

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

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

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

**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 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Wolfcamp horizontal spacing unit (“Unit”).
3. Avant plans to drill the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H**, and the **Margie 13 Fed Com 755H** wells, to a depth sufficient to test the Wolfcamp formation. The wells will be horizontally drilled, and the producing areas for all of the wells are expected to be orthodox.

4. Avant seeks approval of the non-standard spacing unit for several reasons.

5. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Wolfcamp formation.

8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

9. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);

B. Pooling all uncommitted interests in the Unit;

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

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**CASE NO. \_\_\_\_\_: Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H,** and the **Margie 13 Fed Com 755H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.