

Case No. 23608

Application of Avant Operating, LLC to Reopen Order No. R-22616, Lea County, New Mexico for the Limited Purpose of Adding Additional Pooled Parties

S/2 Sec 36-T18S-R32E and S/2Sec 35-T18S-R32E (Alpha Wolf 36 Federal Com wells)

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

APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, LEA COUNTY, NEW MEXICO FOR THE LIMITED PURPOSE OF ADDING ADDITIONAL POOLED PARTIES

CASE NO. 23608 ORDER NO. R-22616 (RE-OPEN)

TABLE OF CONTENTS

Tab A: Compulsory Pooling Checklist

Tab B: Declaration of Tiffany Sarantinos Land Professional

- Exhibit B.1: Application
- Exhibit B.2: Additional Parties to Be Pooled/ Lease Tract Map/Summary of Interests
- Exhibit B.3: Summary of Contacts
- Exhibit B.4: Sample Well Proposal/AFE
- Exhibit B.5: Notice Affidavit

COMPULSORY POOLING APPLICATION CHECKLIST

Case: 23608 (See also exhibits in Case 23246)	APPLICANT'S RESPONSE			
Hearing Date: July 6, 2023				
Applicant	Avant Operating, LLC			
Designated Operator & OGRID (affiliation if applicable)	330396			
Applicant's Counsel:	Deana Bennett Earl E DeBrine Jr. Modrall Sperling			
Case Title:	APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, LEA COUNTY, NEW MEXICO			
Entries of Appearance/Intervenors:	None			
Well Family	Alpha Wolf			
Formation/Pool				
Formation Name(s) or Vertical Extent:	Bone Spring			
Primary Product (Oil or Gas):	Oil			
Pooling this vertical extent:	Bone Spring			
Pool Name and Pool Code:	Querecho Plains; Upper Bone Spring (50600) Querecho Plains; Lower Bone Spring (50510)			
Well Location Setback Rules:	Statewide Rules			
Spacing Unit				
Type (Horizontal/Vertical)	Horizontal			
Size (Acres)	640 acres			
Building Blocks:	40 acres			
Orientation:	East-West			
Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe and approval of non-standard unit requested in this application?	S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Yes			
Other Situations				
Depth Severance: Y/N. If yes, description	No.			
Proximity Tracts: If yes, description	Yes.			
Proximity Defining Well: if yes, description	The completed intervals for the Alpha Wolf 36 Federal Com 302H, Alpha Wolf 36 Federal Com 502H, Alpha Wolf 36 Federal Com 602H wells are expected to be			

Sign A NM OCD Hearin

Released to Imaging: 7/3/2023 9:37:02 AM

Com 302H, Alpha Wolf 36 Federal Com 502H, Alpha Wolf 36 Federal Com 502H, Alpha Wolf 36 Federal Com 602H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts

NM OCD Hearing 7 within the proposed spacing unit.

PAGISHE AN LOCAL METSHAF IFI ELICH AMCT	Exhibit B.2 and see Exhibit B.3 in Case 23246 Page 4 of		
Well(s)			
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: Alpha Wolf Federal Com 301H	API (Not yet assigned) SHL: 1353' FSL & 450' FEL Section 36, Township 18 South, Range 32 East. FTP: 2310' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 2310' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 8600'/18600'		
Well #2: Alpha Wolf Federal Com 302H	API (Not yet assigned) SHL: 1320' FSL & 450' FEL Section 36, Township 18 South, Range 32 East. FTP: 1320' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 1320' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 8600'/18600'		
Well #3: Alpha Wolf Federal Com 303H	API (Not yet assigned) SHL: 1287' FSL & 450' FEL Section 36, Township 18 South, Range 32 East. FTP: 330' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 330' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 8600'/18600'		
Well #4: Alpha Wolf Federal Com 501H	API (Not yet assigned) SHL: 1353' FSL & 150' FEL Section 36, Township 18 South, Range 32 East. FTP: 2310' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 2310' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 9500'/19500'		
Well #5: Alpha Wolf Federal Com 502H	API (Not yet assigned) SHL: 1320' FSL & 150' FEL Section 36, Township 18 South, Range 32 East. FTP: 1320' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 1320' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 9500'/19500'		

Respire 48. Alpha Wolf Federal Com 503H	API (Not yet assigned) SHL: 1287' FSL & 150' FELSE 5 of Section 36, Township 18 South, Range 32 East. FTP: 330' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 330' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 9500'/19500'
Well #7: Alpha Wolf Federal Com 601H	'API (Not yet assigned) SHL: 1353' FSL & 300' FEL Section 36, Township 18 South, Range 32 East. FTP: 2310' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 2310' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 10350'/20350'
Well #8: Alpha Wolf Federal Com 602H	API (Not yet assigned) SHL: 1320' FSL & 300' FEL Section 36, Township 18 South, Range 32 East. FTP: 1320' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 1320' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 10350'/20350'
Well #9: Alpha Wolf Federal Com 603H	API (Not yet assigned) SHL: 1287' FSL & 300' FEL Section 36, Township 18 South, Range 32 East. FTP: 330' FSL & 100' FEL, Section 36, Township 18 South, Range 32 East. BHL/LTP: 330' FSL & 100' FWL, Section 35, Township 18 South, Range 32 East. Completion Target: Bone Spring Orientation: East/West Completion Status: Standard TVD/MD: 10350'/20350'
Horizontal Well First and Last Take Points	See above and Exhibit B.2 (C-102s) in Case 23246.
Completion Target (Formation, TVD and MD)	See above and Exhibit B.4 (Proposal Letter and AFEs). See also Exhibit B.5 in Case 23246.

Received by OCD: 7/3/2023 9:21:21 AM	Page 6 of S
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10000. Exhibit B.4 (Proposal Letter)
	(
Production Supervision/Month \$	\$1000. Exhibit B.4 (Proposal Letter)
Justification for Supervision Costs	See Exhibit B, Para 15; see Exhibit B.4 (AFEs)
	Jee Exhibit B, Fura 15, see Exhibit B.4 (AFES)
Requested Risk Charge	200%. Exhibit B.4 (Proposal Letter)
nequested hisk charge	200%. Exhibit B.4 (Floposal Letter)
Notice of Hearing	
Proposed Notice of Hearing	See Exhibit B.5.
Proof of Mailed Notice of Hearing (20 days before hearing)	See Exhibit B.5.
Proof of Published Notice of Hearing (10 days before hearing)	See Exhibit B.5.
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	See Exhibit B.2
Tract List (including lease numbers and owners) If approval of Non-Standard Spacing Unit is requested, Tract List	See Exhibit B.2
(including lease numbers and owners) of Tracts subject to notice	
requirements.	N/A
Pooled Parties (including ownership type)	See Exhibit B.2
Unlocatable Parties to be Pooled NM OCD Hearing	See Exhibit B.3/B.5. 7-6-23

ckindrsh@Gepth/severance/including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	See Exhibit B.4
List of Interest Owners (ie Exhibit A of JOA)	See Exhibit B.2
Chronology of Contact with Non-Joined Working Interests	See Exhibit B.3
Overhead Rates In Proposal Letter	See Exhibit B.4
Cost Estimate to Drill and Complete	ee Exhibit B.4
Cost Estimate to Equip Well	ee Exhibit B.4
Cost Estimate for Production Facilities	ee Exhibit B.4
Geology	
Summary (including special considerations)	See Exhibit C in Case 23246.
Spacing Unit Schematic	See Exhibit C.2 in Case 23246.
Gunbarrel/Lateral Trajectory Schematic	See Exhibit C.2 in Case 23246.
Well Orientation (with rationale)	See Exhibit C, Paragraph 19, in Case 23246.
Target Formation	See Exhibit C.3 (Structure Map) in Case 23246.
HSU Cross Section	See Exhibit C.5 and C.6 in Case 23246.
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	See Exhibit B.2 in Case 23246.
Tracts	See Exhibit B.2 and B.3 in Case 23246.
Summary of Interests, Unit Recapitulation (Tracts)	See Exhibit B.2 and B.3 in Case 23246.
General Location Map (including basin)	See Exhibit C.1 in Case 23246.
Well Bore Location Map	See Exhibit C.1 in Case 23246.
Structure Contour Map - Subsea Depth	See Exhibit C.3 (Structure Map) in Case 23246.
Cross Section Location Map (including wells)	See Exhibit C.4 in Case 23246.
Cross Section (including Landing Zone) Additional Information	See Exhibit C.5 and C.6 in Case 23246.
Special Provisions/Stipulations	See also Exhbits in Case 23246 and Order No. R- 22616 (including compulsory pooling checklist)
CERTIFICATION: I hereby certify that the information provi	ded in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana Bennett
Signed Name (Attorney or Party Representative):	Near y Bonett
Date: July 3, 2023	

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

APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, LEA COUNTY, NEW MEXICO FOR THE LIMITED PURPOSE OF ADDING ADDITIONAL POOLED PARTIES

CASE NO. 23608 ORDER NO. R-22616 (RE-OPEN)

SELF AFFIRMED DECLARATION OF TIFFANY SARANTINOS

Tiffany Sarantinos, being duly sworn, deposes and states:

- 1. I am over the age of 18, I am a senior landman for Avant Operating, LLC ("Avant") 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 Avant includes the area Lea County in New Mexico.
- 4. I am familiar with the application filed by Avant in this case, which is attached as **Exhibit B.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. In this case, Avant seeks to reopen Order No. R-22616 (the "Order") for the limited purpose of adding additional pooled parties under the terms of the Order.



Received by OCD: 7/3/2023 9:21:21 AM

Page 9 of 54

8. No opposition is expected because the interest owners being pooled have been

contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests

in the wells.

9. Pursuant to the Order, Avant is the operator of the Bone Spring formation underlying

the S/2 of Sections 35 and 36, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.

10. The Order pooled uncommitted interest owners in a standard 640-acre, more or less,

Bone Spring horizontal spacing unit comprised of the S/2 of Sections 35 and 36, Township 18 South,

Range 32 East, NMPM, Lea County, New Mexico.

11. Since the entry of the Order, Avant has identified additional unleased mineral interest

owners that it seeks to pool under the Order and include under Order R-22616's terms.

12. Avant requests that the additional parties Avant has identified on Exhibit B.2 be

included under the Order terms.

13. **Exhibit B.3** is a summary of contacts with the additional parties Avant seeks to pool.

14. **Exhibit B.4** is a sample of the well proposal letter that was sent to all working interest

owners. The proposal letter identifies the proposed surface hole and bottom hole locations and

approximate TVD/MD for the wells. Exhibit B.4 also contains the Authorization for Expenditure for

the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and is

comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

15. Avant requests overhead and administrative rates of \$10,000.00/month for drilling a

well and \$1000.00/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. Avant

requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

16. Avant requests the maximum cost plus 200% risk charge be assessed against non-

consenting working interest owners.

Released to Imaging: 7/3/2023 9:37:02 AM

- 17. In my opinion, Avant made a good faith effort to obtain voluntary joinder in the proposed wells.
 - 18. The parties Avant is seeking to pool were notified of this hearing.
- 19. **Exhibit B.5** is a declaration of notice prepared by counsel for Avant that shows the parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Hobbs News-Sun newspaper showing that publication was done on June 21, 2023.
- 20. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.
- 21. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.
- 22. 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.

Dated this 3rd day of July, 2023.

[Signature page follows]

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.

Tittany Sarantinos

APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, LEA COUNTY, NEW MEXICO FOR THE LIMITED PURPOSE OF ADDING ADDITIONAL POOLED PARTIES

> CASE NO. 23608 **ORDER NO. R-22616** (RE-OPEN)

APPLICATION

Avant Operating, LLC ("Avant"), OGRID Number 330396, 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 the limited purpose of amending Order No. R-22616 (the "Order") to pool additional parties under the Order. In support of this application, Avant states as follows:

- 1. Avant is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Pursuant to Order No. R-22616, Avant is the operator of a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico.
 - 3. The Order pooled uncommitted interest owners in the spacing unit described above.
- 4. Since the entry of the Order, Avant has identified additional working interest owners that it seeks to pool under the Order and include under the Order's terms.
- 5. Avant sought, but has been unable to obtain, a voluntary agreement from the additional interest owners Avant seeks to pool in this case to participate in the drilling of the wells or to otherwise commit their interests to the wells.

Released to Imaging: 6/6/2023 11:46:16 AM

Released to Imaging: 7/3/2023 9:37:02 AM

No. 23608

10

6. The pooling of all interests in the Bone Spring formation underlying the unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on July 6, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Amend Order No. R-22616 to include additional pooled parties under Order R-22616's terms; and
 - B. Incorporate all of the provisions of Order Nos. R-22616.

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

Deana M. Bennett

Earl E. DeBrine

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800
Attorneys for Applicant

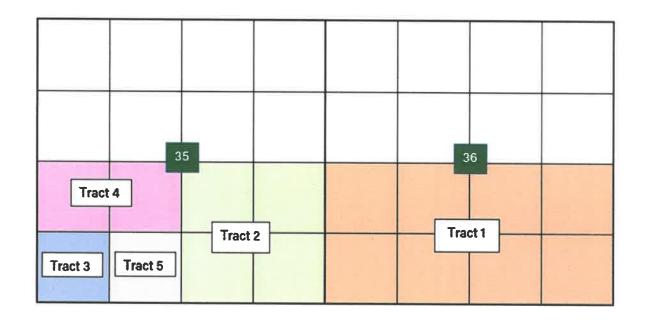
CASE NO. 23608: (Re-Open) Application of Avant Operating LLC to Amend Order No. R-22616, Lea County, New Mexico for the Limited Purpose of Adding Additional Pooled Parties. Applicant seeks an order from the Division for the limited purpose of amending Order No. R-22616 to pool additional parties under Order R-22616. The Order pooled uncommitted interest owners in a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Additional Parties to Be Pooled		
Party	Interest Type	Percentage
Al G. Langford	WI	0.5000%
Cannon Exploration Company	WI	0.3125%
Chanse Energy Corporation	WI	1.5625%
Chase Oil Company	WI	0.1250%
Cy Foster	WI	0.2500%
Cynthia Mae Wilson, as Trustee for the Bypass Trust established in Article 5 of the Will of Scott E. Wilson, Deceased, dated 7/17/12	WI	0.6250%
Double J Company	WI	0.7813%
EOG Resources, Inc.	WI	9.1250%
Harm E. Musgrave, as Trustee of the Harm E. Musgrave Living Trust	WI	0.7813%
Heather W. Echols	WI	0.3125%
Hendon Exploration, Inc.	WI	11.9834%
James D. Brown, Jr.	WI	0.1250%
Mark Wilson Family Partnership, LP	WI	0.3125%
Mather Oil & Gas, Inc.	WI	5.0000%
Mike McDonald (Triad Energy, Inc.)	WI	0.7813%
Petropac 81-A, LTD	WI	0.7813%
Rio Pecos Corporation	WI	0.3125%
S. E. Cone, Jr	WI	0.7813%
TARA-JON Corporation	WI	0.3125%
Texas Energy Trust	WI	0.5166%
The Roger T. Elliott and Holly L. Elliott Family Limited Partnership, LP	WI	0.6250%
Todd M. Wilson	WI	0.3125%
US Energy Corporation of America, Inc.	WI	0.5000%
W. K. Barnett	WI	0.7813%
Al G. Langford	ORRI	0.000625%
Heirs of Jimmie Cole, Deceased	ORRI	0.002083%
Kay Beth Hendon	ORRI	0.002500%
Lewis Burleson Properties, LP	ORRI	0.003125%
Oculto, LP	ORRI	0.003125%
Permian Basin Investment Corporation	ORRI	0.001250%
Sweetwater Mineral Partners, LTD	ORRI	0.006250%
Trustee for the Backer Revocable Trust	ORRI	0.000200%
Windom Royalties, LLC, a wholly owned subsidiary of Noble Royalties, Inc. (as Agent for multiple parties)	ORRI	0.003473%
James J. Cole	ORRI	0.002083%





Lease Tract Map: S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico



Tract	State/Fed/Fee	Lease
Tract 1	State	VB-301
Tract 2	Fed	NM-094194
Tract 3	Fed	NM-140717
Tract 4	Fed	NM-025513
Tract 5	Fed	NM-025513



Summary of Contacts: Alpha Wolf Re-Open

- After Case No. 23246 went to hearing, Avant identified certain additional working interest owners and overriding interest owners that were not included as pooled parties in Case No. 23246.
- Order R-22616 in Case no. 23246 was issued by the Division on March 30, 2023.
- Avant sent proposal letters to the newly identified working interest owners, listed below, on or around May 24, 2023.
- Avant proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Avant had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below (AO is Avant Operating).
- Avant filed applications to force pool parties who had not entered in to an agreement.
- Avant's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners and also for newly identified overriding royalty interest owners.
- Avant hired a broker to locate addresses for the newly identified working and overriding royalty
 interest owners, and the broker Acadian Land Services, LLC, made a good faith effort to locate
 addresses by official title records located in Lea County, New Mexico, google research and IDI
 people search program.
- Avant also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Interest Type	Proposal Letter Sent	Proposal Letter Received	Follow up
Al G. Langford	WI	5/5/2023	5/8/2023	AO sent \$/acre offer; wants to participate in wells.
Canon Exploration Company	WI	5/2/2023	5/5/2023	Several emails and calls w/Todd Wilson; may participate of Farm Out interest
Chanse Energy Corporation	WI	5/2/2023	5/5/2023	Several emails and calls w/Wes Shepherd; AO sent \$/acre offer; placed his interest in an online auction.
Chase Oil Company	WI	5/2/2023	5/5/2023	Used google, free people search, true people search; used caselookup.nmcourts.gov; no probate found in State of NM court cases
Cy Foster	WI			Used google, free people search, true people search; used caselookup.nmcourts.gov; no probate found in State of NM court cases
Cynthia Mae Wilson, as Trustee for the Bypass Trust established in Article 5 of the Will of	WI	5/2/2023	5/4/2023	Sent Assignment and Bill of Sale; wants to participate in wells.
Double J Company	WI	5/2/2023		Used google, free people search, true people search. No additional information found in WhitePages premium subscription.



Name	Interest Type	Proposal Letter Sent	Proposal Letter Received	Follow up
EOG Resources, Inc.	WI	5/2/2023	5/5/2023	In general discussions with EOG as recently as week of June 26; discussions did not specifically address these proposals but EOG has not raised any concerns regarding proposals during broader discussions with them.
Harm E. Musgrave, as Trustee of the Harm E. Musgrave Living Trust	WI	Unable to find any address after multiple searches.		Used google, free people search, true people search; used caselookup.nmcourts.gov; no probate found in State of NM court cases.
Heather W. Echols	WI	5/2/2023	5/5/2023	Several emails and calls w/John Echols; all entities plan to participate.
Hendon Exploration, Inc.	WI	5/2/2023	5/5/2023	Several emails and calls w/Todd Wilson; may participate of FO interest
James D. Brown, Jr.	WI	5/2/2023	5/4/2023	Used google, free people search, true people search; There's also a James D. Brown, III, so Jr. may be deceased.
Mark Wilson Family Partnership, LP	WI	5/2/2023	5/5/2023	Several emails and calls w/John Echols; all entities plan to participate.
Mather Oil & Gas, Inc.	WI	5/2/2023		Used google, free people search, true people search. No additional information found in WhitePages premium subscription.
Mike McDonald (Triad Energy, Inc.)	WI	5/2/2023	5/4/2023	Sent Mike WI and Unit information
Petropac 81-A, LTD	WI	5/2/2023	5/4/2023	Used google, free people search, true people search; used caselookup.nmcourts.gov; no probate found in State of NM court cases.
Rio Pecos Corporation	WI	5/2/2023	5/5/2023	Several emails and calls w/John Echols; all entities plan to participate.
S. E. Cone, Jr	WI	Unable to find any address after multiple searches.		Used google, free people search, true people search; used caselookup.nmcourts.gov; no probate found in State of NM court cases.
TARA-JON Corporation	WI	5/2/2023	5/5/2023	Several emails and calls w/John Echols; all entities plan to participate.

Name	Interest Type	Proposal Letter Sent	Proposal Letter Received	Follow up
Texas Energy Trust	WI	5/2/2023		Used google, free people search, true people search. No additional information found in WhitePages premium subscription.
The Roger T. Elliott and Holly L. Elliott Family Limited Partnership, LP	WI	5/2/2023		Used google, free people search, true people search, Package returned to sender, No additional information found in WhitePages premium subscription
Todd M. Wilson	WI	5/2/2023	5/5/2023	Several emails and calls w/Todd Wilson; may participate or Farm Out interest
US Energy Corporation of America, Inc.	WI	5/2/2023	5/3/2023	Rec'd call from Angie, "this company has since dissolved and no longer owns any interest in NM"
W. K. Barnett	WI			Used google, free people search, true people search; used caselookup.nmcourts.gov; no probate found in State of NM court cases.



May 24, 2023

Sent Via USPS Trackable Mail

Rio Pecos Corporation 4501 Green Tree Boulevard Midland, TX 79707

RE:

Alpha Wolf 36 Fed Com #301H, #302H, #303H, #501H, #502H, #503H, #601H, #602H, & #603H Section 36 (S2) & 35 (S2) Township 18S Range 32E Lea County, New Mexico

Ladies and Gentlemen:

Avant Operating, LLC ("Avant") proposes to drill and complete the Alpha Wolf 36 Federal Com #301H, #302H, #303H, #501H, #502H, #503H, #601H, #602H, and #603H wells, located in Section 36 (S2) and Section 35 (S2) of Township 18 South, Range 32 East, Lea County, New Mexico, to test the Bone Spring Formation and our records indicate you may own an interest.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the enclosed Authority for Expenditures ("AFE").
- Alpha Wolf 36 Federal Com #301H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,600'TVD and will be drilled horizontally to a Measured Depth of approximately 18,600'.
- Alpha Wolf 36 Federal Com #302H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,600'TVD and will be drilled horizontally to a Measured Depth of approximately 18,600'.
- Alpha Wolf 36 Federal Com #303H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,600'TVD and will be drilled be assured Depth of approximately 18,600'.

NM OCD Hearing 7-6-23 No. 23608 18

- Alpha Wolf 36 Federal Com #501H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,500'TVD and will be drilled horizontally to a Measured Depth of approximately 19,500'.
- Alpha Wolf 36 Federal Com #502H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,500'TVD and will be drilled horizontally to a Measured Depth of approximately 19,500'.
- Alpha Wolf 36 Federal Com #503H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,500'TVD and will be drilled horizontally to a Measured Depth of approximately 19,500'.
- Alpha Wolf 36 Federal Com #601H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,350'TVD and will be drilled horizontally to a Measured Depth of approximately 20,350'.
- Alpha Wolf 36 Federal Com #602H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,350'TVD and will be drilled horizontally to a Measured Depth of approximately 20,350'.
- Alpha Wolf 36 Federal Com #603H: to be drilled from a legal location with a proposed surface hole location E2SE4 of Section 36-18S-32E and a proposed bottom hole location W2SW4 of Section 35-18S-32E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,350'TVD and will be drilled horizontally to a Measured Depth of approximately 20,350'.

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"). This JOA will be sent to you following this proposal with the following general provisions:

- 100%/300%/300% non-consent penalty
- \$10,000/\$1000 drilling and producing monthly overhead rates
- Contract Area of all of Section 36-T18S-R32E and Section 35-T18S-R32E
- 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.

Avant is working to finalize reports and our preliminary title shows that you may have an interest in the contract area, should you believe this proposal to be in error, please let us know.

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.

Please indicate your elections in the spaces provided on the following pages. If you elect to participate in the drilling and completion of the wells proposed herein, please sign and return a copy of this letter along with the enclosed AFEs within thirty (30) days of receipt of this proposal.

In the event you do not wish to participate in this proposed development and would be interested in selling your interest, please let us know. You may contact the undersigned at tiffany@avantnr.com or (720) 746-5048.

Sincerely,

Tiffany Sarantinos Senior Landman

(Sarantinos)

Enclosures

Rio Pecos Corporation elects as follows:
Alpha Wolf 36 Federal Com #301H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #301H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #301H well.
Alpha Wolf 36 Federal Com #302H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #302H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #302H well.
Alpha Wolf 36 Federal Com #303H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #303H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #303H well.
Alpha Wolf 36 Federal Com #501H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #501H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #501H well.
Alpha Wolf 36 Federal Com #502H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #502H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #502H well.
Alpha Wolf 36 Federal Com #503H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #503H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #503H well.
Alpha Wolf 36 Federal Com #601H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #601H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #601H well.
Alpha Wolf 36 Federal Com #602H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #602H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #602H well.
Alpha Wolf 36 Federal Com #603H:
I/We hereby elect to participate in the Alpha Wolf 36 Federal Com #603H well.
I/We hereby elect NOT to participate in the Alpha Wolf 36 Federal Com #603H well.
Rio Pecos Corporation
By:
Printed Name:
Title:
Date:



Authority for Expenditure

AFE	: NM0103		Date:	April 27, 2023
County: State:				
PROJECT DES	SCRIPTION:			
Central Tank	Battery Facility that will	service the Alpha Wolf 36 Fed Com	501H, 502H and 503H.	
			TOTAL	
		FACILITIES: COMPLETED FACILITY COST:	\$4,616,770	
		COMPLETED FACILITY COST:	\$4,616,770	
OPERATOR A	APPROVAL:			
Signature:			Date:	
Name:	Jacob Nagy		Title: Co-C.E.	O.
Signature:			Date:	
Name:	Skyler Gary		Title: Co-C.E.	0.
Signature:			Date:	
Name:	Pete Williams		Title: C.F.O.	

Signature:

Name: Braden Harris

Date:

Title: S.V.P. Operations

Well Name:	Well:	Alpha Wolf 36 Fed Com #301H
AFE:	#:	NM037
County/State:	County:	Los
	State:	New Mexico
Field:	Field:	Querecho Plains
Total Depth:	TVD:	8,600 ft
	MD:	18,600 ft

Date:	9/22/2022	
Operator:	AVANT OPERATING, LLC	
Completed LL:	10,000 ft	
# of Stages:	46	T
Total Proppant:		
Total Fluid:	642,857 bbls	

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

8200,102	Davwork Cost	\$	560,600.0
8200,103	Rig Mob/Demob	\$	59,300.0
8200.104	Rig Fuel & Power	\$	116,000.0
8200.106	Transportation & Hauling	\$	43,000.0
8200.111	Permit/Surveys/Fees	s	21,500.0
8200.112	Roads, Location, Pits & Restoration	\$	216,100.0
8200.115	Drilling Water & Hauling	\$	50,600.0
8200.116	Drill Bits	\$	98,000.0
8200.117	Drilling Mud & Chemicals	s	101,000.0
8200.124	Rental Equipment, Tools & Services	s	116,800.0
8200.125	Equipment Repairs & Maintenance	\$	46,200.0
8200,127	Contract Labor	s	62,500.0
8200.128	Directional Services	\$	257,900.0
8200.135	Coring & Analysis	\$	
8200,136	Mud Logging	\$	40,900.0
8200,137	Casing Services	\$	53,000,0
8200,138	Cement & Services	8	183,500.0
8200.139	Fishing/Sidetrack	\$	
8200.144	Engineering & Drilling Supervision	\$	341,400.0
8200,151	Insurance Gen Liability	\$	8,000.0
8200.152	insurance OEE	\$	20,000.0
8200.161	Log/Perf/Core	\$	11,500.0
8200.162	Surface Equipment Rental	\$	77,000.0
8200.163	Drillstern Test	\$	•
8200.164	Solids Control	\$	155,000.0
8200.165	Safety/Environment	\$	27,900.0
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700.0
8400.301	Surface Casing	\$	113,000.0
8400.302	Intermediate Casing	\$	145,200.0
8400.303	Production Casing	\$	645,800.0
8400.304	Conductor Pipe	\$	22,400.0
8400.340	Wellhead Equipment	\$	42,000.0

DRILLING AFE TOTAL

\$

3,636,100.00

INTANGIBLE COMPLETION COSTS

8300.201	Completion Rig		s	50,000.00
8300,203	Fuel & Power		s	690,000.00
8300,205	Roads, Location, Pits & Restoration		S	-
8300, 207	Water & Hauling		S	1,088,572.00
8300,209	Completion Fluids/Mud/Chemicals		\$	15,000.00
8300.210	Rental Equipment Tools & Services		S	322.000.00
8300.212	Contract Labor		S	95.000.00
8300.214	Perforating & Bridge Plugs		\$	469,200.00
8300,220	Engineering & Drilling Supervision		s	133,000,00
8300,227	Insurance Gen Liability		\$	8,000.00
8300,229	Transportation & Hauling		\$	50,000.00
8300.240	Special Services		\$	26,500.00
8300.253	Inspection/Tubular Testing		\$	10,000.00
8300.270	Hydraulic Fracturing		\$	2,185,000.00
8300.271	Coil Tubing		\$	105,200.00
	INTANGIBLE COMPLETION COSTS - SUBTOTA	L	\$	5.247.472.00
0000 054	TANGIBLE COMPLETION COSTS	•		
8300.251				
8400.312	Tubing		\$	100,000.00
	Gas Lift		\$	50,000.00
	Gas Lift Tank Battery		\$	50,000.00 260,000.00
8400.314	Gas Lift Tank Battery Heater Treater / Separator		\$	50,000.00
8400.314	Gas Lift Tank Battery		\$	50,000.00 260,000.00
8400.314 8400.316	Gas Lift Tank Battery Heater Treater / Separator		\$ \$ \$	50,000.00 260,000.00 210,000.00
8400.314 8400.316 8400.331	Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting		\$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00
8400.313 8400.314 8400.316 8400.331 8400.340	Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation		\$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00
8400.314 8400.316 8400.331	Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment		\$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00 92,000.00
8400.314 8400.316 8400.331	Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	COMPLETION AFE TOTAL	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00 92,000.00
8400.314 8400.316 8400.331	Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	COMPLETION AFE TOTAL Added Contingency	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00 92,000.00 1,612,000.00

TOTAL AFE \$ 10,915,350.60

APPROVED BY:	TITLE: VP of Engineering	DATE:
COMPANY: Avant Operating, LLC		
APPROVED BY: COMPANY: Avant Operating, LLC	TITLE: CFO	DATE: 10/28/2022
APPROVED BY:	TITLE: CEO	DATE:
COMPANY: Avant Operating, LLC		
APPROVED BY:	TITLE:	DATE:
COMPANY:	WORKING INTERE	iST:

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

Well Name:	Well:	Alpha Wolf 36 Fed Com #302H
AFE:	#:	NM038
County/State:	County:	Lea
	State:	New Mexico
Field:	Field:	Querecho Piains
Total Depth:	TVD:	8,600 ft
	MD:	18,600 ft

Date:	9/22/2022
	AVANT OPERATING, LLC
Completed LL:	
# of Stages:	
Total Proppant:	
Total Fluid:	642,867 bbls

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

OUNT CODES	INTANGIBLE DRILLING COSTS		AFE AMOUN
8200.102	Daywork Cost	\$	560,600.0
8200.103	Rig Mob/Demob	\$	59,300.0
8200.104	Rig Fuel & Power	\$	116,000.0
8200.106	Transportation & Hauling	\$	43,000.0
8200,111	Permit/Surveys/Fees	\$	21,500.0
8200.112	Roads, Location, Pits & Restoration	\$	216,100.0
8200.115	Drilling Water & Hauling	\$	50,600.0
8200,116	Drill Bits	\$	98,000.0
8200,117	Drilling Mud & Chemicals	\$	101,000.0
8200.124	Rental Equipment, Tools & Services	\$	116,800.0
8200.125	Equipment Repairs & Maintenance	\$	46,200.0
8200,127	Contract Labor	\$	62,500.0
8200,128	Directional Services	\$	257,900.0
8200.135	Coring & Analysis	s	
8200,136	Mud Logging	s	40,900.0
8200.137	Casing Services	s	53,000.0
8200.138	Cement & Services	s	183,500.0
8200,139	Fishing/Sidetrack	s	
8200.144	Engineering & Drilling Supervision	\$	341,400,0
8200.151	Insurance Gen Liability	s	8,000,0
8200.152	Insurance OEE	\$	20,000.0
8200.161	Log/Perf/Core	\$	11,500,0
8200.162	Surface Equipment Rental	\$	77,000.0
8200,163	Drillstem Test	S	
8200,164	Solids Control	\$	155,000.0
8200.165	Safety/Environment	\$	27,900.0
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700.0
8400.301	Surface Casing	\$	113,000.0
8400.302	Intermediate Casing	\$	145,200.0
8400.303	Production Casing	\$	645,800.0
8400.304	Conductor Pipe	\$	22,400.0
8400.340	Wellhead Equipment	\$	42,000.0

DRILLING AFE TOTAL \$

3,636,100.00

8300,201

50,000.00

Completion Rig	
Fuel & Power	
Roads, Location, Pits & Restoration	

	- The state of the	1 *	001000100
8300.203	Fuel & Power	\$	690,000.00
8300.205	Roads, Location, Pits & Restoration	\$	*
8300.207	Water & Hauling	\$	1,088,572.00
8300,209	Completion Fluids/M ud/Chemicals	\$	15,000.00
8300.210	Rental Equipment Tools & Services	\$	322,000.00
8300.212	Contract Labor	\$	95,000.00
8300.214	Perforating & Bridge Plugs	\$	469,200.00
8300.220	Engineering & Drilling Supervision	\$	133,000.00
8300.227	Insurance Gen Liability	\$	8,000.00
8300.229	Transportation & Hauling	\$	50,000.00
8300.240	Special Services	\$	26,500.00
8300.253	Inspection/Tubular Testing	\$	10,000.00
8300.270	Hydraulic Fracturing	\$	2,185,000.00
8300.271	Coil Tubing	\$	105,200.00

INTANGIBLE COMPLETION COSTS - SUBTOTAL 5,247,472.00

TANGIBLE COMPLETION COSTS

INTANGIBLE COMPLETION COSTS

8300.251	Tubing	\$	100,000.00
8400,312	Ges Lift	\$	50,000.00
8400.313	Tank Battery	\$	260,000.00
8400.314	Heater Treater / Separator	\$	210,000.00
8400.316	Valves/Fitting	\$	450,000.00
8400.331	Automation	S	350,000.00
8400.340	Wellhead Equipment	\$	92,000.00
	TANGIBLE COMPLETION COSTS - SUBTOTAL	\$	1,512,000.00

COMPLETION AFE TOTAL \$ 6,759,472.00 **Added Contingency** 519,778.60

> TOTAL AFE \$ 10,915,350.60

APPROVED BY: TITLE: VP of Engineering DATE: COMPANY: Avant Operating, LLC 10/28/2022 APPROVED BY: TITLE: CFO COMPANY: Avant Operating, LLC APPROVED BY: TITLE: CEO DATE:

COMPANY: Avant Operating, LLC

APPROVED BY: TITLE: DATE: COMPANY: **WORKING INTEREST:**

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

 Well Name:
 Well:
 Alpha Wolf 36 Fed Com #303H

 AFE:
 #:
 NM039

 County/State:
 County:
 Lea

 State:
 New Mexico

 Field:
 Field:
 Querecho Plains

 Total Depth:
 TVD:
 8,600 ft

 MD:
 13,600 ft

	9/22/2022	
Operator:	AVANT OPERATING, LLC	
Completed LL:	10,000 ft	
# of Stages:	46	
Total Proppant:	25,000,000 lbs	
Total Fluid:	642,857 bbls	

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

UNT CODES	INTANGIBLE DRILLING COSTS		AFE AMOUN1
8200.102	Daywork Cost	\$	560,600.00
8200.103	Rig Mob/Demob	\$	59,300.00
8200.104	Rig Fuel & Power	\$	116,000.00
3200.106	Transportation & Hauling	\$	43,000.00
8200.111	Permit/Surveys/Fees	\$	21,500.00
8200.112	Roads, Location, Pits & Restoration	\$	216,100.00
3200.115	Drilling Water & Hauling	\$	50,600.00
3200.116	Drill Bits	\$	98,000.00
3200.117	Drilling Mud & Chemicals	\$	101,000.00
3200.124	Rental Equipment, Tools & Services	\$	116,800.00
200.125	Equipment Repairs & Maintenance	\$	46,200.00
3200.127	Contract Labor	\$	62,500.00
3200.128	Directional Services	\$	257,900.00
3200.135	Coring & Analysis	\$	
3200.136	Mud Logging	\$	40,900.00
3200.137	Casing Services	\$	53,000.00
3200.138	Cement & Services	\$	183,500.00
3200.139	Fishing/Sidetrack	\$	•
3200.144	Engineering & Dritting Supervision	\$	341,400.00
200.151	Insurance Gen Liability	\$	8,000.00
3200.152	Insurance OEE	\$	20,000.00
3200.161	Log/Perf/Core	\$	11,500.00
3200.162	Surface Equipment Rental	\$	77,000.00
3200.163	Drillstem Test	\$	
3200,164	Solida Control	\$	155,000.00
3200.165	Safety/Environment	\$	27,900.00
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700.00
3400.301	Surface Casing	8	113,000.00
3400.302	Intermediate Casing	\$	145,200.00
3400.303	Production Casing	\$	645,800.00
1400,304	Conductor Pipe	\$	22,400.00
1400.340	Wellhead Equipment	s	42,000.00
	TANGIBLE DRILLING COSTS - SUBTOTAL	\$	968,400.00

DRILLING AFE TOTAL

3,636,100.00

8300,201	Completion Rig		\$	50,000.00
8300.203	Fuel & Power		\$	690,000.00
3300.205	Roads, Location, Pits & Restoration		\$	
8300.207	Water & Hauling		\$	1,088,572.00
8300.209	Completion Fluids/Mud/Chemicals		\$	15,000.00
8300.210	Rental Equipment Tools & Services		\$	322,000.00
3300.212	Contract Labor		\$	95,000.00
8300.214	Perforating & Bridge Plugs		\$	469,200.00
3300.220	Engineering & Drilling Supervision		\$	133,000.00
3300.227	Insurance Gen Liability		\$	8,000.00
3300.229	Transportation & Hauling		\$	50,000.00
3300.240	Special Services		\$	26,500.00
300.253	Inspection/Tubular Testing		\$	10,000.00
	2 L - 4 22 - Pro - 4 22		\$	2,185,000.00
3300.270	Hydraulic Fracturing			2,100,000.00
	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA	L	\$	105,200.00
3300.271	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS	L	\$	105,200.00 6,247,472.00
3300.271	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing	L	\$	105,200.00 6,247,472.00 100,000.00
3300.271 3300.251 3400.312	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift	L	\$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00
3300.271 3300.251 3400.312 3400.313	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery	L	\$ \$ \$ \$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00 260,000.00
8300.271 8300.251 8400.312 8400.313 8400.314	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator	L.	\$ \$ \$ \$ \$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00
3300.271 3300.251 3400.312 3400.313 3400.314 3400.316	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Litt Tank Battery Heater Treater / Separator Valves/Fitting	L.	\$ \$ \$ \$ \$ \$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00
8300.271 8300.251 8400.312 8400.314 8400.316 8400.331	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation	L	\$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00
8300.271 8300.251 8400.312 8400.314 8400.316 8400.331	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	L	\$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00
8300.270 8300.271 8300.251 8400.312 8400.313 8400.314 8400.316 8400.331	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation		\$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00 92,000.00
8300.271 8300.251 8400.312 8400.314 8400.316 8400.331	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	COMPLETION AFE TOTAL	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00 92,000.00
3300.271 3300.251 3400.312 3400.313 3400.314 3400.316 3400.331	Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00 92,000.00 1,812,000.00 6,759,472.00

INTANCIDI E COMBI ETION COSTS

APPROVED BY:	TITLE: VP of Engineering	DATE:	
COMPANY: Avant Operating, LLC			
APPROVED BY:	TITLE: CFO	DATE: 10 28 7022	
COMPANY: Avant Operating, LLC			
APPROVED BY:	TITLE: CEO	DATE:	
COMPANY: Avant Operating, LLC			
APPROVED BY:	TITLE:	DATE:	
COMPANY-	WORKING INTERI	ST,	

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

Well Name:	Well:	Alpha Wolf 36 Fed Com #501H	
AFE:	#:	NM040	
County/State:	County:	Lea	
	State:	New Mexico	
Field:	Field:	Querecho Plains	
Total Depth:	TVD:	9,500 ft	
	MD:	19,500 ft	

Date:	9/22/2022
Operator:	AVANT OPERATING, LLC
Completed LL:	10,000 ft
# of Stages:	46
Total Proppant:	25,000,000 lbs
Total Fluid:	642,857 bbls

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

8200,102	Daywork Cost	\$	560,600.0
8200.103	Rig Mob/Demob	\$	59,300.0
8200,104	Rig Fuel & Power	\$	116,000.0
8200.106	Transportation & Hauling	\$	43,000.0
8200.111	Permit/Surveys/Fees	\$	21,500.0
8200.112	Roads, Location, Pits & Restoration	\$	216,100.0
8200.115	Drilling Water & Hauling	\$	50,600.0
8200.116	Drill Bits	\$	98,000.0
8200,117	Drilling Mud & Chemicals	\$	101,000.0
8200,124	Rental Equipment, Tools & Services	\$	116,800.0
8200.125	Equipment Repairs & Maintenance	\$	46,200.0
8200,127	Contract Labor	\$	62,500.0
8200,128	Directional Services	\$	257,900.0
8200.135	Coring & Analysis	\$	
8200.136	Mud Logging	\$	40,900.0
8200.137	Casing Services	\$	53,000.0
8200.138	Cement & Services	\$	183,500.0
8200.139	Fishing/Sidetrack	\$	9
8200.144	Engineering & Drilling Supervision	\$	341,400.0
8200.151	Insurance Gen Liability	\$	8,000.0
8200.152	Insurance OEE	\$	20,000.0
8200.161	Log/Perf/Core	\$	11,500.0
8200.162	Surface Equipment Rental	\$	77,000.0
8200.163	Drillstem Test	\$	•
8200.164	Solids Control	\$	155,000.0
8200,165	Safety/Environment	\$	27,900.0
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700.0
8400.301	Surface Casing	\$	113,000.0
8400.302	Intermediate Casing	\$	145,200.0
8400.303	Production Casing	\$	645,800.0
8400.304	Conductor Pipe	\$	22,400.0
8400,340	Wellhead Equipment	\$	42,000.0
	TANGIBLE DRILLING COSTS - SUBTOTAL	\$	968,400.0

	INTANGIBLE COMPLETION COSTS				
8300.201	Completion Rig			\$	50,000.00
8300.203	Fuel & Power			\$	690,000.00
8300.205	Roads, Location, Pits & Restoration			\$	4
8300.207	Water & Hauling			\$	1,088,572.00
8300.209	Completion Fluids/Mud/Chemicals			\$	15,000.00
8300.210	Rental Equipment Tools & Services			\$	322,000.00
8300.212	Contract Labor			\$	95,000.00
8300.214	Perforating & Bridge Plugs			\$	469,200.00
8300,220	Engineering & Drilling Supervision			\$	133,000.00
8300,227	insurance Gen Liability			\$	8,000.00
8300, 229	Transportation & Hauling			\$	50,000.00
8300.240	Special Services			\$	26,500.00
8300.253	inspection/Tubular Testing			\$	10,000.00
8300.270	Hydraulic Fracturing			\$	2,185,000.00
8300.271	Coil Tubing			\$	105,200.00
	INTANGIBLE COMPLETION COSTS - SI TANGIBLE COMPLETION COSTS			\$	5,247,472.00
8300.251	Tubing			\$	100,000.00
8400.312	Gas Lift			\$	50,000.00
8400.313	Tank Battery			\$	260,000.00
8400.314	Heater Treater / Separator			\$	210,000.00
8400.316	Valves/Fitting			\$	450,000.00
8400.331	Automation			\$	350,000.00
8400.340	Wellhead Equipment			\$	92,000.00
	TANGIBLE COMPLETION COSTS - SUB	STOTAL	COMPLETION AFE TOTAL	\$	1,512,000.00 6,789,472.00
			Added Contingency	\$	519,778.60
			TOTAL AFE		10,915,350.60
APPROVED BY:	t Operating, LLC	TITLE:	VP of Engineering	DATE:	10,310,300.00
COMPANT: AVBI	t Operating LLC				, ,
APPROVED BY:		TITLE:	CFO	DATE:	10/28/2022
COMPANY: Avan	toperating, LC				
APPROVED BY:		TITLE:	CEO	DATE:	
	t Operating, LLC				
APPROVED BY:		TITLE:		DATE:	
COMPANY:			WORKING INTEREST:		

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

Well Name:	Well:	Alpha Wolf 36 Fed Com #502H	
AFE:	#:	NMO41	
County/State:	County:	Lea	
	State:	New Mexico	
Field:	Field:	Querecho Plains	
Total Depth:	TVD:	9,500 ft	
	MD:	19,500 ft	

	9/22/2022
Operator:	AVANT OPERATING, LLC
Completed LL:	
# of Stages:	46
Total Proppant:	25,000,000 lbs
Total Fluid:	642,857 bbls

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

OUNT CODES	INTANGIBLE DRILLING COSTS	 AFE AMOUNT
8200,102	Daywork Cost	\$ 560,600.0
8200.103	Rig Mob/Demob	\$ 59,300.0
8200.104	Rig Fuel & Power	\$ 116,000.0
8200.106	Transportation & Hauling	\$ 43,000.0
8200,111	Permit/Surveys/Fees	\$ 21,500.0
8200.112	Roads, Location, Pits & Restoration	\$ 216,100.0
8200.115	Drilling Water & Hauling	\$ 50,600.0
8200.116	Drill Bits	\$ 98,000.0
8200.117	Drilling Mud & Chemicals	\$ 101,000.0
8200,124	Rental Equipment, Tools & Services	\$ 116,800.0
8200.125	Equipment Repairs & Maintenance	\$ 46,200.0
8200.127	Contract Labor	\$ 62,500.0
8200.128	Directional Services	\$ 257,900.0
8200.135	Coring & Analysis	\$ -
8200.136	Mud Logging	\$ 40,900.0
8200,137	Casing Services	\$ 53,000.0
8200,138	Cement & Services	\$ 183,500.0
8200,139	Fishing/Sidetrack	\$
8200.144	Engineering & Drilling Supervision	\$ 341,400.0
8200.151	Insurance Gen Liability	\$ 8,000.0
8200,152	Insurance OEE	\$ 20,000.0
8200.161	Log/Perf/Core	\$ 11,500.0
8200,162	Surface Equipment Rental	\$ 77,000.0
8200.163	Drillstem Test	\$
8200.164	Solids Control	\$ 155,000.0
8200, 165	Safety/Environment	\$ 27,900.0
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$ 2,667,700.0
8400.301	Surface Casing	\$ 113,000.0
8400.302	Intermediate Casing	\$ 145,200.0
8400,303	Production Casing	\$ 645,800.0
8400.304	Conductor Pipe	\$ 22,400.0
8400.340	Weilhead Equipment	\$ 42,000.0

8400.301	Surface Casing	\$ 113,000.00
8400.302	intermediate Casing	\$ 145,200.00
8400.303	Production Casing	\$ 645,800.00
8400.304	Conductor Pipe	\$ 22,400.00
8400.340	Wellhead Equipment	\$ 42,000.00
	TANGIBLE DRILLING COSTS - SUBTOTAL	\$ 968,400.00

TANGIBLE DRILLING COSTS - SUBTOTAL

DRILLING AFE TOTAL

3,636,100.00

0000 004	INTANGIBLE COMPLETION COST	3	T _a	FA 040 00
8300,201	Completion Rig		\$	50,000.00
8300,203	Fuel & Power		\$	690,000.00
8300.205	Roads, Location, Pits & Restoration	n	\$	4 000 570 00
8300.207	Water & Hauling		\$	1,088,572.00
8300.209	Completion Fluids/Mud/Chemicals		\$	15,000.00
8300.210	Rental Equipment Tools & Service	S	\$	322,000.00
8300.212	Contract Labor		\$	95,000.00
8300.214	Perforating & Bridge Plugs		\$	469,200.00
8300.220	Engineering & Drilling Supervision	7	\$	133,000.00
8300.227	Insurance Gen Liability		\$	8,000.00
8300.229	Transportation & Hauling		\$	50,000.00
8300.240	Special Services		\$	26,500.00
8300.253	Inspection/Tubular Testing		\$	10,000.00
8300,270	Hydraulic Fracturing		\$	2,185,000.00
8300.271	Coil Tubing		\$	105,200.00
	INTANGIBLE COMPLETION COST TANGIBLE COMPLETION COSTS	S - SUBTOTAL	\$	6,247,472.00
8300.251	Tubing		\$	100,000.00
8400.312	Gas Lift		\$	50,000.00
8400,313	Tank Battery		\$	260,000.00
8400.314	Heater Treater / Separator		\$	210,000.00
8400.316	Valves/Fitting		\$	450,000.00
8400.331	Automation		\$	350,000.00
8400.340	Wellhead Equipment		\$	92,000.00
	TANGIBLE COMPLETION COSTS	-SUBTOTAL COMPLETION AFE TOTAL Added Contingency TOTAL AFE	\$	1,512,000.00 6,759,472.00 519,778.60 10,915,350.60
APPROVED BY:	et Oppdeling 11 C	TITLE: VP of Engineering	DATE:	
APPROVED BY: COMPANY: Avan Operating, LLC		TITLE: CFO	DATE:	10/28/2022
APPROVED BY:	•	TITLE: CEO	DATE:	
COMPANY: Avar	nt Operating, LLC			

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

TITLE:

DATE:

WORKING INTEREST:

APPROVED BY:

COMPANY:

Well Name:	Well:	Alpha Wolf 36 Fed Com #503H	
AFE:	#:	NM042	
County/State:	County:	Lea	
	State:	New Mexico	
Field:	Field:	Querecho Plains	
Total Depth:	TVD:	9,500 ft	
	MD:	19.500 ft	

Date:	9/22/2022	
	AVANT OPERATING, LLC	
Completed LL:	10,000 ft	
# of Stages:		
Total Proppant:	25,000,000 lbs	
Total Fluid:	842,857 bbls	

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

8200,102	Daywork Cost	\$	560,600
8200.103	Rig Mob/Demob	s	59,300
8200.104	Rig Fuel & Power	\$	116,000
8200.106	Transportation & Hauling	\$	43,000
8200.111	Permit/Surveys/Fees	\$	21,500
8200.112	Roads, Location, Pits & Restoration	\$	216,100
8200.115	Drilling Water & Hauling	\$	50,600
8200.116	Drill Bits	\$	98,000
8200,117	Drilling Mud & Chemicals	\$	101,000
8200.124	Rental Equipment, Tools & Services	\$	116,800
8200.125	Equipment Repairs & Maintenance	\$	46,200
8200.127	Contract Labor	s	62,500
8200.128	Directional Services	\$	257,900
8200,135	Coring & Analysis	\$	
8200,136	Mud Logging	\$	40,90
8200,137	Casing Services	\$	53,00
8200.138	Cement & Services	\$	183,50
8200.139	Fishing/Sidetrack	\$	
8200,144	Engineering & Drilling Supervision	\$	341,400
8200,151	Insurance Gen Liability	\$	8,000
8200.152	Insurance OEE	\$	20,000
8200.161	Log/Perf/Core	\$	11,50
8200,162	Surface Equipment Rental	\$	77,00
8200.163	Drillstem Test	\$	
8200.164	Solids Control	\$	155,000
8200.165	Sefety/Environment	\$	27,900
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700
8400.301	Surface Casing	\$	113,000
8400.302	Intermediate Casing	\$	145,200
8400.303	Production Casing	\$	645,800
8400.304	Conductor Pipe	\$	22,400
8400.340	Wellhead Equipment	\$	42,000

DRILLING AFE TOTAL \$

3,636,100.00

INTANGIBLE	COMPLETION	COSTS	
Completion 5	lin		_

8300.201	Completion Rig		\$	50,000.00
8300.203	Fuel & Power		\$	690,000.00
8300.205	Roads, Location, Pits & Restoration		\$	
8300.207	Water & Hauling		\$	1,088,572,00
3300.209	Completion Fluids/Mud/Chemicals		\$	15,000.00
8300.210	Rental Equipment Tools & Services		\$	322,000.00
8300.212	Contract Labor		\$	95,000.00
8300.214	Perforating & Bridge Plugs		\$	469,200.00
8300.220	Engineering & Drilling Supervision		\$	133,000.00
8300.227	Insurance Gen Liability		\$	8,000.00
8300.229	Transportation & Hauling		\$	50,000.00
8300.240	Special Services		\$	26,500.00
8300.253	Inspection/Tubular Testing		\$	10,000.00
				0.405.000.00
8300.270	Hydraulic Fracturing		\$	2,185,000.00
	Hydraulic Fracturing Coll Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA	L.	\$	
8300.271	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS	L.	\$	105,200.00 5,247,472.00
8300.271 8300.251	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing	1.	\$	105,200.00 5,247,472.00 100,000.00
8300.271 8300.251 8400.312	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift	1.	\$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00
8300.271 8300.251 8400.312 8400.313	Coli Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery		\$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00
8300.271 8300.251 8400.312 8400.313 8400.314	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator	-	\$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00
8300.271 8300.251 8400.312 8400.313 8400.314	Coli Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery	-	\$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00
8300.271 8300.251 8400.312 8400.313 8400.314 8400.316	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator		\$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00
8300.271 8300.251 8400.312 8400.313 8400.314 8400.316 8400.331	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting		\$ \$ \$ \$ \$ \$ \$	105,200.00 6,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00
8300.270 8300.271 8300.251 8400.312 8400.313 8400.314 8400.316 8400.331 8400.340	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation		\$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00 350,000.00
8300.271 8300.251 8400.312 8400.313 8400.314 8400.316 8400.331	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	COMPLETION AFE TOTAL	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00 350,000.00 92,000.00
8300.271 8300.251 8400.312 8400.313 8400.314 8400.316 8400.331	Call Tubing INTANGIBLE COMPLETION COSTS - SUBTOTA TANGIBLE COMPLETION COSTS Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2,185,000.00 105,200.00 5,247,472.00 100,000.00 50,000.00 260,000.00 210,000.00 450,000.00 92,000.00 1,512,000.00 6,759,472.00 519,778.80

APPROVED BY:	TITLE: VP of Engineering	DATE:
COMPANY: Avant Operating, LLC		
APPROVED BY:	TITLE: CFO	DATE: 10/28/2027
COMPANY: Avant Operating LC		
APPROVED BY:	TITLE: CEO	DATE:
COMPANY: Avant Operating, LLC		
APPROVED BY:	TITLE:	DATE:
COMPANY	WORKING INTERI	ST:

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

Authority For Expenditure - Well AFE

Well Name:	Well:	Alpha Wolf 36 Fed Com #601H	
AFE:	#:	NM043	
County/State:	County:	Lea	
	State:	New Mexico	
Field:	Field:	Querecho Plains	
Total Depth:	TVD:	10,350 ft	
	MD:	20,350 ft	

Date:	9/22/2022	
Operator:	AVANT OPERATING, LLC	
Completed LL:	10,000 ft	
# of Stages:	46	
Total Proppant:	25,000,000 lbs	
Total Fluid:	642,857 bbls	

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

8200,102	Daywork Cost	l s	560,600,0
8200,103	Rig Mob/Demob	\$	59,300.0
8200.104	Rig Fuel & Power	\$	116,000.0
8200.106	Transportation & Hauling	\$	43,000.0
8200,111	Permit/Surveys/Fees	\$	21,500.0
8200.112	Roads, Location, Pits & Restoration	\$	216,100.0
8200.115	Drilling Water & Hauling	\$	50,600.0
8200,116	Drill Bits	\$	98,000.0
8200,117	Drilling Mud & Chemicals	\$	101,000.0
8200.124	Rental Equipment, Tools & Services	\$	116,800.0
8200.125	Equipment Repairs & Maintenance	\$	46,200.0
8200.127	Contract Labor	\$	62,500.0
8200.128	Directional Services	\$	257,900.0
8200.135	Coring & Analysis	\$	
8200.136	Mud Logging	\$	40,900.0
8200.137	Casing Services	\$	53,000.
8200.138	Cement & Services	\$	183,500.
8200.139	Fishing/Sidetrack	\$	
8200,144	Engineering & Drilling Supervision	\$	341,400.
8200.151	Insurance Gen Liability	S	8,000.0
8200.152	Insurance OEE	\$	20,000.0
8200.161	Log/Perf/Care	\$	11,500.0
8200.162	Surface Equipment Rental	\$	77,000.0
8200.163	Drillstem Test	\$	•
8200.164	Solids Control	\$	155,000.0
8200.165	Safety/Environment	\$	27,900.0
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,790.
8400.301	Surface Casing	\$	113,000.0
8400,302	Intermediate Casing	\$	145,200.0
8400.303	Production Casing	\$	645,800.0
8400.304	Conductor Pipe	5	22,400.0
8400.340	Wellhead Equipment	\$	42,000.0
UTUU.UTU	TANGIBLE DRILLING COSTS - SUBTOTAL	2	968.400.

DRILLING AFE TOTAL \$

3,636,100.00

8300,201	Completion Rig		\$	50,000.00
8300, 203	Fuel & Power		\$	690,000.00
8300,205	Roads, Location, Pits & Restoration		\$	•
8300.207	Water & Hauling		\$	1,088,572.00
8300.209	Completion Fluids/Mud/Chemicals		S	15,000.00
8300.210	Rental Equipment Tools & Services		\$	322,000.00
8300.212	Contract Labor		\$	95,000.00
8300,214	Perforating & Bridge Plugs		\$	469,200.00
8300.220	Engineering & Drilling Supervision		\$	133,000.00
8300.227	Insurance Gen Liability		\$	8,000.00
8300.229	Transportation & Hauling		\$	50,000.00
8300.240	Special Services		\$	26,500.00
8300.253	Inspection/Tubular Testing		\$	10,000.00
8300.270	Hydraulic Fracturing		\$	2,185,000.00
8300.271	Coil Tubing		\$	105,200.00
	TANGIBLE COMPLETION COSTS			
	TANGIBLE COMPLETION COSTS			
8300.251	TANGIBLE COMPLETION COSTS Tubing		\$	100,000.00
			\$	100,000.00 50,000.00
8400.312	Tubing			
8400.312 8400.313	Tubing Gas Lift		\$	50,000.00 260,000.00
8400.312 8400.313 8400.314	Tubing Gas Lift Tank Battery		\$	50,000.00
8400.312 8400.313 8400.314 8400.316	Tubing Gas Lift Tank Battery Heater Treater / Separator		\$ \$ \$	50,000.00 260,000.00 210,000.00
8400.313 8400.314 8400.316 8400.331	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting		\$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00
8300.251 8400.312 8400.313 8400.314 8400.316 8400.331 8400.340	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation		\$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00
8400.312 8400.313 8400.314 8400.316 8400.331	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment		\$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00
8400.312 8400.313 8400.314 8400.316 8400.331	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	COMPLETION AFE TOTAL	\$ \$ \$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00 92,000.00
8400.312 8400.313 8400.314 8400.316 8400.331	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	COMPLETION AFE TOTAL Added Contingency	\$ \$ \$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00
8400.312 8400.313 8400.314 8400.316 8400.331	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	50,000.0 260,000.0 210,000.0 450,000.0 350,000.0 92,000.0 1,612,000.0
8400.312 8400.313 8400.314 8400.316 8400.331	Tubing Gas Lift Tank Battery Heater Treater / Separator Valves/Fitting Automation Wellhead Equipment	Added Contingency	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	50,000.00 260,000.00 210,000.00 450,000.00 350,000.00 92,000.00 1,612,000.00

COMPANY: Avant Operating, LLC		. /
APPROVED BY:	TITLE: CFO	DATE: 10/28/2022
COMPANY: Avand Operating, LLC		
APPROVED BY:	TITLE: CEO	DATE:
COMPANY: Avant Operating, LLC		
APPROVED BY:	TITLE:	DATE:
COMPANY:	WORKING	INTEREST:

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

Authority For Expenditure - Well AFE

Well Name:	Well:	Alpha Wolf 36 Fed Com #602H	
AFE:	#:	NM044	
County/State:	County:	Lea	
	State:	New Mexico	
Field:	Field:	Querecho Piains	
Total Depth:	TVD:	10,350 ft	
	MD:	20,350 ft	

Date:	9/22/2022	Ī
	AVANT OPERATING, LLC	
Completed LL:		Ī
# of Stages:	46	Ī
Total Proppant:	25,000,000 lbs	
Total Fluid:	642,857 bbis	I

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

8200.102	INTANGIBLE DRILLING COSTS Daywork Cost	\$	AFE AMOUNT 560,600,00
8200.102		\$ \$	
	Rig Mob/Demob		59,300.00
8200.104	Rig Fuel & Power	\$	116,000.00
8200.106	Transportation & Hauling	\$	43,000.00
8200,111	Permit/Surveys/Fees	\$	21,500.00
8200.112	Roads, Location, Pits & Restoration	\$	216,100.00
8200,115	Drilling Water & Hauling	\$	50,600.00
8200,116	Drill Bits	\$	98,000.00
8200.117	Drilling Mud & Chemicals	\$	101,000.00
8200.124	Rental Equipment, Tools & Services	\$	116,800.00
8200.125	Equipment Repairs & Maintenance	\$	46,200.00
8200.127	Contract Labor	\$	62,500.00
8200.128	Directional Services	\$	257,900.00
8200.135	Coring & Analysis	\$	**
8200.136	Mud Logging	\$	40,900.00
8200,137	Casing Services	\$	53,000.00
8200,138	Cement & Services	\$	183,500.0
8200,139	Fishing/Sidetrack	\$	-
8200.144	Engineering & Drilling Supervision	\$	341,400.00
8200.151	Insurance Gen Liability	\$	8,000.00
8200,152	Insurance OEE	\$	20,000.0
8200.161	Log/Perf/Core	\$	11,500.0
8200,162	Surface Equipment Rental	\$	77,000.00
8200.163	Drillstern Test	\$	
8200.164	Solids Control	\$	155,000.00
8200,165	Safety/Environment	\$	27,900.00
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700.0
8400.301	Surface Casing	\$	113,000.00
8400.302	Intermediate Casing	S	145,200.00
8400,303	Production Casing	\$	645,800.00
8400.304	Conductor Pipe	5	22,400.00
8400.340	Wellhead Equipment	\$	42,000.00
3.20.0.0	TANGIBLE DRILLING COSTS - SUBTOTAL	\$	968,400.00

DRILLING AFE TOTAL \$ 3,636,100.00

APPROVED BY:	nt Operating, LLC	TOTAL AFE ITLE: VP of Engineering ITLE: CFO	DATE:	10,915,350.6
COMPANY: Ava	nt Operating, LLC	ITLE: VP of Engineering	DATE:	
			DATE:	
APPROVED BY:	7		,	10,915,350.6
		TOTAL AFE	\$	10,915,350.6
		Added Contingency	S	519,778.
		COMPLETION AFE TOTAL	•	6,759,472.
	TANGIBLE COMPLETION COSTS - SUBTO	DTAL	\$	1,512,000
8400.340	Wellhead Equipment		\$	92,000.
8400.331	Automation		\$	350,000
8400.316	Valves/Fitting		\$	450,000
8400.314	Heater Treater / Separator		\$	210,000
8400.313	Tank Battery		\$	260,000
8400.312	Gas Lift		\$	50,000
8300.251	TANGIBLE COMPLETION COSTS		\$	100,000.
	INTANGIBLE COMPLETION COSTS - SUB	TOTAL	\$	5,247,472
8300.271	Coil Tubing		\$	105,200
8300.270	Hydraulic Fracturing		\$	2,185,000
8300.253	Inspection/Tubular Testing		\$	10,000
8300.240	Special Services		\$	26,500
8300, 229	Transportation & Hauling		\$	50,000
8300,227	Insurance Gen Liability		\$	8,000
8300.220	Engineering & Drilling Supervision		\$	133,000
8300.214	Perforating & Bridge Plugs		\$	469,200
8300,212	Contract Labor		\$	95,000
8300.210	Rental Equipment Tools & Services		\$	322,000
8300, 209	Completion Fluids/Mud/Chemicals		\$	15,000
0300.201	Water & Hauling		\$	1,088,572
8300,207	Roads, Location, Pits & Restoration		\$	500,000
8300.205	Completion Rig Fuel & Power		\$	50,000 690,000
			\$	

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

TITLE:

DATE:

WORKING INTEREST:

APPROVED BY: COMPANY:

Authority For Expenditure - Well AFE

Well Name: Well: Alpha Wolf 36 Fed Com #803H

AFE: #: NM045

County/State: County: Lea
State: New Mexico
Field: Field: Querecho Plains

Total Depth: TVD: 10,350 ft

MD: 20,350 ft

Date:	9/22/2022	
Operator:	AVANT OPERATING, LLC	
Completed LL:	10,000 ft	
# of Stages: Total Proppant:	46	
Total Proppant:	25,000,000 lbs	
Total Fluid:	642,857 bbis	

Drill and complete a 1st Bonespring horizontal with an estimated 10,000' lateral. Drill costs include rig daywork, drilling fluid, tubulars, cement, and other services and rentals. Completion Costs include 46 stage frac job, water, sand, frac plugs, perforations, drilloout, flow back, tubing, artificial lift, tanks and facilities.

8200,102	Daywork Cost	\$	560.600.00
8200.103	Rig Mob/Demob	s	59,300.00
8200.104	Rig Fuel & Power	\$	116,000.00
8200,106	Transportation & Hauling	\$	43,000.00
8200.111	Permit/Surveys/Fees	\$	21,500.00
8200,112	Roads, Location, Pits & Restoration	s	216,100.00
8200,115	Drilling Weter & Hauling	s	50,600,00
8200.116	Drill Bits	s	98,000.00
8200.117	Drifting Mud & Chemicals	\$	101,000.00
8200,124	Rental Equipment, Tools & Services	\$	116,800.00
8200.125	Equipment Repairs & Maintenance	\$	46,200.00
8200,127	Contract Labor	\$	62,500.00
8200,128	Directional Services	\$	257,900.00
8200,135	Coring & Analysis	\$	
8200.136	Mud Logging	\$	40,900.00
8200,137	Casing Services	\$	53,000.00
8200,138	Cement & Services	\$	183,500.00
8200.139	Fishing/Sidetrack	\$	-
8200.144	Engineering & Drilling Supervision	\$	341,400,00
8200,151	Insurance Gen Liability	\$	8,000.00
8200,152	insurance OEE	\$	20,000.00
8200,161	Log/Perf/Care	\$	11,500.00
8200.162	Surface Equipment Rental	\$	77,000.00
8200.163	Drillstem Test	\$	-
8200.164	Solids Control	\$	155,000.00
8200,165	Safety/Environment	\$	27,900.00
	INTANGIBLE DRILLING COSTS - SUBTOTAL TANGIBLE DRILLING COSTS	\$	2,667,700.00
8400.301	Surface Casing	\$	113,000.00
8400.302	intermediate Casing	\$	145,200.00
8400.303	Production Casing	\$	645,800.00
8400.304	Conductor Pipe	\$	22,400.00
8400.340	Wellhead Equipment	\$	42,000,00

DRILLING AFE TOTAL \$

3,636,100.00

50,000.00	\$	Completion Rig	8300.201
690,000.00	\$	Fuel & Power	8300.203
•	\$	Roads, Location, Pits & Restoration	8300.205
1,088,572.00	\$	Water & Hauling	8300.207
15,000.00	\$	Completion Fluids/Mud/Chemicals	8300.209
322,000.00	\$	Rental Equipment Tools & Services	8300.210
95,000.00	\$	Contract Labor	8300.212
469,200.00	\$	Perforating & Bridge Plugs	8300.214
133,000.00	\$	Engineering & Drilling Supervision	8300,220
8,000.00	\$	Insurance Gen Liability	8300,227
50,000.00	\$	Transportation & Hauling	8300.229
26,500.00	\$	Special Services	8300.240
10,000.00	\$	inspection/Tubular Testing	8300.253
2,185,000.00	\$	Hydraulic Fracturing	8300.270
105,200.00	\$	Coil Tubing	8300.271
5,247,472.00	s	INTANGIBLE COMPLETION COSTS - SUBTOTAL	

TANGIBLE COMPLETION COSTS

INTANGIBLE COMPLETION COSTS

8300.251	Tubing	\$ 100,000.00
8400.312	Gas Lift	\$ 50,000.00
8400.313	Tank Battery	\$ 260,000.00
8400.314	Heater Treater / Separator	\$ 210,000-00
8400.316	Valves/Fitting	\$ 450,000.00
8400.331	Automation	\$ 350,000.00
8400.340	Wellhead Equipment	\$ 92,000.00
	TANGIBLE COMPLETION COSTS - SUBTOTAL	\$ 1,512,000.00

COMPLETION AFE TOTAL	\$ 6,759,472.00
Added Contingency	\$ 519,778.60
TOTAL AFE	\$ 10.915.350.60

APPROVED BY:	TITLE: VP of Engineering	DATE:
COMPANY: Avant Operating, LLC		
APPROVED BY:	TITLE: CFO	DATE:
COMPANY: Avant Operating, LLC		/
APPROVED BY:	TITLE: CEO	DATE: 10/20/2022
COMPANY: Avant Operating, LLC		7,50
APPROVED BY:	TITLE:	DATE:
COMPANY:	WORKING INTERE	ST:

COSTS SHOWN ON THIS FORM ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE WORK AUTHORIZED WHETHER MORE OR LESS THAN HEREIN SET OUT.

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

APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, FOR THE LIMITED PURPOSE OF ADDING ADDITIONAL POOLED PARTIES, LEA COUNTY, NEW MEXICO.

CASE NO. 23608

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

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

- 1) The above-referenced Application was provided under notice letter, dated June 15, 2023, and attached hereto, as Exhibit A.
- 2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on June 15, 2023.
- 3) Exhibit C is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit D is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the July 6, 2023 hearing was published on June 21, 2023.
- 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.

Dated: June 30, 2023

Deana M. Bennett

Hearing 7-6-23 23608

Released to Imaging: 7/3/2023 9:37:02 AM



June 15, 2023

Deana M. Bennett 505.848.1834 dmb@modrall.com

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Re: APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, FOR THE LIMITED PURPOSE OF ADDITIONALPOOLED PARTIES, LEA COUNTY, NEW MEXICO.

CASE NO. 23608

TO: AFFECTED PARTIES

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

In Case No. 23608, Avant seeks an order from the Division for the limited purpose of amending Order No. R-22616 to pool additional parties under Order R-22616. The Order pooled uncommitted interest owners in a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

The hearing will be conducted remotely on July 6, 2023 beginning at 8:15 a.m. 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 these cases 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.

Modrall Sperling 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 Page 2

Sincerely,

Deana M. Bennett

Attorney for Applicant

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

APPLICATION OF AVANT OPERATING, LLC TO REOPEN ORDER NO. R-22616, LEA COUNTY, NEW MEXICO FOR THE LIMITED PURPOSE OF ADDING ADDITIONAL POOLED PARTIES

CASE NO. <u>23608</u> ORDER NO. R-22616 (RE-OPEN)

APPLICATION

Avant Operating, LLC ("Avant"), OGRID Number 330396, 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 the limited purpose of amending Order No. R-22616 (the "Order") to pool additional parties under the Order. In support of this application, Avant states as follows:

- 1. Avant is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Pursuant to Order No. R-22616, Avant is the operator of a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico.
 - 3. The Order pooled uncommitted interest owners in the spacing unit described above.
- 4. Since the entry of the Order, Avant has identified additional working interest owners that it seeks to pool under the Order and include under the Order's terms.
- 5. Avant sought, but has been unable to obtain, a voluntary agreement from the additional interest owners Avant seeks to pool in this case to participate in the drilling of the wells or to otherwise commit their interests to the wells.

Released to Imaging: 6/6/2023 11:46:16 AM

6. The pooling of all interests in the Bone Spring formation underlying the unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on July 6, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Amend Order No. R-22616 to include additional pooled parties under Order R-22616's terms; and
 - B. Incorporate all of the provisions of Order Nos. R-22616.

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

Dogge M. Ponnor

Deana M. Bennett Earl E. DeBrine Post Office Box 2168

500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800
Attorneys for Applicant

CASE NO. <u>23608</u>: (Re-Open) Application of Avant Operating LLC to Amend Order No. R-22616, Lea County, New Mexico for the Limited Purpose of Adding Additional Pooled Parties. Applicant seeks an order from the Division for the limited purpose of amending Order No. R-22616 to pool additional parties under Order R-22616. The Order pooled uncommitted interest owners in a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the S/2 of Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

PS Form 3877

Type of Mailing: CERTIFIED MAIL 06/15/2023

Firm Mailing Book ID: 247803

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0109 0771 36	Canon Exploration Company 3608 S. County Road 1184 Midland TX 79706	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
. 2	9314 8699 0430 0109 0771 50	Chanse Energy Corporation 315 Fannin St # 100 Shreveport LA 71101	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
3	9314 8699 0430 0109 0771 67	Chase Oil Company 403 W Lucas St Florence SC 29501	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
4	9314 8699 0430 0109 0771 74	Cynthia Mae Wilson, as Trustee for the Bypass 3724 Helen Street Fort Worth TX 76107	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
5	9314 8699 0430 0109 0771 81	Double J Company 1410 Blalock Road, #260 Houston TX 77055	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
6	9314 8699 0430 0109 0771 98	EOG Resources, Inc. 5509 Champions Drive Midland TX 79706	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
7	9314 8699 0430 0109 0772 04	Heather W. Echols 6003 Meadowview Ln Midland TX 79707	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
8	9314 8699 0430 0109 0772 28	Hendon Exploration, Inc. P O BOX 535068 Grand Prairie TX 75053	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
9	9314 8699 0430 0109 0772 35	James D. Brown, Jr. 16105 Red Cedar Trail Dallas TX 75248	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
10	9314 8699 0430 0109 0772 42	Mark Wilson Family Partnership, LP 4501 Green Tree Boulevard Midland TX 79707	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
11	9314 8699 0430 0109 0772 59	Mather Oil & Gas, Inc. c/o James Herbert 601 GEORGE AVE APT 98 MIdland TX 79705	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
12	9314 8699 0430 0109 0772 66	Mike McDonald (Triad Energy, Inc.) 6 NE 63rd Street, Suite 220 Oklahoma City OK 73105	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
13	9314 8699 0430 0109 0772 73	Petropac 81-A, LTD 16340 Park Ten Pl., Suite 130 Houston TX 77084	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
14	9314 8699 0430 0109 0772 80	Rio Pecos Corporation 4501 Green Tree Boulevard Midland TX 79707	\$1.50	\$4.15	\$2.10	\$0.00	EXHIBIT
15	9314 8699 0430 0109 0772 97	TARA-JON Corporation 6003 Meadowview Ln Midland TX 79707	\$1.50	\$4.15	\$2.10	\$0.00	Seption B

NM OCD Hearing 7-6-23 No. 23608 47 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 06/15/2023

Firm Mailing Book ID: 247803

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0109 0773 03	Texas Energy Trust 500 W Texas Ave Midland TX 79701	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
17	9314 8699 0430 0109 0773 10	The Roger T. Elliott & Holly L. Elliott Family Limited Partnership LP 3910 Tanforan Ave Midland TX 79707	\$1.50	\$4.15	\$2.10	\$0.00	Reference Contents 10375.0002. Notice 10375.0002. Notice AM
18	9314 8699 0430 0109 0773 27	Todd M. Wilson 3608 S. County Road 1184 Midland TX 79706	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
19	9314 8699 0430 0109 0773 34	US Energy Corporation of America, Inc. 4643 S Ulster St # 1100 Denver CO 80237	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
20	9314 8699 0430 0109 0773 41	Al G. Langford 10500 Milky Way Austin TX 78730	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
21	9314 8699 0430 0109 0773 58	Heirs of Jimmie Cole, Deceased 1800 W Union Ave. Las Cruces NM 88005	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
22	9314 8699 0430 0109 0773 65	Kay Beth Hendon 10500 Milky Way Austin TX 78730	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
23	9314 8699 0430 0109 0773 72	Lee Atchison 10507 E. Fernwood Ln. Scottsdale AZ 85262	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
24	9314 8699 0430 0109 0773 89	Lewis Burleson Properties, LP P.O. Box 2479 Midland TX 79702	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
25	9314 8699 0430 0109 0773 96	Oculto, LP PO Box 50190 Midland TX 79710	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
26	9314 8699 0430 0109 0774 02	Permian Basin Investment Corporation 200 W. 1st Street, Suite 300 Roswell NM 88203	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
27	9314 8699 0430 0109 0774 19	Sweetwater Mineral Partners, LTD 502 SOUTH KOENIGHEIM, SUITE 2B San Angelo TX 76903	\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
28	9314 8699 0430 0109 0774 26	Trustee for the Backer Revocable Trust 1642 Foothill Blvd.	02/	\$4.15	\$2.10	\$0.00	10375.0002. Notice
29	9314 8699 0430 0109 0774 33	Windom Royalties, LLC, a wholly owned subsidiary of Noble Royalties, Inc. 15303 DALLAS PKWY STE 1350 Addison TX 75001	5 3 3 .50	\$4.15	\$2.10	\$0.00	10375.0002. Notice
30	9314 8699 0430 0109 0774 40	James J. Cole P.O. Box Drawer K Mesilla NM 88046	USPS \$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Page 50
			Hearing 7-6-23				Pag 2023 Walz CertifiedPro.neg
			23608 48				2023 Walz Gerüllegi 10, 18

PS Form 3877

Type of Mailing: CERTIFIED MAIL 06/15/2023

Firm Mailing Book ID: 247803

1	Line	USPS Article Number	Name, Street, City, State, Zip		Postage	Service Fe	e RR Fee	Rest.Del.Fee	Reference Contents	/3/26
2000	31	9314 8699 0430 0109 0774 57	James J. Cole 1305 Myrtle Avenue Las Cruces NM 88001		\$1.50	\$4.15	\$2.10	\$0.00	10375.0002. Notice	23 9:2
3				Total	ls: \$46.50	\$128.65	\$65.10	\$0.00		1:21
5		1		<u> 1</u>		Gran	d Total:	\$240.25		A
	List Number of		eces Postmaster:	Dated:						_

31

Listed by Sender



Name of receiving employee

Received at Post Office



LO	
0	
7.3	
-	
10	
Cont	
-	
~	
e	
-	
2	
4	
-	
0	
, ~	
-	
_	
\sim	
-	
_	
- 17	
1	
~	
_	
N	
- 40	
K	
- 10	
Ü	
~	
V	
N	
7.7	
-	
N	
40	
-	
1	
K	
1	
_	
\vdash	
-	

Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 247803 Generated: 6/29/2023 8:41:38 AM

Released to Imaging: 7/3/2023 9:37:02 AM

			denerati	Cd. 0/25/2025 6.41.56 AM						_
USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mall Delivery Date
9314869904300109077457	2023-06-15 1:53 PM	10375.0002.	James J. Cole		Las Cruces	NM	88001	To be Returned	Return Receipt - Electronic, Certified Mail	Mark Control
9314869904300109077440	2023-06-15 1:53 PM	10375.0002.	James J. Cole		Mesilla	NM	88046	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-23 10:45 AM
9314869904300109077433	2023-06-15 1:53 PM	10375.0002.	Windom Royalties, LLC, a wholly owned	subsidiary of Noble Royalties, Inc.	Addison	TX	75001	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 10:30 AM
9314869904300109077426	2023-06-15 1:53 PM	10375.0002.	Trustee for the Backer Revocable Trust		Santa Ana	CA	92705	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300109077419	2023-06-15 1:53 PM	10375.0002.	Sweetwater Mineral Partners, LTD		San Angelo	TX	76903	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 2:40 PM
9314869904300109077402	2023-06-15 1:53 PM	10375.0002.	Permian Basin Investment Corporation		Roswell	NM	88203	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300109077396	2023-06-15 1:53 PM	10375.0002.	Oculto, LP		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-28 9:14 AM
9314869904300109077389	2023-06-15 1:53 PM	10375.0002.	Lewis Burleson Properties, LP		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-21 10:24 AM
9314869904300109077372	2023-06-15 1:53 PM	10375.0002.	Lee Atchison		Scottsdale	AZ	85262	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 2:08 PM
9314869904300109077365	2023-06-15 1:53 PM	10375.0002.	Kay Beth Hendon		Austin	TX	78730	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 12:00 AM
9314869904300109077358	2023-06-15 1:53 PM	10375.0002.	Heirs of Jimmie Cole, Deceased		Las Cruces	NM	88005	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-23 9:57 AM
9314869904300109077341	2023-06-15 1:53 PM	10375.0002.	Al G. Langford		Austin	TX	78730	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 12:04 PM
9314869904300109077334	2023-06-15 1:53 PM	10375.0002.	US Energy Corporation of America, Inc.		Denver	CO	80237	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300109077327	2023-06-15 1:53 PM	10375.0002.	Todd M. Wilson		Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 3:59 PM
9314869904300109077310	2023-06-15 1:53 PM	10375.0002.	The Roger T. Elliott & Holly L. Elliott Family	Limited Partnership LP	Midland	TX	79707	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300109077303	2023-06-15 1:53 PM	10375.0002.	Texas Energy Trust		Midland	TX	79701	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300109077297	2023-06-15 1:53 PM	10375.0002.	TARA-JON Corporation		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 11:52 AM
9314869904300109077280	2023-06-15 1:53 PM	10375.0002.	Rio Pecos Corporation		Midland	TX	79707	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300109077273	2023-06-15 1:53 PM	10375.0002.	Petropac 81-A, LTD		Houston	TX	77084	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 4:02 PM
9314869904300109077266	2023-06-15 1:53 PM	10375.0002.	Mike McDonald (Triad Energy, Inc.)		Oklahoma City	OK	73105	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-26 10:31 AM
9314869904300109077259	2023-06-15 1:53 PM	10375.0002.	Mather Oil & Gas, Inc.	c/o James Herbert	Midland	TX	79705	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300109077242	2023-06-15 1:53 PM	10375.0002.	Mark Wilson Family Partnership, LP		Midland	TX	79707	Forwarded	Return Receipt - Electronic, Certified Mail	
9314869904300109077235	2023-06-15 1:53 PM	10375.0002.	James D. Brown, Jr.		Dallas	TX	75248	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 12:00 PM
9314869904300109077228	2023-06-15 1:53 PM	10375.0002.	Hendon Exploration, Inc.		Grand Prairie	TX	75053	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300109077204	2023-06-15 1:53 PM	10375.0002.	Heather W. Echois		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 11:52 AM
9314869904300109077198	2023-06-15 1:53 PM	10375.0002.	EOG Resources, Inc.		Midland	TX	79706	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300109077181	2023-06-15 1:53 PM	10375.0002.	Double J Company		Houston	TX	77055	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300109077174	2023-06-15 1:53 PM	10375.0002.	Cynthia Mae Wilson, as Trustee for the Bypass		Fort Worth	TX	76107	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 12:05 PM
9314869904300109077167	2023-06-15 1:53 PM	10375.0002.	Chase Oil Company		Florence	SC	29501	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-22 12:00 AM
9314869904300109077150	2023-06-15 1:53 PM	10375.0002.	Chanse Energy Corporation		Shreveport	LA	71101	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-20 11:58 AM
9314869904300109077136	2023-06-15 1:53 PM	10375.0002.	Canon Exploration Company		Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	2023-06-21 12:57 PM



USPS Tracking®

FAQs >

Tracking Number:

Remove X

9314869904300109077198

Copy

Add to Informed Delivery (https://informeddelivery.usps.com/)

Latest Update

Your item is being held at the MIDLAND, TX 79706 post office at 7:44 am on June 20, 2023. This is at the request of the customer.

51

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivery Attempt

Held at Post Office, At Customer Request

MIDLAND, TX 79706 June 20, 2023, 7:44 am

In Transit to Next Facility

June 19, 2023

Departed USPS Regional Destination Facility

MIDLAND TX DISTRIBUTION CENTER June 18, 2023, 1:12 am

Arrived at USPS Regional Destination Facility

MIDLAND TX DISTRIBUTION CENTER June 17, 2023, 8:01 pm

Departed USPS Facility

ALBUQUERQUE, NM 87101 June 15, 2023, 9:23 pm

Arrived at USPS Origin Facility

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 June 21, 2023 and ending with the issue dated June 21, 2023.

Publisher 1 4 1

Sworn and subscribed to before me this 21st day of June 2023.

Business Manager

My commission expires

January 29, 2027

(Spal) 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

LEGAL NOTICE June 21, 2023

CASE NO. 23608: Notice to all affected parties, as well as heirs and devisees of AI G. Langford, deceased; Canon Exploration Company; Chanse Energy Corporation; Chase OII Company; Cy Foster, deceased; Cynthia Mae Wilson, as Trustee for the Bypees Trust established in Article 5 of the Will of Scott E. Wilson, deceased, dated 7/17/12 "transferred interest to DENM Holdeo, LLC"; Double J. Company; EOG Resources, Inc.; Harm E. Musgrave, as Trustee of the Harm E. Musgrave Living Trust; Heather W. Echole; Hendon Exploration, Inc.; James D. Brewn, Jr.; Mark Wilson Family Partnership, Lp.; Mather OII & Gas, Inc.; Mike McDonald (Triad Energy, Inc.); Petropac 81-A, LTD; Rio Pecos Corporation; S.E. Cone, Jr. deceased; TARA-JON Corporation; Texas Energy Trust; The Roger T. Elliott and Holly L. Elliott Family Limited Partnership, LP; Todd M. Wilson; US Energy Corporation of America, Inc.; W.K. Barnett; Heirs of Jimmle Cole, deceased; Kay Beth Hendon; Lee Atchison; Lewis Burleson Properties, LP; Oculto, LP; Permian Basin Investment Corporation; Sweetwater Mineral Partners, LTD; Trustee for the Backer Revocable Trust; Windom Royaltles, LLC, a wholly owned subsidiary of Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Censervation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. en July 6, 2023 to consider this application, information about accessing the electronic hearing is posted at https://www.ennrd.nm.gov/ocd/hearing-info/Applicant seeks an order from the Division for the limited purpose of amending Order No. R-22516 to peol additional parties under Order R-22616. The Order pooled uncommitted interest owners in a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the S/2 of Sections 35 and 36, Township 18 South, Range 32 East. N.M.P.M., Lea County, New Mexico. Sections 35 and 36, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

01104570

00279810

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

EXHIBIT