw Land and Timber LLC	4300 Macarthur Ave, Ste. 235 Dallas, Texas 75209
5	Chevron USA Inc	1400 Smith Street Houston, TX 77002

## Tract 6:

6	Chief Capital O&G II LLC	8111 Westchester Drive, Suite #900 Dallas, TX 75225
6	Earthstone Permian, LLC	300 M. Marienfeld Street #100 Midland, TX 79707
6	Trainer Partners LTD	2925 Richmond Ave, Ste 1200 Houston, TX 77098
6	WR Non-Op LLC	200 North Loraine, Suite 1260 Midland, Texas 79701
6	SITL Energy, LLC	308 North Colorado Avenue, Suite 200

		Midland, TX 79701
6	Chevron USA Inc	1400 Smith Street Houston, TX 77002
6	Paloma Permian Assets LLC	1100 Louisiana, Suite 5100 Houston, TX 77002
6	WR Non-Op LLC	200 North Loraine, Suite 1260 Midland, Texas 79701
6	BEXP II Omega Misc./BEXP II Alpha LLC	5914 W. Courtyard Drive, Suite 200 Austin, TX 78730
6	Diaga Mineral Group	901 West Missouri Avenue Midland, TX 79707
6	Andrew H. Jackson	1905 North Midkiff Road Midland, TX 79705

**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 UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 26190**

**SELF-AFFIRMED STATEMENT OF JOHN HARPER**

John Harper hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Avant Operating II, LLC (“AO II”), and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.

2. My area of responsibility at AO II includes the area of Lea County in New Mexico.

3. I am familiar with the application filed by AO II in this case.

4. **Exhibit B-1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.

5. **Exhibit B-2** is a wellbore schematic showing AO II’s development plan.

6. **Exhibit B-3** is a structure map of the Strawn Reef formation. The proposed spacing unit is identified by a red box. The proposed Spicy Chicken Pennsylvanian wells are identified by the black-dashed lines. The contour interval used in this exhibit is 100 feet. This exhibit shows that the structure dips gently to the southeast.

7. **Exhibit B-4** includes a cross-section reference map that identifies three wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A’.



8. **Exhibit B-5** is a stratigraphic cross-section hung on the top of the Strawn Formation. The well logs shown on the cross-section give a representative sample of the Upper Pennsylvanian in the area. The target zone for the Spicy Chicken Pennsylvanian wells is identified by a red-dashed line and a box identifying the wells. In my opinion, the Upper Pennsylvanian formation is relatively consistent across the proposed development area.

9. I conclude from the geology studies referenced above that:

- a. The horizontal spacing unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter quarter section in the proposed unit will contribute more or less equally to production.

10. In my opinion, the preferred well orientation in this area is North South due to the  $S_{Hmax}$  direction.

11. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.


12. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

13. I attest under penalty of perjury the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

*[Signature Page Follows]*

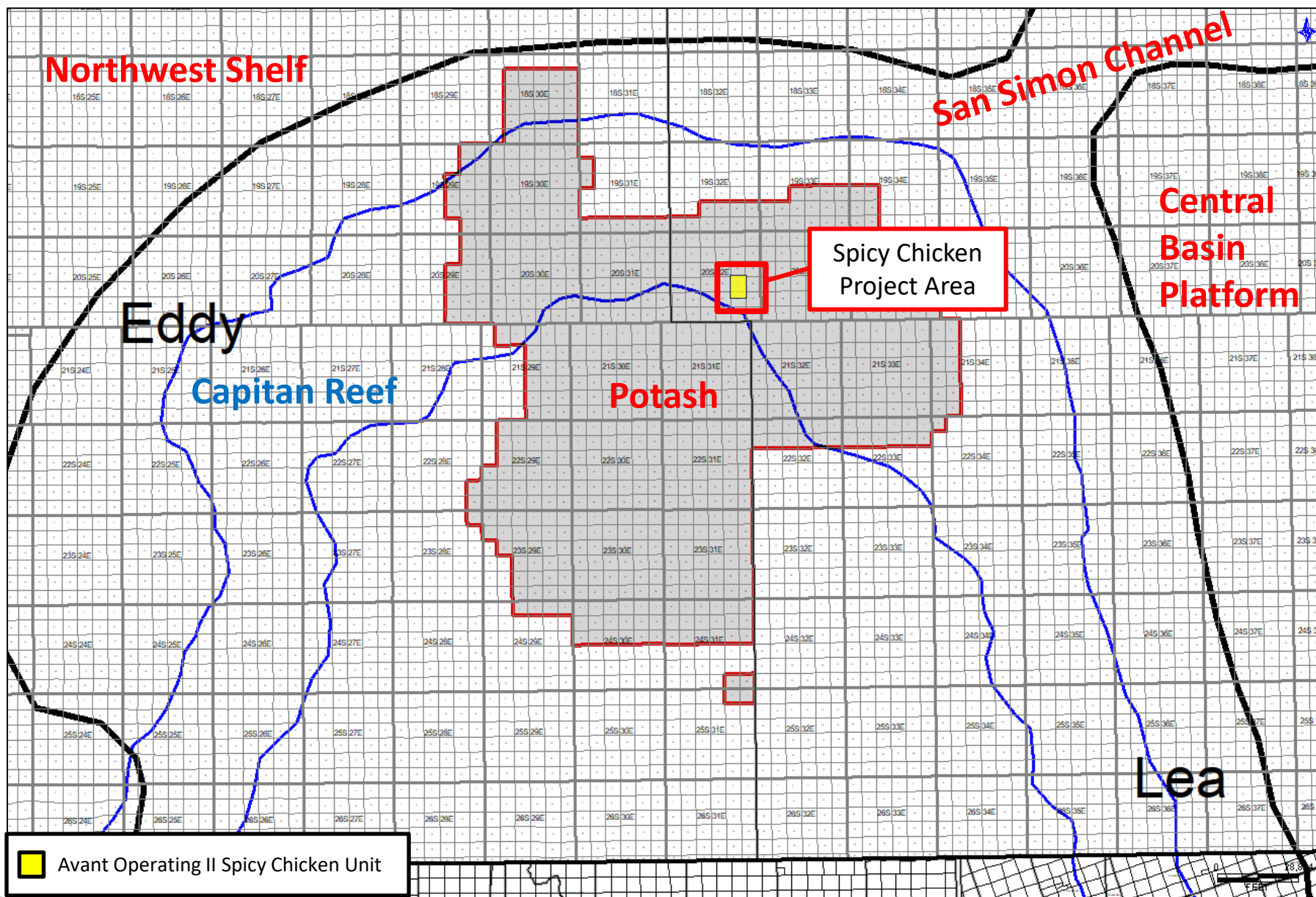
6/22/26

Date

  
\_\_\_\_\_  
John Harper

Regional Locator Map  
Spicy Chicken 23 26 Fed Com  
#801-804H

Avant Operating II, LLC  
Case No. 26190  
Exhibit B-1



**EXHIBIT**  
**B-1**

AVANT OPERATING II, LLC |

Wellbore Schematic  
Spicy Chicken 23 26 Fed Com  
#801-804H

Avant Operating II, LLC  
Case No. 26190  
Exhibit B-2



AVANT OPERATING II

SPICY CHICKEN 23 FED COM  
20S 32E sec. 23 - N2 26  
1.5mile laterals

- CASE #26190 POOLED WELL LOCATIONS
- OTHER DEVELOPMENT PLAN WELLS  
CASES: 25827, 25829, 25831, 25832

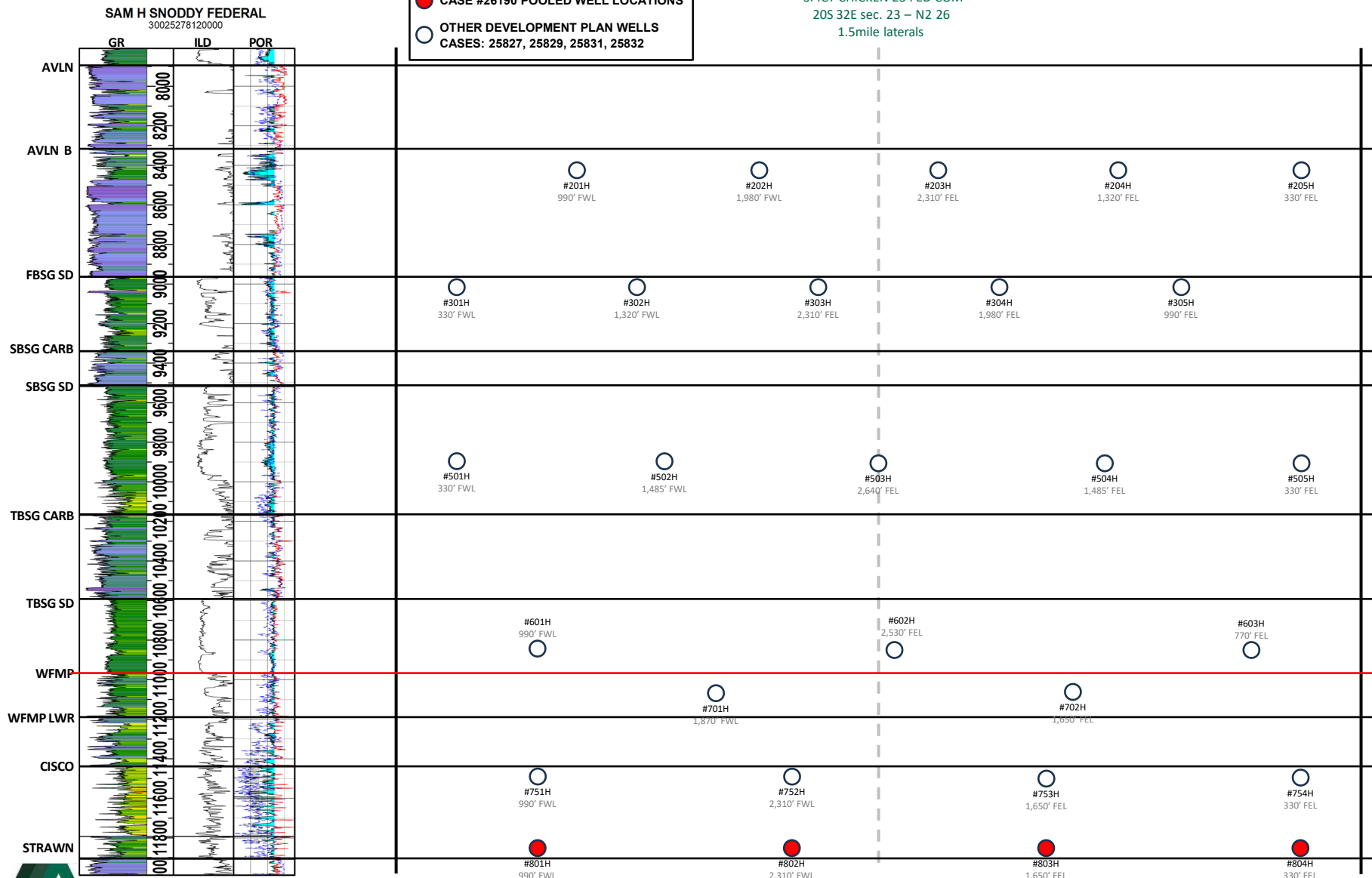


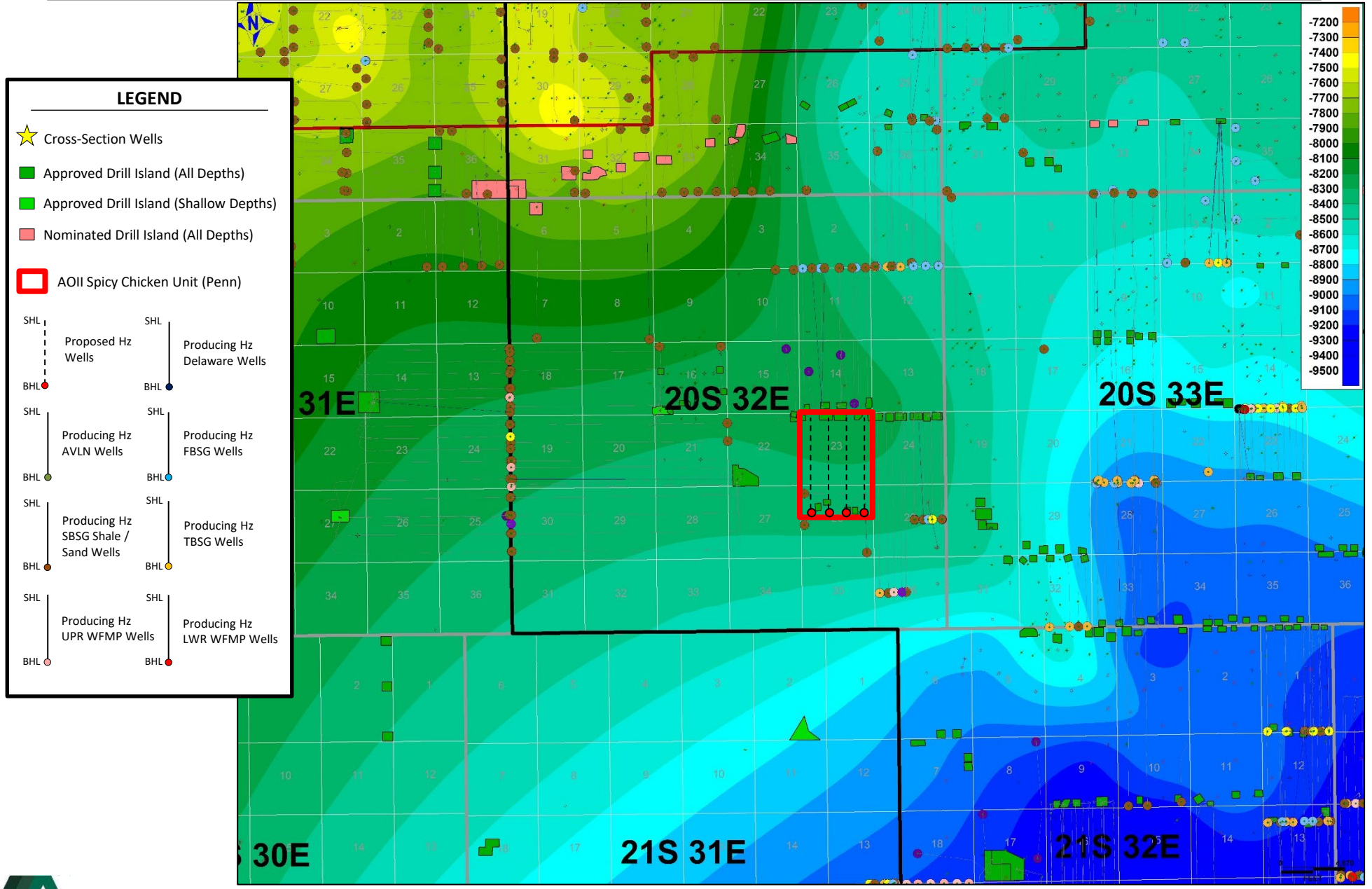
EXHIBIT  
B-2

Proposed Spicy Chicken 23 26 Fed Com

AVANT OPERATING II, LLC

Top of Strawn Structure Map  
(TVDS)' (CI: 100')  
Spicy Chicken 23 26 Fed Com  
#801-804H

Avant Operating II, LLC  
Case No. 26190  
Exhibit B-3



**EXHIBIT  
B-3**

# Cross-Section Locator Map (A-A')

Spicy Chicken 23 26 Fed Com  
#801-804H

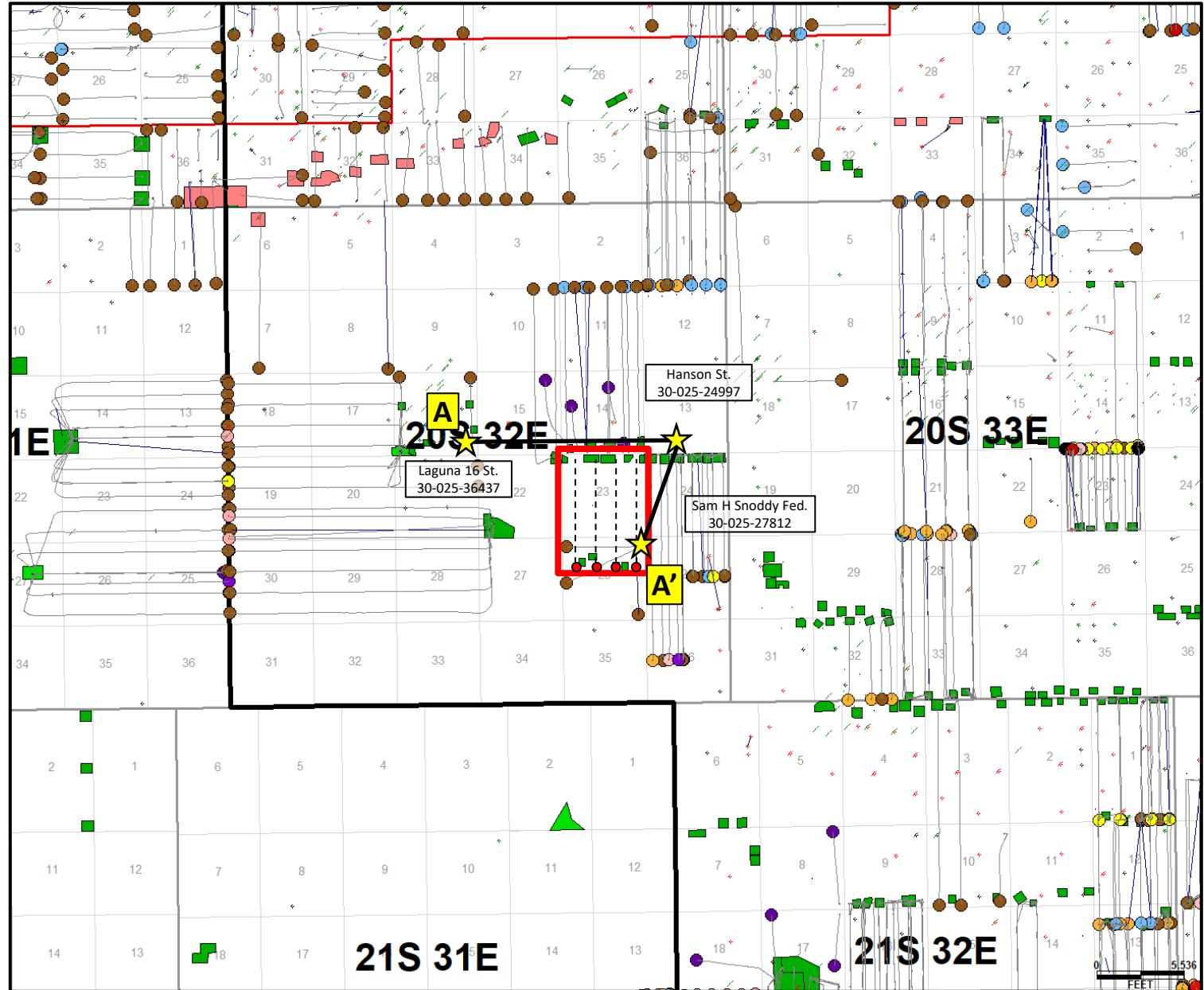
Avant Operating II, LLC  
Case No. 26190  
Exhibit B-4



**LEGEND**

- ★ Cross-Section Wells
- Approved Drill Island (All Depths)
- Approved Drill Island (Shallow Depths)
- Nominated Drill Island (All Depths)
- AOII Spicy Chicken Unit (Penn)

SHL	Proposed Hz Wells	SHL	Producing Hz Delaware Wells
BHL		BHL	
SHL	Producing Hz AVLN Wells	SHL	Producing Hz FBSG Wells
BHL		BHL	
SHL	Producing Hz SBSG Shale / Sand Wells	SHL	Producing Hz TBSG Wells
BHL		BHL	
SHL	Producing Hz UPR WFMP Wells	SHL	Producing Hz LWR WFMP Wells
BHL		BHL	



**EXHIBIT  
B-4**

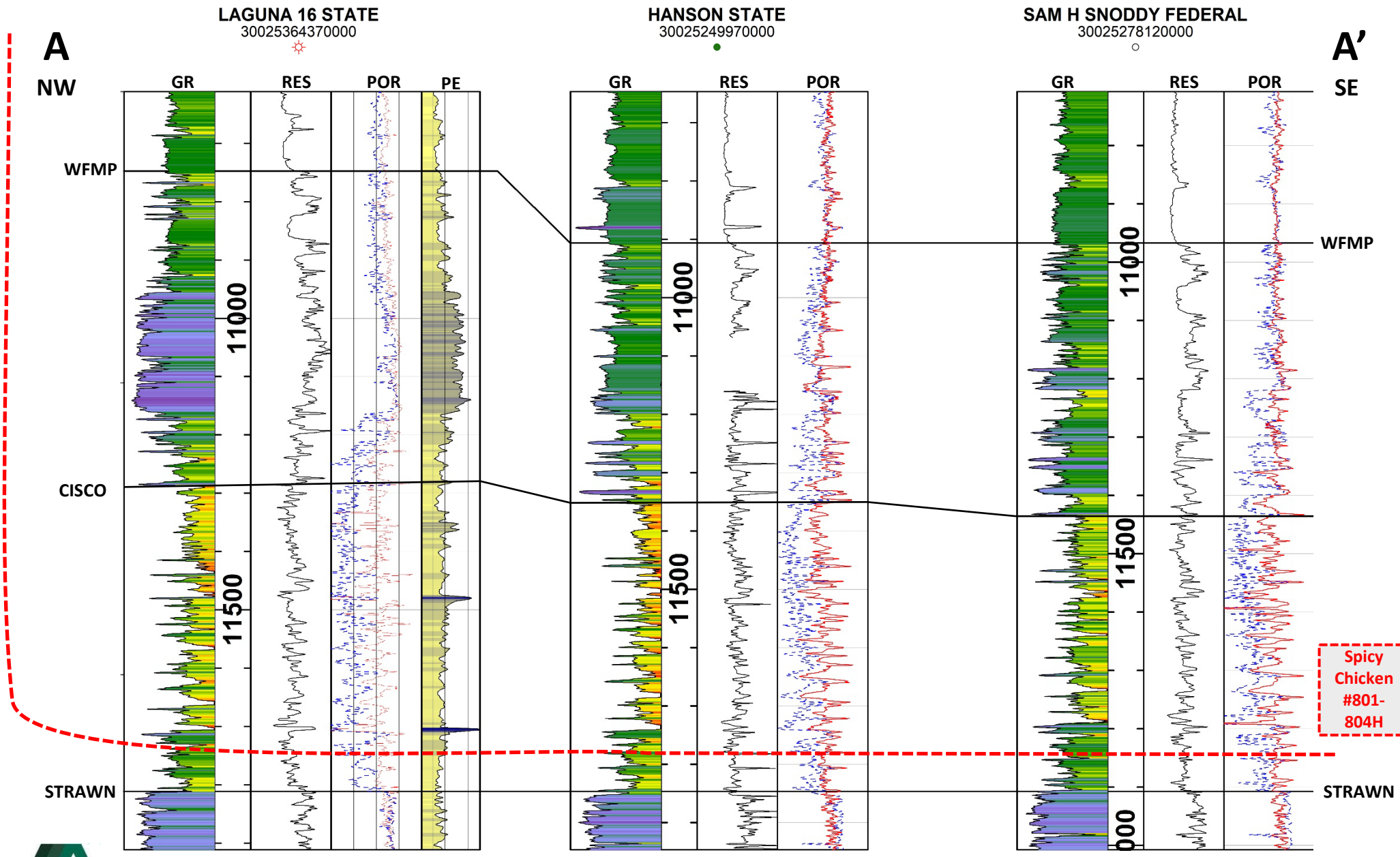
AVANT OPERATING II, LLC |

# Stratigraphic Cross-Section A-A'

Spicy Chicken 23 26 Fed Com  
#801-804H

## Avant Operating II, LLC

Case No. 26190  
Exhibit B-5



Log Scaling: GR(Gamma Ray): 0-150, RES(Resistivity): 0.2-20000 (log<sub>10</sub>), POR(Porosity): 30 to -10%, PE(Photoelectric): 1-6. Depth Scale: Major / Minor Depth Ticks: 500' / 100'

**EXHIBIT  
B-5**

AVANT OPERATING II, LLC |

**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 UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 26190**

**SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT**

Deana M. Bennett, attorney in fact and authorized representative of Avant Operating II, LLC, and the Applicant herein, declares as follows:

- 1) The above-referenced Application was provided to affected parties under notice letter, dated May 15, 2026, attached hereto, and labeled Exhibit C.1.
- 2) Exhibit C.2 is the certified mailing list, which show the notice letters were delivered to the USPS for mailing on May 15, 2026.
- 3) Exhibit C.3 is the certified mailing tracking information, which is automatically compiled by CertifiedPro, the software Modrall uses to track the mailings. The spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit C.4 is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the June 4, 2026 hearing was published on May 21, 2026.
- 5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

**EXHIBIT C**

Dated: June 23, 2026

By: Deana M. Bennett  
Deana M. Bennett



MODRALL SPERLING  
LAWYERS

May 15, 2026

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Re: APPLICATION OF AVANT OPEARTING II, LLC  
FOR APPROVAL OF A NON-STANDARD UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 26190**

**TO: AFFECTED PARTIES**

This letter is to advise you that Avant Operating II, LLC ("AO II") has filed the enclosed application.

In Case No. 26190, AO II seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian horizontal spacing unit and pooling all uncommitted interests in all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico, in the WC-025 G-08 S203222N;CISCO-CANYON pool (pool code 98410). This spacing unit will be dedicated to the following wells: **Spicy Chicken 23-26 Fed Com #801H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 26; **Spicy Chicken 23-26 Fed Com #802H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4 NW/4 (Unit F) of Section 26; **Spicy Chicken 23-26 Fed Com #803H** well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4 NE/4 (Unit G) of Section 26; and **Spicy Chicken 23-26 Fed Com #804H** well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26. The wells will be drilled at orthodox locations. 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%

Modrall Sperring  
Roehl Harris & Sisk P.A.  
500 Fourth Street NW  
Suite 1000  
Albuquerque,  
New Mexico 87102

PO Box 2168  
Albuquerque,  
New Mexico 87103-2168

Tel: 505.848.1800  
www.modrall.com

**EXHIBIT C.1**

Page 2

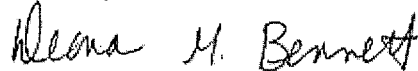
charge for risk involved in drilling said wells. Said area is located approximately 36 miles southwest of Hobbs, New Mexico.

**The hearing is set for June 4, 2026 beginning at 8:30 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1<sup>st</sup> Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett

*Attorney for Applicant*

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 UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NO. 26190

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 (1) approving a non-standard unit to the extent necessary, and (2) pooling all uncommitted interests within a non-standard 960-acre, more or less Pennsylvanian horizontal spacing unit comprised of all of Section 23 and the N/2 of Section 26, 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 all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, Lea County, New Mexico to form a 960-acre, more or less, Pennsylvanian horizontal spacing unit in the WC-025 G-08 S203222N;CISCO-CANYON pool (pool code 98410) (the "Unit").
3. AO II seeks approval of the 960-acre non-standard spacing unit because approval of this application will allow AO II to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing.
4. AO II seeks to dedicate the Unit to the following wells:

- **Spicy Chicken 23-26 Fed Com #801H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 26;
- **Spicy Chicken 23-26 Fed Com #802H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4 NW/4 (Unit F) of Section 26;
- **Spicy Chicken 23-26 Fed Com #803H** well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4 NE/4 (Unit G) of Section 26; and
- **Spicy Chicken 23-26 Fed Com #804H** well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26.

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

6. AO II sought, but has been unable to obtain, a voluntary agreement from all interest owners in the 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 Unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

8. Approval of a non-standard spacing unit will allow AO II to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands and reduce surface disturbance.

WHEREFORE, AO II requests this application be set for 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 its order:

- A. Approving the non-standard spacing Unit;
- B. Pooling all uncommitted interests in the Unit;
- C. Designating AO II as operator of the Unit and the wells to be drilled thereon;
- D. Authorizing AO II to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. 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  
Jeff H. Goodwin  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
edebrine@modrall.com  
deana.bennett@modrall.com  
jeff.goodwin@modrall.com  
*Attorneys for Avant Operating II, LLC*

**CASE NO. 26190 : Application of Avant Operating II, LLC for approval of a non-standard spacing unit, compulsory pooling, and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian horizontal spacing unit and pooling all uncommitted interests in all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico, in the WC-025 G-08 S203222N;CISCO-CANYON pool (pool code 98410). This spacing unit will be dedicated to the following wells: **Spicy Chicken 23-26 Fed Com #801H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4 NW/4 (Unit E) of Section 26; **Spicy Chicken 23-26 Fed Com #802H** well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4 NW/4 (Unit F) of Section 26; **Spicy Chicken 23-26 Fed Com #803H** well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4 NE/4 (Unit G) of Section 26; and **Spicy Chicken 23-26 Fed Com #804H** well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26. The wells will be drilled at orthodox locations. 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.

Karlene Schuman  
 Modrall Sperlberg Roehl Harris & Sisk P.A.  
 500 Fourth Street, Suite 1000  
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
 05/15/2026

10375.0018

Firm Mailing Book ID: 311342

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0150 1452 66	EOG Resources Inc 5509 Champions Drive Midland TX 79706	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
2	9314 8699 0430 0150 1452 73	Tap Rock Resources II LLC 523 Park Point Drive, Suite #200 Golden CO 80401	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
3	9314 8699 0430 0150 1452 80	COG Operating LLC 925 N. Eldridge Parkway Houston TX 77079	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
4	9314 8699 0430 0150 1452 97	Gross Family LTD PO Box 358 Roswell NM 88202	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
5	9314 8699 0430 0150 1453 03	Trainer Partners LTD 2925 Richmond Ave, Ste 1200 Houston TX 77098	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
6	9314 8699 0430 0150 1453 10	Earthstone Permian LLC c/o Permian Resources c/o Permian Resources 300 N Marienfeld Street, #100	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
7	9314 8699 0430 0150 1453 27	XTO Delaware Basin LLC 22777 Springwoods Village Pkwy Spring TX 77389	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
8	9314 8699 0430 0150 1453 34	Chief Capital O&G II LLC 8111 Westchester Drive, Suite #900 Dallas TX 75225	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
9	9314 8699 0430 0150 1453 41	MRC Delaware Resources LLC 5400 LBJ Freeway, Suite 1500 Dallas TX 75240	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
10	9314 8699 0430 0150 1453 58	Paloma Permian Assets LLC 1100 Louisiana, Suite 5100 Houston TX 77024	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
11	9314 8699 0430 0150 1453 65	WR Non-Op LLC 200 North Loraine, Suite 1260 Midland TX 79701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
12	9314 8699 0430 0150 1453 72	Southpaw Land and Timber LLC 4300 Macarthur Ave, Ste. 235 Dallas TX 75209	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
13	9314 8699 0430 0150 1453 89	Chevron USA Inc 1400 Smith Street Houston TX 77002	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
14	9314 8699 0430 0150 1453 96	Marathon Oil (ConocoPhillips) 925 N. Eldridge Parkway Houston TX 77079	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
15	9314 8699 0430 0150 1454 02	Civitas Resources 9950 Woodloch Forest Dr., Ste #1400 The Woodlands TX 77380	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice

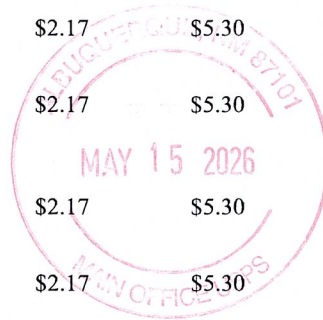


EXHIBIT C.2

Karlene Schuman  
 Modrall Sperlberg Roehl Harris & Sisk P.A.  
 500 Fourth Street, Suite 1000  
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
 05/15/2026

Firm Mailing Book ID: 311342

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0150 1454 19	ConocoPhillips 925 N. Eldridge Parkway Houston TX 77079	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
17	9314 8699 0430 0150 1454 26	Coterra Energy 6001 Deauville Blvd. Midland TX 79706	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
18	9314 8699 0430 0150 1454 33	Permian Resources 300 N Marienfeld Street, #100 Midland TX 79707	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
19	9314 8699 0430 0150 1454 40	Patricia Owens Preston, Ttee of Charles D. Preston Revocable Trust 831 Boulevard of Champions Shalimar FL 32579	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
20	9314 8699 0430 0150 1454 57	DNR Oil & Gas, Inc. 730 17th St. Ste 200 Denver CO 80202	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
21	9314 8699 0430 0150 1454 64	Sydney Investments LP 3270 West Main Houston TX 77098	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
22	9314 8699 0430 0150 1454 71	Hidden Hills Minerals LLC 3270 West Main Houston TX 77098	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
23	9314 8699 0430 0150 1454 88	Topsey, LLC 3270 West Main Houston TX 77098	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
24	9314 8699 0430 0150 1454 95	Hatch Royalty, LLC 600 W. 5th Street, Suite 1250 Austin TX 78701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
25	9314 8699 0430 0150 1455 01	James C. Whitten, Ttee of the Whitten Management Trust 800 N. Marienfeld, Suite 211 Midland TX 79701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
26	9314 8699 0430 0150 1455 18	Brigham Royalties Fund I Holdco, LLC 5914 West Courtyard, Suite 200 Austin TX 78730	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
27	9314 8699 0430 0150 1455 25	Milestone Oil, LLC 4813 E 84th Street Tulsa OK 74137	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
28	9314 8699 0430 0150 1455 32	Mustang Mud, Inc. 408 West Wall Midland TX 79701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
29	9314 8699 0430 0150 1455 49	Lario Oil & Gas Company PO Box 155 Midland TX 79702	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
30	9314 8699 0430 0150 1455 56	Harken Exploration Company PO Box 619024 Dallas TX 75261	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice



Karlene Schuman  
 Modrall Sperlring Roehl Harris & Sisk P.A.  
 500 Fourth Street, Suite 1000  
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
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Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
31	9314 8699 0430 0150 1455 63	Harken Exploration Company 580 Westlake Park Blvd Ste 600 Houston TX 77079	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
32	9314 8699 0430 0150 1455 70	Mark B. Murphy, Ttee of Mark B. Murphy Irrevocable Trust 706 West Brazos Roswell NM 88201	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
33	9314 8699 0430 0150 1455 87	Susan S. Murphy, Trustee of Susan S. Murphy Marital Trust 706 West Brazos Roswell NM 88201	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
34	9314 8699 0430 0150 1455 94	Robin L. Morgan 135 W. Cottonwood Road Artesia NM 88210	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
35	9314 8699 0430 0150 1456 00	Hutchings Oil Company PO Box 1216 Albuquerque NM 87103	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
36	9314 8699 0430 0150 1456 17	Marie I. Baetz, Trust of the Marie I. Baetz Family 2012 Trust 633 Alta Avenue San Antonio TX 78209	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
37	9314 8699 0430 0150 1456 24	Barbara Shelby Baetz Shipper aka Barbara Shipper 1626 Milford Avenue Houston TX 77006	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
38	9314 8699 0430 0150 1456 31	CSC3 Holdings, Ltd 344 Terrell Road San Antonio TX 78209	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
39	9314 8699 0430 0150 1456 48	Trainer Partners LTD OE Squared Operating, LLC 2925 Richmond Avenue, Suite 1200 Houston TX 77098	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
40	9314 8699 0430 0150 1456 55	Earthstone Permian LLC 1400 Woodloch Forest Drive, Suite 300 The Woodlands TX 77380	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
41	9314 8699 0430 0150 1456 62	SITL Energy, LLC 308 North Colorado Avenue, Suite 200 Midland TX 79701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
42	9314 8699 0430 0150 1456 79	Ventura Oil & Gas, LLC 308 North Colorado Avenue, Suite 200 Midland TX 79701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
43	9314 8699 0430 0150 1456 86	PBC Resources, LLC 2209 Gulf Avenue Midland TX 79705	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
44	9314 8699 0430 0150 1456 93	TD Minerals, LLC 8111 Westchester, Suite 900 Dallas TX 75225	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice



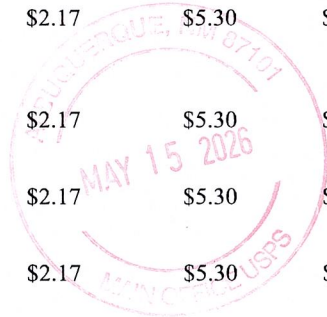
Karlene Schuman  
 Modrall Sperling Roehl Harris & Sisk P.A.  
 500 Fourth Street, Suite 1000  
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
 05/15/2026

Firm Mailing Book ID: 311342

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
45	9314 8699 0430 0150 1457 09	Blue Star Royalty, LLC PO Box 470249 Fort Worth TX 76147	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
46	9314 8699 0430 0150 1457 16	John R. Lewis 12606 Cloverwood Drive Cypress TX 77429	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
47	9314 8699 0430 0150 1457 23	WRH I, LP 508 West Wall Street, Suite 1220 Midland TX 79701	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
48	9314 8699 0430 0150 1457 30	Kimbell Royalty Holdings, LLC 777 Taylor Street, Suite 810 Fort Worth TX 76102	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
49	9314 8699 0430 0150 1457 47	David Lougee, Kipp & Fred Frederiksen, Ttees of the Lougee Oil & Gas Trust 6614 Northport Drive Dallas TX 75230	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
50	9314 8699 0430 0150 1457 54	Diaga Mineral Group, LLC 901 West Missouri Avenue Midland TX 79707	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
51	9314 8699 0430 0150 1457 61	Andrew H. Jackson 1905 North Midkiff Road Midland TX 79705	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
52	9314 8699 0430 0150 1457 78	Petrolux, Inc. P.O. Box 1473 Roswell NM 88202	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
53	9314 8699 0430 0150 1457 85	BEXP II Omega Misc. LLc 5914 W. Courtyard Drive, Suite 200 Austin TX 78730	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
54	9314 8699 0430 0150 1457 92	BEXP II Alpha LLC 5914 W. Courtyard Drive, Suite 200 Austin TX 78730	\$2.17	\$5.30	\$2.82	\$0.00	10375.0018spicy Notice
<b>Totals:</b>			<b>\$117.18</b>	<b>\$286.20</b>	<b>\$152.28</b>	<b>\$0.00</b>	
<b>Grand Total:</b>						<b>\$555.66</b>	



List Number of Pieces Listed by Sender      Total Number of Pieces Received at Post Office      Postmaster: Name of receiving employee      Dated:

54

Transaction Report Details - CertifiedPro.net  
 Firm Mail Book ID= 311342  
 Generated: 6/16/2026 10:28:06 AM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300150145792	2026-05-15 9:13 AM	10375.0018spicy	BEXP II Alpha LLC		Austin	TX	78730	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-19 9:24 AM
9314869904300150145785	2026-05-15 9:13 AM	10375.0018spicy	BEXP II Omega Misc. LLC		Austin	TX	78730	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 10:55 AM
9314869904300150145778	2026-05-15 9:13 AM	10375.0018spicy	Petrolux, Inc.		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-26 11:08 AM
9314869904300150145761	2026-05-15 9:13 AM	10375.0018spicy	Andrew H. Jackson		Midland	TX	79705	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 11:17 AM
9314869904300150145754	2026-05-15 9:13 AM	10375.0018spicy	Diaga Mineral Group, LLC		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 1:05 PM
9314869904300150145747	2026-05-15 9:13 AM	10375.0018spicy	David Lougee, Kipp & Fred Frederiksen, Ttees	of the Lougee Oil & Gas Trust	Dallas	TX	75230	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 4:43 PM
9314869904300150145730	2026-05-15 9:13 AM	10375.0018spicy	Kimberly Royalty Holdings, LLC		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 12:02 PM
9314869904300150145723	2026-05-15 9:13 AM	10375.0018spicy	WRH I, LP		Midland	TX	79701	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300150145716	2026-05-15 9:13 AM	10375.0018spicy	John R. Lewis		Cypress	TX	77429	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300150145709	2026-05-15 9:13 AM	10375.0018spicy	Blue Star Royalty, LLC		Fort Worth	TX	76147	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 9:07 AM
9314869904300150145693	2026-05-15 9:13 AM	10375.0018spicy	TD Minerals, LLC		Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 2:14 PM
9314869904300150145686	2026-05-15 9:13 AM	10375.0018spicy	PBC Resources, LLC		Midland	TX	79705	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 4:22 PM
9314869904300150145679	2026-05-15 9:13 AM	10375.0018spicy	Ventura Oil & Gas, LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 12:00 PM
9314869904300150145662	2026-05-15 9:13 AM	10375.0018spicy	SITL Energy, LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 12:00 PM
9314869904300150145655	2026-05-15 9:13 AM	10375.0018spicy	Earthstone Permian LLC		The Woodlands	TX	77380	Lost	Return Receipt - Electronic, Certified Mail	
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9314869904300150145631	2026-05-15 9:13 AM	10375.0018spicy	CSC3 Holdings, Ltd		San Antonio	TX	78209	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-19 12:21 PM
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9314869904300150145617	2026-05-15 9:13 AM	10375.0018spicy	Marie I. Baetz, Trust of the	Marie I. Baetz Family 2012 Trust	San Antonio	TX	78209	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 1:18 PM
9314869904300150145600	2026-05-15 9:13 AM	10375.0018spicy	Hutchings Oil Company		Albuquerque	NM	87103	Lost	Return Receipt - Electronic, Certified Mail	
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9314869904300150145587	2026-05-15 9:13 AM	10375.0018spicy	Susan S. Murphy, Trustee of	Susan S. Murphy Marital Trust	Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 1:01 PM
9314869904300150145570	2026-05-15 9:13 AM	10375.0018spicy	Mark B. Murphy, Ttee of	Mark B. Murphy Irrevocable Trust	Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 1:01 PM
9314869904300150145563	2026-05-15 9:13 AM	10375.0018spicy	Harken Exploration Company		Houston	TX	77079	Returned to Sender	Return Receipt - Electronic, Certified Mail	2026-06-02 12:27 PM
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9314869904300150145532	2026-05-15 9:13 AM	10375.0018spicy	Mustang Mud, Inc.		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-30 2:32 PM
9314869904300150145525	2026-05-15 9:13 AM	10375.0018spicy	Milestone Oil, LLC		Tulsa	OK	74137	Returned to Sender	Return Receipt - Electronic, Certified Mail	2026-05-28 12:58 PM
9314869904300150145518	2026-05-15 9:13 AM	10375.0018spicy	Brigham Royalties Fund I Holdco, LLC		Austin	TX	78730	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 10:55 AM
9314869904300150145501	2026-05-15 9:13 AM	10375.0018spicy	James C. Whitten, Ttee of the	Whitten Management Trust	Midland	TX	79701	Returned to Sender	Return Receipt - Electronic, Certified Mail	2026-06-05 12:24 PM
9314869904300150145495	2026-05-15 9:13 AM	10375.0018spicy	Hatch Royalty, LLC		Austin	TX	78701	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300150145488	2026-05-15 9:13 AM	10375.0018spicy	Topsey, LLC		Houston	TX	77098	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 1:57 PM
9314869904300150145471	2026-05-15 9:13 AM	10375.0018spicy	Hidden Hills Minerals LLC		Houston	TX	77098	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 1:57 PM
9314869904300150145464	2026-05-15 9:13 AM	10375.0018spicy	Sydney Investments LP		Houston	TX	77098	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 1:57 PM
9314869904300150145457	2026-05-15 9:13 AM	10375.0018spicy	DNR Oil & Gas, Inc.		Denver	CO	80202	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-26 11:21 AM
9314869904300150145440	2026-05-15 9:13 AM	10375.0018spicy	Patricia Owens Preston, Ttee of	Charles D. Preston Revocable Trust	Shalimar	FL	32579	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300150145433	2026-05-15 9:13 AM	10375.0018spicy	Permian Resources		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 10:44 AM
9314869904300150145426	2026-05-15 9:13 AM	10375.0018spicy	Coterra Energy		Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 8:47 AM
9314869904300150145419	2026-05-15 9:13 AM	10375.0018spicy	ConocoPhillips		Houston	TX	77079	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-19 10:55 AM
9314869904300150145402	2026-05-15 9:13 AM	10375.0018spicy	Civitas Resources		The Woodlands	TX	77380	Undelivered - Forwarded	Return Receipt - Electronic, Certified Mail	
9314869904300150145396	2026-05-15 9:13 AM	10375.0018spicy	Marathon Oil (ConocoPhillips)		Houston	TX	77079	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 10:34 AM
9314869904300150145389	2026-05-15 9:13 AM	10375.0018spicy	Chevron USA Inc		Houston	TX	77002	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300150145372	2026-05-15 9:13 AM	10375.0018spicy	Southpaw Land and Timber LLC		Dallas	TX	75209	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 11:28 AM
9314869904300150145365	2026-05-15 9:13 AM	10375.0018spicy	WR Non-Op LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 2:37 PM
9314869904300150145358	2026-05-15 9:13 AM	10375.0018spicy	Paloma Permian Assets LLC		Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 5:31 PM
9314869904300150145341	2026-05-15 9:13 AM	10375.0018spicy	MRC Delaware Resources LLC		Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 10:14 AM
9314869904300150145334	2026-05-15 9:13 AM	10375.0018spicy	Chief Capital O&G II LLC		Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 11:28 AM
9314869904300150145327	2026-05-15 9:13 AM	10375.0018spicy	XTO Delaware Basin LLC		Spring	TX	77389	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-18 9:33 AM
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9314869904300150145303	2026-05-15 9:13 AM	10375.0018spicy	Trainer Partners LTD		Houston	TX	77098	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 3:29 PM
9314869904300150145297	2026-05-15 9:13 AM	10375.0018spicy	Gross Family LTD		Roswell	NM	88202	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300150145280	2026-05-15 9:13 AM	10375.0018spicy	COG Operating LLC		Houston	TX	77079	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-19 10:55 AM
9314869904300150145273	2026-05-15 9:13 AM	10375.0018spicy	Tap Rock Resources II LLC		Golden	CO	80401	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300150145266	2026-05-15 9:13 AM	10375.0018spicy	EOG Resources Inc		Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	2026-05-20 8:32 AM

EXHIBIT C.3

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
May 21, 2026  
and ending with the issue dated  
May 21, 2026.



Publisher

Sworn and subscribed to before me this  
21st day of May 2026.



Business Manager

My commission expires  
January 29, 2027

(Seal) STATE OF NEW MEXICO  
NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL	LEGAL	LEGAL	LEGAL
<b>LEGAL NOTICE</b> May 21, 2026			
<p><b>CASE NO. 26190: Notice to all affected parties, as well as heirs and devisees of:</b> BEXP II Omega/Misc. LLC; BEXP II Alpha LLC; EOG Resources, Inc.; Tap Rock Resources II, LLC; COG Operating LLC; Gross Family LTD; Trainer Partners LTD; Earthstone Permian LLC, C/O Permian Resources; XTO Delaware Basin LLC; Chief Capital O&amp;G II LLC; MRC Delaware Resources LLC; Paloma Permian Assets LLC; WR Non-Op LLC; Southpaw Land and Timber LLC; Chevron USA Inc.; AO II; Marathon Oil (Conoco Phillips); Civitas Resources; Conoco Phillips; Coterra Energy; Permian Resources; Patricia Owens Preston, Trustee of the Charles Dean Preston Revocable Trust dated August 4, 2011; DNR Oil &amp; Gas, Inc.; Sydney Investments LP; Hidden Hills Minerals, LLC; Topsey LLC; Hatch Royalty, LLC; James C. Whitten, trustee of the Whitten Management Trust; Brigham Royalties Fund I Holdco, LLC; Milestone Oil, LLC; Mustang Mud, Inc.; Lario Oil &amp; Gas Company; Harken Exploration Company; Mark B. Murphy, Trustee of the Mark B. Murphy Irrevocable Trust, UTA dated December 12, 2012; Susan S. Murphy, Trustee of the Susan S. Murphy Marital Trust, UTA dated November 12, 2012; Robin L. Morgan; Hutchings Oil Company; Marie I. Baetz, trustee of the Marie I. Baetz Family 2012 Trust; Barbara Shelby Baetz Shipper a/k/a Barbara B. Shipper; CSC3 Holdings, Ltd.; SITL Energy, LLC; Ventura Oil &amp; Gas, LLC; PBC Resources, LLC; TD Minerals, LLC; Blue Star Royalty, LLC; John R. Lewis; WRH I, LP; Kimbell Royalty Holdings, LLC; David Charles Lougee, Kipp Lougee Frederiksen and Fred Frederiksen, Trustees of the Lougee Oil &amp; Gas Trust; Diaga Mineral Group, LLC; Andrew H. Jackson; PetroLux, Inc.; Bureau of Land Management of the Application of Avant Operating II, LLC for approval of a non-standard spacing unit, compulsory pooling, and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on June 4, 2026 to consider this application. The conference will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. Applicant seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian horizontal spacing unit and pooling all uncommitted interests in all of Section 23 and the N/2 of Section 26, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico, in the WC-025 G-08S203222N; CISCO-CANYON pool (pool code 98410). This spacing unit will be dedicated to the following wells: Spicy Chicken 23-26 Fed Com #801H well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SW/4NW/4 (Unit E) of Section 26; Spicy Chicken 23-26 Fed Com #802H well with a proposed surface hole location in the NE/4 NW/4 (Unit C) of Section 23, and a proposed last take point in the SE/4NW/4 (Unit F) of Section 26; Spicy Chicken 23-26 Fed Com #803H well with a proposed surface hole location in the NW/4 NE/4 (Unit B) of Section 23, and a proposed last take points in the SW/4NE/4 (Unit G) of Section 26; and Spicy Chicken 23-26 Fed Com #804H well with a proposed surface hole locations in the NE/4 NE/4 (Unit B) of Section 23, and a proposed last take point in the SE/4 NE/4 (Unit H) of Section 26. The wells will be drilled at orthodox locations. 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. #00311384</p>			

01104570

00311384

DOLORES SERNA  
MODRALL, SPERLING, ROEHL, HARRIS &  
P. O. BOX 2168  
ALBUQUERQUE, NM 87103-2168

EXHIBIT C.4