Form 3160-3 (June 2015)				FORM A OMB No Expires: Jan	0. 1004-0	137		
UNITED STATES DEPARTMENT OF THE IN BUREAU OF LAND MANA	_			5. Lease Serial No. NMNM128836				
APPLICATION FOR PERMIT TO DR	RILL OR I	REENTER		6. If Indian, Allotee	or Tribe l	Name		
	ENTER			7. If Unit or CA Agre	eement, 1	Name and No.		
1b. Type of Well: ✓ Oil Well ☐ Gas Well ☐ Oth 1c. Type of Completion: ☐ Hydraulic Fracturing ✓ Sing	er gle Zone	Multiple Zone		8. Lease Name and V GOLDEN TEE 31 [33] 502H				
2. Name of Operator AVANT OPERATING LLC [330396]				9. API Well No.	30-025	5-49330		
3a. Address 1515 WYNKOOP STREET, SUITE 700, DENVER, CO 802	2)	10. Field and Pool, of Antelope Ridge/Bo						
4. Location of Well (Report location clearly and in accordance wi At surface LOT 1 / 335 FNL / 1200 FWL / LAT 32.35450 At proposed prod. zone LOT 5 / 2540 FNL / 1254 FWL / La	03 / LONG	-103.4112938	411159	11. Sec., T. R. M. or SEC 31/T22S/R35B		Survey or Area		
14. Distance in miles and direction from nearest town or post office 15 miles	e*			12. County or Parish LEA	1	13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of ac	res in lease	17. Spacir 236.99	ng Unit dedicated to th	nis well			
18. Distance from proposed location* to nearest well, drilling, completed,	19. Proposed	d Depth / 18038 feet		BIA Bond No. in file				
	22. Approxii 03/01/2021	mate date work will	start*	23. Estimated duration 60 days				
	24. Attacl							
The following, completed in accordance with the requirements of (as applicable)	Onshore Oil	and Gas Order No. 1	, and the H	lydraulic Fracturing ru	ale per 43	CFR 3162.3-3		
 Well plat certified by a registered surveyor. A Drilling Plan. 		4. Bond to cover the Item 20 above).	e operation	s unless covered by an	existing	bond on file (see		
3. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office).		Operator certific Such other site sp BLM.		mation and/or plans as	may be re	equested by the		
25. Signature (Electronic Submission)		(Printed/Typed) I WOOD / Ph: (72)	0) 746-50	45	Date 01/30/2	021		
Title President	<u>'</u>							
Approved by (Signature) (Electronic Submission)	I	(Printed/Typed) _ayton / Ph: (575)	234-5959		Date 08/17/2	021		
Title Assistant Field Manager Lands & Minerals		ad Field Office						
Application approval does not warrant or certify that the applicant applicant to conduct operations thereon. Conditions of approval, if any, are attached.	noids legal c	or equitable title to the	iose rights	in the subject lease wh	nich wou	id entitle the		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, ma of the United States any false, fictitious or fraudulent statements or					ny depar	tment or agency		
NGMP Rec 08/18/2021	1000			00	K2			

SL

(Continued on page 2)



08/19/2021

*(Instructions on page 2)

<u>DISTRICT I</u> 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II 811 S. First St., Artesia, N.M. 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 Phone: (505) 334-8178 Fax: (505) 334-8170 <u>DISTRICT IV</u> 1220 S. St. Francis Dr., Santa Fe, N.M. 67505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department

> OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

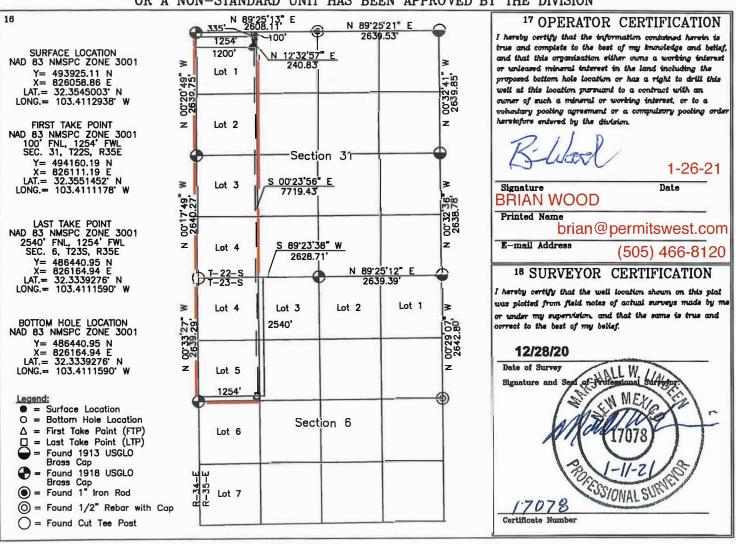
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49330	Pool Code 2205	ANTELOPE RIDGE; BONE SI	PRING, NORTH
⁴ Property Code	*Propert	y Name	• Well Number 502H
331355	Golden Tee	31 Fed Com	
*0GRID No. 330396	*Operat	or Name	* Elevation
	Avant Oper	rating, LLC	3453

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	31	22 S	35 E		335	North 1200		West	Lea
			11 Botto	om Hole	Location If	Different Fro	m Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	6	23 S	35 E		2540	North	1254	West	Lea
Dedicated Acres			18 Joint or	Infill 14 Co	nsolidation Code	18 Order No.			
		236.99	C						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator: Avant (Operating, LLC	OGRID:330396		Date: 08/18	3/21	
II. Type: ⊠ Original If Other, please descrium. Well(s): Provide be recompleted from a	the following inf	ormation for each n	ew or recomplet	ed well or set of		Other. be drilled or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Golden Tee 31 Fed Com 301H		D-31-22S-35E	185 FNL; 1170 FWL	2,700	6,000	10,500
Golden Tee 31 Fed Com 302H		D-31-22S-35E	335 FNL; 1170 FWL	2,700	6,000	10,500
Golden Tee 31 Fed Com 303H		D-31-22S-35E	485 FNL; 1170 FWL	2,700	6,000	10,500
Golden Tee 31 Fed Com 501H		D-31-22S-35E	185 FNL; 1200 FWL	2,700	6,000	10,500
Golden Tee 31 Fed Com 502H 3	0-025-49330	D-31-22S-35E	335 FNL; 1200 FWL	2,700	6,000	10,500
Golden Tee 31 Fed Com 503H		D-31-22S-35E	485 FNL; 1200 FWL	2,700	6,000	10,500

IV. Central Delivery Point Name: Golden Tee Pad 1 [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Golden Tee 31 Fed Com 301H		11/3/2021	11/18/2021	11/27/2021	1/1/2022	1/9/2022
Golden Tee 31 Fed Com 302H		9/26/2021	10/11/2021	11/27/2021	1/1/2022	1/9/2022
Golden Tee 31 Fed Com 303H		12/15/2021	12/29/2021	11/27/2021	1/1/2022	1/9/2022
Golden Tee 31 Fed Com 501H		10/14/2021	10/29/2021	11/27/2021	1/1/2022	1/9/2022

Golden Tee 31 Fed Com 502H 30-025-49330	9/6/2021	9/21/021	11/27/2021	1/1/2022	1/9/2022
Golden Tee 31 Fed Com 503H	11/27/2021	12/12/2021	11/27/2021	1/1/2022	1/9/2022

VI. Separation Equipment:
☐ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ⊠ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices:

Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

			Enhanced Plan /E APRIL 1, 2022		
Beginning April 1, reporting area must	2022, an operator the complete this section	at is not in compliance	with its statewide natural g	as cap	oture requirement for the applicable
☐ Operator certifie capture requirement	es that it is not requir t for the applicable re	red to complete this sec porting area.	ction because Operator is in	compl	iance with its statewide natural gas
IX. Anticipated Na	ntural Gas Productio	on:			
W	/ell	API	Anticipated Average Natural Gas Rate MCF/D)	Anticipated Volume of Natural Gas for the First Year MCF
	thering System (NG				
Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Ava	ailable Maximum Daily Capacity of System Segment Tie-in
production operation the segment or portion XII. Line Capacity	ns to the existing or p on of the natural gas . The natural gas gat	lanned interconnect of t gathering system(s) to	the natural gas gathering system which the well(s) will be considered will not have capacity to g	em(s), nected	ted pipeline route(s) connecting the and the maximum daily capacity of l. 100% of the anticipated natural gas
					the same segment, or portion, of the pressure caused by the new well(s).
☐ Attach Operator's	s plan to manage prod	duction in response to the	ne increased line pressure.		
Section 2 as provide	d in Paragraph (2) of	rts confidentiality purs Subsection D of 19.15. he basis for such assert	27.9 NMAC, and attaches a f	SA 19' ull des	78 for the information provided in scription of the specific information

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☑ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

□ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following:

Well Shut-In. □ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. □ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:							
Printed Name: John Harper							
Title: VP & Geosciences							
Printed Name: John Harper Title: VP & Geosciences E-mail Address: John @ Avantoc. com							
Date: 8/18/2021							
Date: 8/18/2021 Phone: 678-988-6644							
OIL CONSERVATION DIVISION							
(Only applicable when submitted as a standalone form)							
Approved By:							
Title:							
Approval Date:							
Conditions of Approval:							

Avant Operating, LLC Natural Gas Management Plan

- VI. Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing ProMax modelling software to ensure adequate capacity for anticipated production volumes and conditions.
- VII. Avant Operating, LLC (Avant) will take the following actions to comply with the regulations listed in 19.15.27.8:
 - A. Avant will maximize the recovery of natural gas by minimizing the waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. Avant will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas.
 - B. All drilling operations will be equipped with a rig flare located at least 100' from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations. In the case of emergency venting or flaring the volumes will be estimated and reported appropriately.
 - C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flowback will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However, if natural gas does not meet gathering pipeline quality specifications, Avant will flare the natural gas for 60 days or until the natural gas meets the pipeline quality specifications, whichever is sooner. Avant will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will be analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
 - D. Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D.(I) through (4). If there is no adequate takeaway for the separator gas, well(s) will be shut in until the natural gas gathering system is available with exception of emergency or malfunction situations. Venting and/or flaring volumes will be estimated and repo1ted appropriately.
 - E. Avant will comply with the performance standards requirements and provisions listed in 19.15.27.8 (I) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs to minimize the waste. Production storage tanks constructed after May 25, 2021, will be equipped with automatic gauging system. Flares constructed after May 25, 2021, will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. Avant will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
 - F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared, or beneficially used during production operations, will be measured, or estimated. Avant will install equipment to measure



U.S. Department of the Interior **BUREAU OF LAND MANAGEMENT**

Drilling Plan Data Report

08/17/2021

APD ID: 10400068431

Submission Date: 01/30/2021

Highlighted data reflects the most

recent changes

Operator Name: AVANT OPERATING LLC Well Name: GOLDEN TEE 31 FED COM

Well Number: 502H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation	N	- ·	True Vertical				Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1529668	QUATERNARY	3450	0	0	OTHER : Caliche	USEABLE WATER	N
1529661	RUSTLER ANHYDRITE	1626	1824	1827	ANHYDRITE	NONE	N
1529662	TOP SALT	1260	2190	2197	SALT	NONE	N
1529663	BASE OF SALT	-600	4050	4083	SALT	NONE	N
1529664	SALADO	-769	4219	4256	SALT	NONE	N
1529665	CAPITAN REEF	-1338	4788	4833	LIMESTONE	USEABLE WATER	N
1529658	CHERRY CANYON	-2479	5929	5990	SANDSTONE	NATURAL GAS, OIL	N
1529659	BRUSHY CANYON	-3798	7248	7320	SANDSTONE	NATURAL GAS, OIL	N
1529660	BONE SPRING LIME	-5266	8716	8788	LIMESTONE	NATURAL GAS, OIL	N
1529666	AVALON SAND	-5347	8797	8869	LIMESTONE, OTHER :	NATURAL GAS, OIL	N
1529669	AVALON SAND	-5602	9052	9124	LIMESTONE, OTHER :	NATURAL GAS, OIL	N
1529667	BONE SPRING 1ST	-6281	9731	9803	SANDSTONE	NATURAL GAS, OIL	N
1529670	BONE SPRING 2ND	-6807	10257	10350	SANDSTONE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Well Name: GOLDEN TEE 31 FED COM Well Number: 502H

Pressure Rating (PSI): 5M Rating Depth: 12000

Equipment: A minimum 5M system will be used. The minimum blowout preventer equipment (BOPE) shown in BOP Diagram will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer, and an annular preventer (5000-psi WP). Both units will be hydraulically operated, and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas Order 2.

Requesting Variance? YES

Variance request: Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line). Co-flex line will be tested in accordance with highest BOP test pressures (5000 psi) before drilling out of surface casing and (5000 psi) before drilling out of intermediate casing. Pressure tests will be charted for records. The manufacturers hydrostatic test report will be kept on location for inspection.

Testing Procedure: Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000 (high) / 250 (low) psig and the annular preventer to 3500 (high) / 250 (low) psig by an independent service company. Test charts will be kept on location at all times. Surface casing will be tested to 1500 psi for 30 minutes. Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000 (high) / 250 (low) psig and the annular preventer to 3500 (high) / 250 (low) psig by an independent service company. Test charts will be kept on location at all times. Intermediate casing will be tested to 2000 psi for 30 minutes. A solid steel body pack-off will be used after running and cementing the intermediate casing. After installation, pack-off and lower flange will be pressure tested to 5000 psi. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe. This pressure test will be repeated at least once every 30 days, as per Onshore Order 2. Kelly cock will be kept in the drill string at all times. Full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all time. The multi-bowl wellhead will be installed by a third-party welder while being monitored by the vendors representative. All BOP equipment will be tested using a conventional test plug - not a cup or J-packer type. Both the surface and intermediate casing strings will be tested as per Onshore Order 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

Choke Diagram Attachment:

GoldenTee_502H_Choke_20210129125453.pdf

BOP Diagram Attachment:

GoldenTee_502H_BOP_20210129125458.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1885	0	1885	3453	1568	1885	J-55	54.5	ST&C	_	1.12 5	DRY	1.6	DRY	1.6
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	4000	0	3995	3449	-542	4000	J-55	40	LT&C	1.12 5	1.12 5	DRY	1.6	DRY	1.6
3	INTERMED IATE	12.2 5	9.625	NEW	API	N	4000	5830	3995	5819	-542	-2366	1830	HCK -55	40	LT&C	1.12 5	1.12 5	DRY	1.6	DRY	1.6

Well Name: GOLDEN TEE 31 FED COM

Well Number: 502H

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
4	PRODUCTI ON	8.75	5.5	NEW	API	N	0	18038	0	10500	3449	-7047	18038	P- 110	20	BUTT	ا_	1.12 5	DRY	1.6	DRY	1.6

Casing	Attachments
--------	--------------------

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

GoldenTee_Casing_Design_Assumptions_20210129125528.pdf

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

GoldenTee_Casing_Design_Assumptions_20210129125549.pdf

Well Name: GOLDEN TEE 31 FED COM Well Number: 502H

Casing Attachments

Casing ID: 3

String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

GoldenTee_Casing_Design_Assumptions_20210129125609.pdf

Casing ID: 4

String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $Golden Tee_Casing_Design_Assumptions_20210129125633.pdf$

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1885	1240	1.77	13.5	2194	50	Class C	0.05% CSA-100 + 1% salt BWOW + 0.05% C- 45 + 4% STE + 4 lb/sk Kolseal
SURFACE	Tail		0	1885	351	1.33	14.8	466	50	Class C	2% CaCl2
INTERMEDIATE	Lead	4200	0	4200	695	2.22	12	1542	50	Class C based HSLD 94	0.5% C-45 + 0.03% CSA-1000 + 0.25% C- 503P + 2% salt BWOW
INTERMEDIATE	Tail		0	4200	100	1.14	14.8	114	50	Class C 50/50 Poz	0.1% C-45

Well Name: GOLDEN TEE 31 FED COM

Well Number: 502H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Lead		4200	5830	250	2.24	12	560	25	Class C based HSLD 94	0.25% C-45 + 0.03% CSA-1000 + 0.2% citric acid + 0.2% CFL-1 + 6# CT-15 + 0.5% salt BWOW
INTERMEDIATE	Tail		4200	5830	140	1.52	13.5	212	25	Class C based HSLD 100	0.1% C-45 + 0.1% C-51 + 0.07% citric acid + 4% STE + 0.25% C503P + 0.2% CFL-1
PRODUCTION	Lead		4738	1803 8	555	3.74	10.5	2075	25	Class C based HSLD 94	Class C based HSLD 94 + 0.75% C-45 + 0.55% citric acid + 0.25% CSA-1000 + 0.3% C-503P + 0.5% salt BWOW
PRODUCTION	Tail		4738	1803 8	2191	1.46	13	3198	25	Class H based HSLD 80	0.1% CSA-1000 + 0.25% C-503P + 0.04% C-23 + 0.3% CFL-1 + 1# Gypseal + 0.5% salt BWOW

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials (e. g., barite, bentonite, LCM) to maintain mud properties and meet minimum lost circulation and weight increase requirements will be on site at all times. If any lost circulation occurs below the base of salt, Avant will switch drilling mud from brine to fresh water to protect the Capitan Reef until intermediate casing is set.

Describe the mud monitoring system utilized: An electronic pit volume totalizer (PVT) mud system will monitor pit volumes for gains or losses, flow rate, pump pressures, and stroke rate.

Circulating Medium Table

Well Name: GOLDEN TEE 31 FED COM

Well Number: 502H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1885	OTHER : Fresh water spud	8.6	8.8							
1885	5830	OTHER : Brine	10	10.2							
5830	1803 8	OIL-BASED MUD	8.8	9.2							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

No core or open hole or cased hole log is planned. GR log will be acquired by MWD tools throughout the well.

List of open and cased hole logs run in the well:

GAMMA RAY LOG, MEASUREMENT WHILE DRILLING,

Coring operation description for the well:

None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4914 Anticipated Surface Pressure: 2603

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

GoldenTee_502H_H2S_Plan_20210129125844.pdf

Well Name: GOLDEN TEE 31 FED COM Well Number: 502H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

GoldenTee_502H_Horizontal_Plan_20210129125901.pdf

Other proposed operations facets description:

All casing strings below the conductor will be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, then corrective action will be taken.

Other proposed operations facets attachment:

GoldenTee_502H_Anti_Collision_Report_20210129125933.pdf

GoldenTee_Speedhead_Specs_20210129125938.pdf

Closed_Loop_20210129125945.pdf

GoldenTee_502H_Drill_Plan_20210728160554.pdf

CoFlex_Certs_20210728160606.pdf

GoldenTee_Casing_Procedures_20210728160622.pdf

Other Variance attachment:

Casing Cementing Variance Request 20210728160632.pdf



Start Drop -2.00

Start 3927.0 hold at 6010.9 MD

5700 5781.2

7200-

6000 Canyon

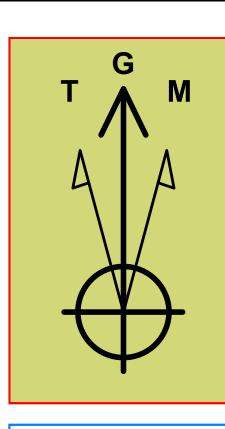
Brushy Canyon

Bone Spring Lime

Vertical Section at 179.44° (300 usft/in)

Avalon B

9300



Azimuths to Grid North
True North: -0.49°
Magnetic North: 6.02°
Magnetic Field

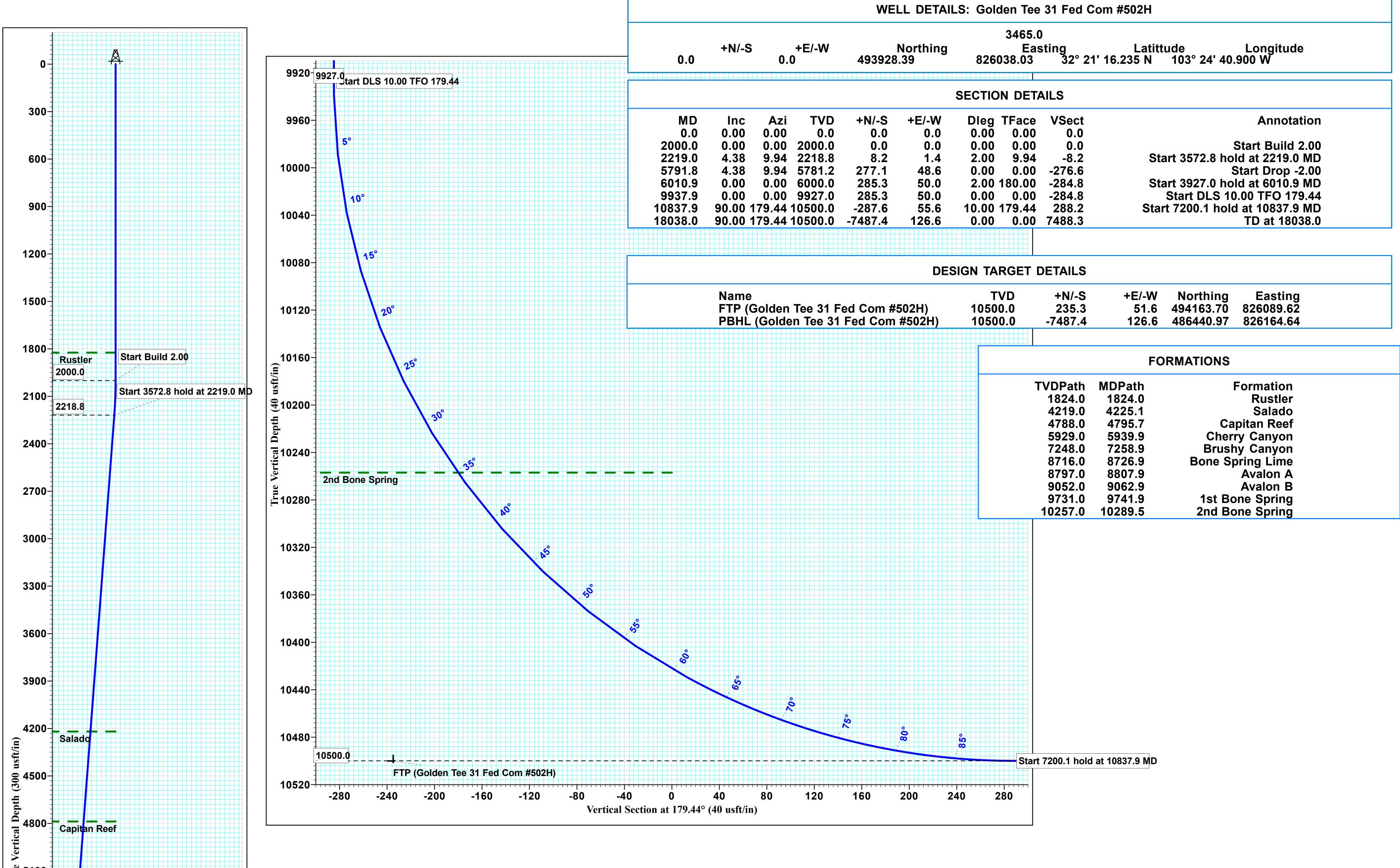
Magnetic Field Strength: 47843.7nT Dip Angle: 60.00° Date: 01/03/2021 Model: HDGM

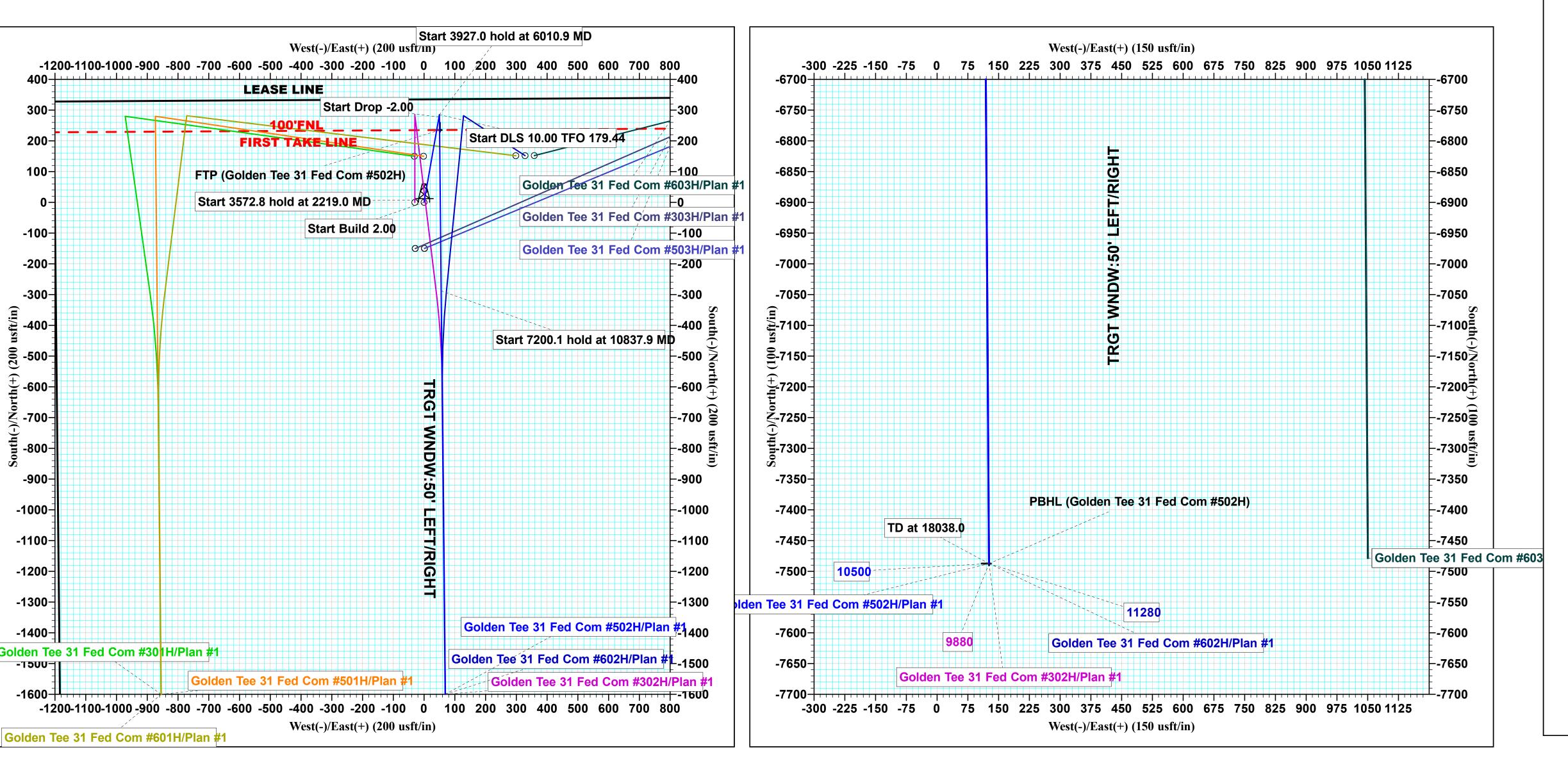
To convert a Magnetic Direction to a Grid Direction, Add 6.02°

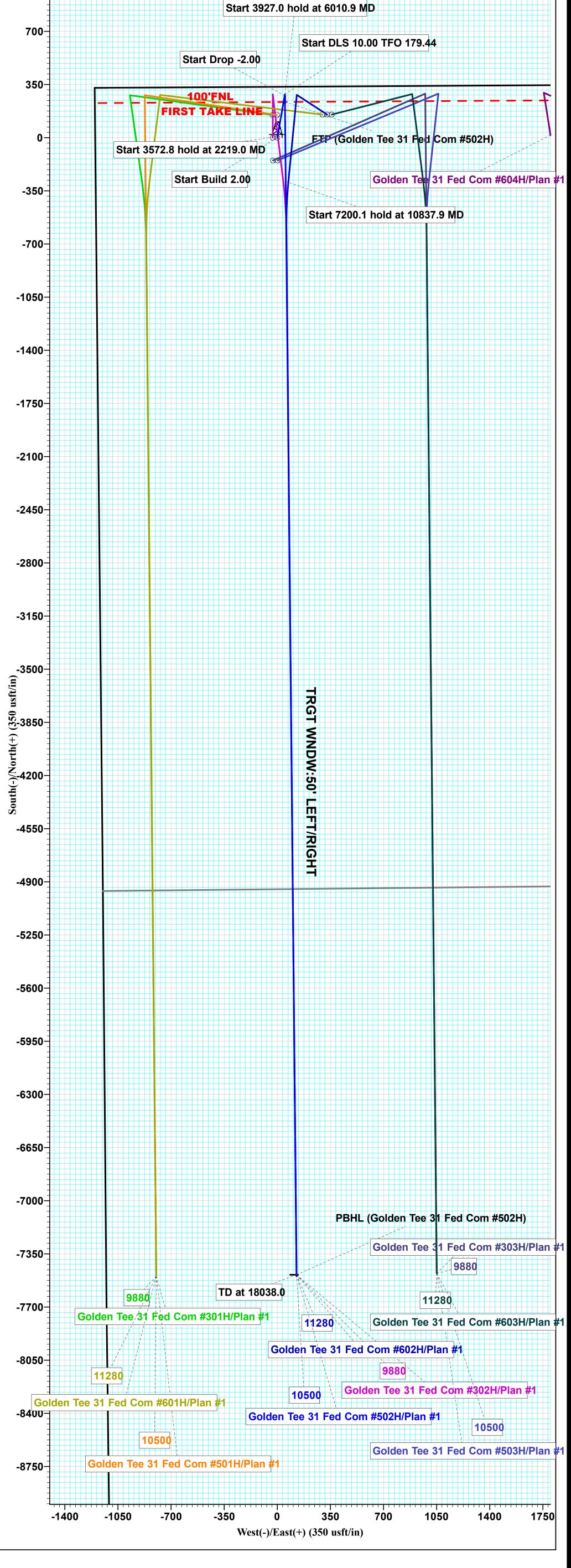
Avant Natural Resources
Project: Lea County, NM (NAD 83 NME)
Site: (Golden Tee) Sec-31_T-22-S_R-35-E
Well: Golden Tee 31 Fed Com #502H
Wellbore: OWB
Design: Plan #1

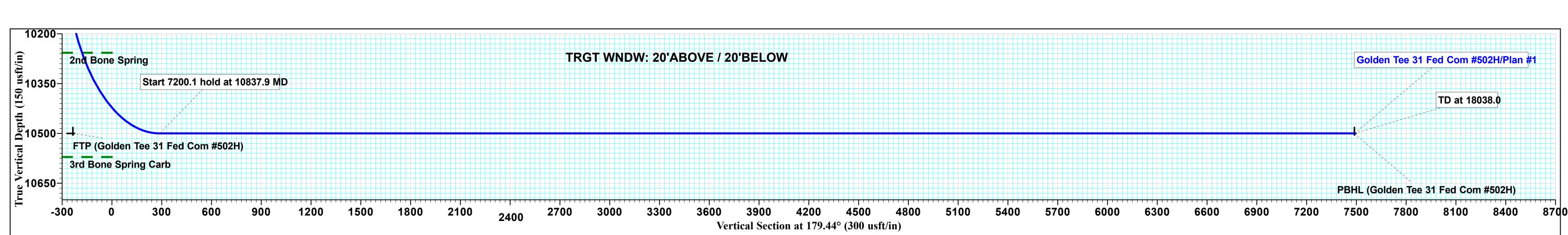
Lat: 32° 21' 16.235 N Long: 103° 24' 40.900 W Pad GL: 3465.0 KB: KB @ 3490.0usft













Well:

Intrepid Planning Report



EDM 5000.15 Single User Db Database: Company: **Avant Natural Resources** Project: Lea County, NM (NAD 83 NME) Site:

(Golden Tee) Sec-31_T-22-S_R-35-E Golden Tee 31 Fed Com #502H

Wellbore: **OWB** Design: Plan #1 Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference: **Survey Calculation Method:** Well Golden Tee 31 Fed Com #502H

KB @ 3490.0usft KB @ 3490.0usft

Grid

Minimum Curvature

Project Lea County, NM (NAD 83 NME)

US State Plane 1983 Map System: North American Datum 1983 Geo Datum: Map Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

Site (Golden Tee) Sec-31_T-22-S_R-35-E

Northing: 494,078.21 usft 32° 21' 17.720 N Site Position: Latitude: 103° 24' 41.253 W From: Мар Easting: 826,006.49 usft Longitude: **Position Uncertainty:** 0.0 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.49°

Well Golden Tee 31 Fed Com #502H

Well Position -149.8 usft 493,928.39 usft 32° 21' 16.235 N +N/-S Northing: Latitude: 31.5 usft 826,038.03 usft 103° 24' 40.900 W +E/-W Easting: Longitude:

Position Uncertainty 0.0 usft Wellhead Elevation: Ground Level: 3,465.0 usft

OWB Wellbore

Declination Field Strength Magnetics **Model Name** Sample Date **Dip Angle** (°) (°) (nT) **HDGM** 01/03/21 6.51 60.00 47.843.65054863

Design Plan #1

Audit Notes:

Version: Phase: **PLAN** Tie On Depth: 0.0

Vertical Section: Depth From (TVD) +N/-S +E/-W Direction

(usft) (usft) (usft) (°) 0.0 0.0 0.0 179.44

Date 01/04/21 **Plan Survey Tool Program**

Depth From Depth To

(usft) (usft)

Survey (Wellbore) **Tool Name** Remarks

0.0 MWD 18,038.0 Plan #1 (OWB)

OWSG MWD - Standard

Plan Sections Measured Vertical Build Dogleg Turn Depth Depth Inclination **Azimuth** +N/-S +E/-W Rate Rate Rate **TFO** (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (usft) (usft) (°) (°) (°) Target 0.00 0.00 0.00 0.00 0.0 0.0 0.0 0.0 0.00 0.00 2,000.0 0.00 0.00 2,000.0 0.0 0.0 0.00 0.00 0.00 0.00 2.219.0 4.38 9.94 2.218.8 8.2 1.4 2.00 2.00 0.00 9.94 48.6 5.791.8 4.38 9.94 5.781.2 277.1 0.00 0.00 0.00 0.00 6,010.9 0.00 0.00 6.000.0 285.3 50.0 2.00 -2.00 0.00 180.00 50.0 0.00 0.00 9,937.9 0.00 0.00 9,927.0 285.3 0.00 0.00 10,500.0 -287.6 55.6 10.00 19.94 10,837.9 90.00 179.44 10.00 179.44 18,038.0 90.00 179.44 10,500.0 -7,487.4 126.6 0.00 0.00 0.00 0.00 PBHL (Golden Tee



Wellbore:

Design:

Intrepid **Planning Report**



Database: Company: Project: Site: Well:

EDM 5000.15 Single User Db Avant Natural Resources Lea County, NM (NAD 83 NME) (Golden Tee) Sec-31_T-22-S_R-35-E Golden Tee 31 Fed Com #502H

OWB Plan #1 **Local Co-ordinate Reference:** TVD Reference:

MD Reference:

North Reference: **Survey Calculation Method:** Well Golden Tee 31 Fed Com #502H

KB @ 3490.0usft KB @ 3490.0usft

Grid Minimum Curvature

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
	0.00								
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,824.0	0.00	0.00	1,824.0	0.0	0.0	0.0	0.00	0.00	0.00
	0.00	0.00	1,024.0	0.0	0.0	0.0	0.00	0.00	0.00
Rustler									
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
Start Build									
2,100.0	2.00	9.94	2,100.0	1.7	0.3	-1.7	2.00	2.00	0.00
2,200.0	4.00	9.94	2,199.8	6.9	1.2	-6.9	2.00	2.00	0.00
2,219.0	4.38	9.94	2,218.8	8.2	1.4	-8.2	2.00	2.00	0.00
Start 3572	.8 hold at 2219	0.0 MD							
2,300.0	4.38	9.94	2,299.6	14.3	2.5	-14.3	0.00	0.00	0.00
,		9.94					0.00	0.00	
2,400.0	4.38		2,399.3	21.9	3.8	-21.8			0.00
2,500.0	4.38	9.94	2,499.0	29.4	5.1	-29.3	0.00	0.00	0.00
2,600.0	4.38	9.94	2,598.7	36.9	6.5	-36.8	0.00	0.00	0.00
2,700.0	4.38	9.94	2,698.4	44.4	7.8	-44.4	0.00	0.00	0.00
2,800.0	4.38	9.94	2,798.1	52.0	9.1	-51.9	0.00	0.00	0.00
2,900.0	4.38	9.94	2,897.8	59.5	10.4	-59.4	0.00	0.00	0.00
3,000.0	4.38	9.94	2,997.5	67.0	11.7	-66.9	0.00	0.00	0.00
3,100.0	4.38	9.94	3,097.2	74.5	13.1	-74.4	0.00	0.00	0.00
3,200.0	4.38	9.94	3,196.9	82.1	14.4	-81.9	0.00	0.00	0.00
			,						
3,300.0	4.38	9.94	3,296.6	89.6	15.7	-89.4	0.00	0.00	0.00
3,400.0	4.38	9.94	3,396.3	97.1	17.0	-96.9	0.00	0.00	0.00
3,500.0	4.38	9.94	3,496.0	104.6	18.3	-104.4	0.00	0.00	0.00
3,600.0	4.38	9.94	3,595.8	112.1	19.7	-111.9	0.00	0.00	0.00
3,700.0	4.38	9.94	3,695.5	119.7	21.0	-119.5	0.00	0.00	0.00
3.800.0	4.38	9.94	3,795.2	127.2	22.3	-127.0	0.00	0.00	0.00
3,900.0	4.38	9.94	3,894.9	134.7	23.6	-127.0	0.00	0.00	0.00
4,000.0	4.38	9.94	3,994.6	142.2	24.9	-134.5	0.00	0.00	0.00
4,100.0	4.38	9.94	4,094.3	149.8	26.2	-149.5	0.00	0.00	0.00
4,200.0	4.38	9.94	4,194.0	157.3	27.6	-157.0	0.00	0.00	0.00
4,225.1	4.38	9.94	4,219.0	159.2	27.9	-158.9	0.00	0.00	0.00
Salado									
4,300.0	4.38	9.94	4,293.7	164.8	28.9	-164.5	0.00	0.00	0.00
4,400.0	4.38	9.94	4,393.4	172.3	30.2	-172.0	0.00	0.00	0.00
4,500.0	4.38	9.94	4,493.1	179.9	31.5	-179.5	0.00	0.00	0.00
4,600.0	4.38	9.94	4,592.8	187.4	32.8	-187.1	0.00	0.00	0.00

AVANT

IntrepidPlanning Report



Database: EDM 5000.15 Single User Db
Company: Avant Natural Resources
Project: Lea County, NM (NAD 83 NME)
Site: (Golden Tee) Sec-31_T-22-S_R-35-E
Well: Golden Tee 31 Fed Com #502H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Golden Tee 31 Fed Com #502H KB @ 3490.0usft KB @ 3490.0usft Grid Minimum Curvature

Planne	ed Survey									
	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
	4,700.0 4,795.7	4.38 4.38	9.94 9.94	4,692.5 4,788.0	194.9 202.1	34.2 35.4	-194.6 -201.8	0.00 0.00	0.00 0.00	0.00 0.00
	Capitan Re			. =00.0						
	4,800.0 4,900.0 5,000.0	4.38 4.38 4.38	9.94 9.94 9.94	4,792.2 4,892.0 4,991.7	202.4 210.0 217.5	35.5 36.8 38.1	-202.1 -209.6 -217.1	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
	5,100.0 5,200.0 5,300.0 5,400.0 5,500.0	4.38 4.38 4.38 4.38 4.38	9.94 9.94 9.94 9.94 9.94	5,091.4 5,191.1 5,290.8 5,390.5 5,490.2	225.0 232.5 240.1 247.6 255.1	39.4 40.8 42.1 43.4 44.7	-224.6 -232.1 -239.6 -247.1 -254.7	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	5,600.0 5,700.0 5,791.8	4.38 4.38 4.38	9.94 9.94 9.94	5,589.9 5,689.6 5,781.2	262.6 270.1 277.1	46.0 47.3 48.6	-262.2 -269.7 -276.6	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
	Start Drop									
	5,800.0 5,900.0	4.22 2.22	9.94 9.94	5,789.3 5,889.2	277.7 283.2	48.7 49.6	-277.2 -282.7	2.00	-2.00 -2.00	0.00 0.00
	5,939.9	1.42	9.94	5,929.0	284.4	49.8	-283.9	2.00	-2.00	0.00
	Cherry Car		0.04	5 000 4	005.0	50.0	004.0	0.00	0.00	0.00
	6,000.0 6,010.9	0.22 0.00	9.94 0.00	5,989.1 6,000.0	285.3 285.3	50.0 50.0	-284.8 -284.8	2.00 2.00	-2.00 -2.00	0.00 0.00
	6,100.0	0 hold at 6010 0.00	סואו פ.נ 0.00	6,089.1	285.3	50.0	-284.8	0.00	0.00	0.00
	6,200.0	0.00	0.00	6,189.1	285.3	50.0	-284.8	0.00	0.00	0.00
	6,300.0 6,400.0 6,500.0 6,600.0 6,700.0	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	6,289.1 6,389.1 6,489.1 6,589.1 6,689.1	285.3 285.3 285.3 285.3 285.3	50.0 50.0 50.0 50.0 50.0	-284.8 -284.8 -284.8 -284.8 -284.8	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	6,800.0 6,900.0 7,000.0 7,100.0 7,200.0	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	6,789.1 6,889.1 6,989.1 7,089.1 7,189.1	285.3 285.3 285.3 285.3 285.3	50.0 50.0 50.0 50.0 50.0	-284.8 -284.8 -284.8 -284.8 -284.8	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	7,258.9	0.00	0.00	7,248.0	285.3	50.0	-284.8	0.00	0.00	0.00
	Brushy Ca									
	7,300.0 7,400.0 7,500.0 7,600.0	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	7,289.1 7,389.1 7,489.1 7,589.1	285.3 285.3 285.3 285.3	50.0 50.0 50.0 50.0	-284.8 -284.8 -284.8 -284.8	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
	7,700.0 7,800.0 7,900.0 8,000.0 8,100.0	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	7,689.1 7,789.1 7,889.1 7,989.1 8,089.1	285.3 285.3 285.3 285.3 285.3	50.0 50.0 50.0 50.0 50.0	-284.8 -284.8 -284.8 -284.8 -284.8	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	8,200.0 8,300.0 8,400.0 8,500.0 8,600.0	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	8,189.1 8,289.1 8,389.1 8,489.1 8,589.1	285.3 285.3 285.3 285.3 285.3	50.0 50.0 50.0 50.0 50.0	-284.8 -284.8 -284.8 -284.8 -284.8	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	8,700.0 8,726.9	0.00 0.00	0.00 0.00	8,689.1 8,716.0	285.3 285.3	50.0 50.0	-284.8 -284.8	0.00 0.00	0.00 0.00	0.00 0.00
	Bone Sprir	ng Lime								



IntrepidPlanning Report



Database: Company: Project: Site: Well:

Wellbore:

EDM 5000.15 Single User Db Avant Natural Resources Lea County, NM (NAD 83 NME) (Golden Tee) Sec-31_T-22-S_R-35-E

Golden Tee 31 Fed Com #502H OWB Plan #1 Local Co-ordinate Reference: TVD Reference:

TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Well Golden Tee 31 Fed Com #502H

KB @ 3490.0usft KB @ 3490.0usft

Grid Minimum Curvature

Desig	n:	Plan #1								
Plann	ed Survey									
	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
	8,800.0	0.00	0.00	8,789.1	285.3	50.0	-284.8	0.00	0.00	0.00
	8,807.9	0.00	0.00	8,797.0	285.3	50.0	-284.8	0.00	0.00	0.00
	Avalon A 8,900.0	0.00	0.00	8,889.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,000.0	0.00	0.00	8,989.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,062.9	0.00	0.00	9,052.0	285.3	50.0	-284.8	0.00	0.00	0.00
	Avalon B			2,22212						
	9,100.0	0.00	0.00	9,089.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,200.0	0.00	0.00	9,189.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,300.0	0.00	0.00	9,289.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,400.0	0.00	0.00	9,389.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,500.0	0.00	0.00	9,489.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,600.0	0.00	0.00	9,589.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,700.0	0.00	0.00	9,689.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,741.9	0.00	0.00	9,731.0	285.3	50.0	-284.8	0.00	0.00	0.00
	1st Bone S									
	9,800.0	0.00	0.00	9,789.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,900.0	0.00	0.00	9,889.1	285.3	50.0	-284.8	0.00	0.00	0.00
	9,937.9	0.00	0.00	9,927.0	285.3	50.0	-284.8	0.00	0.00	0.00
		0.00 TFO 179								
	9,950.0	1.21	179.44	9,939.1	285.2	50.0	-284.7	10.00	10.00	0.00
	10,000.0	6.21	179.44	9,989.0	281.9	50.0	-281.4	10.00	10.00	0.00
	10,050.0	11.21	179.44	10,038.4	274.4	50.1	-273.9	10.00	10.00	0.00
	10,100.0	16.21	179.44	10,087.0	262.5	50.2	-262.0	10.00	10.00	0.00
	10,150.0	21.21	179.44	10,134.3	246.5	50.4	-246.0	10.00	10.00	0.00
	10,200.0	26.21	179.44	10,180.1	226.4	50.6	-225.9	10.00	10.00	0.00
	10,250.0	31.21	179.44	10,223.9	202.4	50.8	-201.9	10.00	10.00	0.00
	10,230.5	35.17	179.44	10,223.9	180.7	51.0	-180.2	10.00	10.00	0.00
	2nd Bone S	Spring								
	10,300.0	36.21	179.44	10,265.5	174.6	51.1	-174.1	10.00	10.00	0.00
	10,350.0	41.21	179.44	10,304.5	143.4	51.4	-142.9	10.00	10.00	0.00
	10,400.0	46.21	179.44	10,340.6	108.8	51.7	-108.3	10.00	10.00	0.00
	10,450.0	51.21	179.44	10,373.6	71.3	52.1	-70.8	10.00	10.00	0.00
	10,500.0	56.21	179.44	10,403.2	31.0	52.5	-30.5	10.00	10.00	0.00
	10,550.0	61.21	179.44	10,429.2	-11.7	52.9	12.3	10.00	10.00	0.00
	10,600.0	66.21	179.44	10,451.3	-56.6	53.4	57.1	10.00	10.00	0.00
	10,650.0	71.21	179.44	10,469.4	-103.1	53.8	103.6	10.00	10.00	0.00
	10,700.0	76.21	179.44	10,483.5	-151.1	54.3	151.6	10.00	10.00	0.00
	10,750.0 10,800.0 10,837.9	81.21 86.21 90.00 1 hold at 1083	179.44 179.44 179.44	10,493.2 10,498.7 10,500.0	-200.1 -249.8 -287.6	54.8 55.3 55.6	200.6 250.3 288.2	10.00 10.00 10.00	10.00 10.00 10.00	0.00 0.00 0.00
				10 500 0	240.0	FC 2	250.2	0.00	0.00	0.00
	10,900.0	90.00	179.44	10,500.0	-349.8	56.3	350.3	0.00	0.00	0.00
	11,000.0	90.00	179.44	10,500.0	-449.8	57.2	450.3	0.00	0.00	0.00
	11,100.0	90.00	179.44	10,500.0	-549.8	58.2	550.3	0.00	0.00	0.00
	11,200.0	90.00	179.44	10,500.0	-649.7	59.2	650.3	0.00	0.00	0.00
	11,300.0	90.00	179.44	10,500.0	-749.7	60.2	750.3	0.00	0.00	0.00
	11,400.0	90.00	179.44	10,500.0	-849.7	61.2	850.3	0.00	0.00	0.00
	11,500.0	90.00	179.44	10,500.0	-949.7	62.2	950.3	0.00	0.00	0.00
	11,600.0	90.00	179.44	10,500.0	-1,049.7	63.2	1,050.3	0.00	0.00	0.00
	11,700.0	90.00	179.44	10,500.0	-1,149.7	64.1	1,150.3	0.00	0.00	0.00
	11,800.0	90.00	179.44	10,500.0	-1,249.7	65.1	1,250.3	0.00	0.00	0.00
	11,900.0	90.00	179.44	10,500.0	-1,349.7	66.1	1,350.3	0.00	0.00	0.00



Wellbore:

Intrepid Planning Report



Database: ED Company: Ava Project: Lea Site: (Go Well: Go

EDM 5000.15 Single User Db Avant Natural Resources Lea County, NM (NAD 83 NME) (Golden Tee) Sec-31_T-22-S_R-35-E Golden Tee 31 Fed Com #502H

OWB Plan #1 Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Golden Tee 31 Fed Com #502H

KB @ 3490.0usft KB @ 3490.0usft

Grid Minimum Curvature

Design:	Plan #1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
12,000.0	90.00	179.44	10,500.0	-1,449.7	67.1	1,450.3	0.00	0.00	0.00
12,100.0	90.00	179.44	10,500.0	-1,549.7	68.1	1,550.3	0.00	0.00	0.00
12,200.0	90.00	179.44	10,500.0	-1,649.7	69.1	1,650.3	0.00	0.00	0.00
12,300.0	90.00	179.44	10,500.0	-1,749.7	70.1	1,750.3	0.00	0.00	0.00
12,400.0	90.00	179.44	10,500.0	-1,849.7	71.0	1,850.3	0.00	0.00	0.00
12,500.0	90.00	179.44	10,500.0	-1,949.7	72.0	1,950.3	0.00	0.00	0.00
12,600.0	90.00	179.44	10,500.0	-2,049.7	73.0	2,050.3	0.00	0.00	0.00
12,700.0	90.00	179.44	10,500.0	-2,149.7	74.0	2,150.3	0.00	0.00	0.00
12,800.0	90.00	179.44	10,500.0	-2,249.7	75.0	2,250.3	0.00	0.00	0.00
12,900.0	90.00	179.44	10,500.0	-2,349.7	76.0	2,350.3	0.00	0.00	0.00
13,000.0	90.00	179.44	10,500.0	-2,449.7	77.0	2,450.3	0.00	0.00	0.00
13,100.0	90.00	179.44	10,500.0	-2,549.7	77.9	2,550.3	0.00	0.00	0.00
13,200.0	90.00	179.44	10,500.0	-2,649.7	78.9	2,650.3	0.00	0.00	0.00
13,300.0	90.00	179.44	10,500.0	-2,749.6	79.9	2,750.3	0.00	0.00	0.00
13,400.0	90.00	179.44	10,500.0	-2,849.6	80.9	2,850.3	0.00	0.00	0.00
13,500.0	90.00	179.44	10,500.0	-2,949.6	81.9	2,950.3	0.00	0.00	0.00
13,600.0	90.00	179.44	10,500.0	-3,049.6	82.9	3,050.3	0.00	0.00	0.00
13,700.0	90.00	179.44	10,500.0	-3,149.6	83.9	3,150.3	0.00	0.00	0.00
13,800.0	90.00	179.44	10,500.0	-3,249.6	84.8	3,250.3	0.00	0.00	0.00
13,900.0	90.00	179.44	10,500.0	-3,349.6	85.8	3,350.3	0.00	0.00	0.00
14,000.0	90.00	179.44	10,500.0	-3,449.6	86.8	3,450.3	0.00	0.00	0.00
14,100.0	90.00	179.44	10,500.0	-3,549.6	87.8	3,550.3	0.00	0.00	0.00
14,200.0	90.00	179.44	10,500.0	-3,649.6	88.8	3,650.3	0.00	0.00	0.00
14,300.0	90.00	179.44	10,500.0	-3,749.6	89.8	3,750.3	0.00	0.00	0.00
14,400.0	90.00	179.44	10,500.0	-3,849.6	90.8	3,850.3	0.00	0.00	0.00
14,500.0	90.00	179.44	10,500.0	-3,949.6	91.7	3,950.3	0.00	0.00	0.00
14,600.0	90.00	179.44	10,500.0	-4,049.6	92.7	4,050.3	0.00	0.00	0.00
14,700.0	90.00	179.44	10,500.0	-4,149.6	93.7	4,150.3	0.00	0.00	0.00
14,800.0	90.00	179.44	10,500.0	-4,249.6	94.7	4,250.3	0.00	0.00	0.00
14,900.0	90.00	179.44	10,500.0	-4,349.6	95.7	4,350.3	0.00	0.00	0.00
15,000.0	90.00	179.44	10,500.0	-4,449.6	96.7	4,450.3	0.00	0.00	0.00
15,100.0	90.00	179.44	10,500.0	-4,549.6	97.7	4,550.3	0.00	0.00	0.00
15,200.0	90.00	179.44	10,500.0	-4,649.6	98.6	4,650.3	0.00	0.00	0.00
15,300.0	90.00	179.44	10,500.0	-4,749.5	99.6	4,750.3	0.00	0.00	0.00
15,400.0	90.00	179.44	10,500.0	-4,849.5	100.6	4,850.3	0.00	0.00	0.00
15,500.0	90.00	179.44	10,500.0	-4,949.5	101.6	4,950.3	0.00	0.00	0.00
15,600.0	90.00	179.44	10,500.0	-5,049.5	102.6	5,050.3	0.00	0.00	0.00
15,700.0	90.00	179.44	10,500.0	-5,149.5	103.6	5,150.3	0.00	0.00	0.00
15,800.0	90.00	179.44	10,500.0	-5,249.5	104.6	5,250.3	0.00	0.00	0.00
15,900.0	90.00	179.44	10,500.0	-5,349.5	105.5	5,350.3	0.00	0.00	0.00
16,000.0	90.00	179.44	10,500.0	-5,449.5	106.5	5,450.3	0.00	0.00	0.00
16,100.0	90.00	179.44	10,500.0	-5,549.5	107.5	5,550.3	0.00	0.00	0.00
16,200.0	90.00	179.44	10,500.0	-5,649.5	108.5	5,650.3	0.00	0.00	0.00
16,300.0	90.00	179.44	10,500.0	-5,749.5	109.5	5,750.3	0.00	0.00	0.00
16,400.0	90.00	179.44	10,500.0	-5,849.5	110.5	5,850.3	0.00	0.00	0.00
16,500.0	90.00	179.44	10,500.0	-5,949.5	111.5	5,950.3	0.00	0.00	0.00
16,600.0	90.00	179.44	10,500.0	-6,049.5	112.4	6,050.3	0.00	0.00	0.00
16,700.0	90.00	179.44	10,500.0	-6,149.5	113.4	6,150.3	0.00	0.00	0.00
16,800.0	90.00	179.44	10,500.0	-6,249.5	114.4	6,250.3	0.00	0.00	0.00
16,900.0	90.00	179.44	10,500.0	-6,349.5	115.4	6,350.3	0.00	0.00	0.00
17,000.0	90.00	179.44	10,500.0	-6,449.5	116.4	6,450.3	0.00	0.00	0.00
17,100.0	90.00	179.44	10,500.0	-6,549.5	117.4	6,550.3	0.00	0.00	0.00
17,200.0	90.00	179.44	10,500.0	-6,649.5	118.4	6,650.3	0.00	0.00	0.00
17,300.0	90.00	179.44	10,500.0	-6,749.5	119.3	6,750.3	0.00	0.00	0.00



Intrepid **Planning Report**



EDM 5000.15 Single User Db Database: Company: **Avant Natural Resources** Project: Lea County, NM (NAD 83 NME) (Golden Tee) Sec-31_T-22-S_R-35-E Site: Well: Golden Tee 31 Fed Com #502H

90.00

90.00

90.00

90.00

179.44

179.44

179.44

179.44

OWB Wellbore: Design: Plan #1

Local Co-ordinate Reference: **TVD Reference:** MD Reference:

North Reference: **Survey Calculation Method:**

124.3

125.3

126.2

126.6

7,250.3

7,350.3

7,450.3

7.488.3

Well Golden Tee 31 Fed Com #502H

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

KB @ 3490.0usft KB @ 3490.0usft Grid

Minimum Curvature

0.00

0.00

0.00

0.00

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
17,400.0	90.00	179.44	10,500.0	-6,849.4	120.3	6,850.3	0.00	0.00	0.00	
17,500.0	90.00	179.44	10,500.0	-6,949.4	121.3	6,950.3	0.00	0.00	0.00	
17,600.0	90.00	179.44	10,500.0	-7,049.4	122.3	7,050.3	0.00	0.00	0.00	
17,700.0	90.00	179.44	10,500.0	-7,149.4	123.3	7,150.3	0.00	0.00	0.00	

-7,249.4

-7,349.4

-7,449.4

-7.487.4

18.038.0 TD at 18038.0

17,800.0

17,900.0

18,000.0

Design Targets	3
----------------	---

Target I	Name
----------	------

rarget Harrie									
 hit/miss target 	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting		
						•			
- Shape	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)	Latitude	Langituda
•	` '	` '	(/	()	()	(,	()	Lautude	Longitude

FTP (Golden Tee 31 F 0.00 0.00 10,500.0 235.3 51.6 494,163.70 826,089.62 32° 21' 18.559 N 103° 24' 40.275 W

- plan misses target center by 202.9usft at 10410.1usft MD (10347.6 TVD, 101.5 N, 51.8 E)

10,500.0

10,500.0

10,500.0

10.500.0

- Point

32° 20' 2.139 N 103° 24' 40.176 W PBHL (Golden Tee 31 0.00 0.00 10,500.0 -7,487.4 126.6 486,440.97 826,164.64

plan hits target centerPoint

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Litholo	Dip gy (°)	Dip Direction (°)
1,824.0	1,824.0	Rustler			
4,225.1	4,219.0	Salado			
4,795.7	4,788.0	Capitan Reef			
5,939.9	5,929.0	Cherry Canyon			
7,258.9	7,248.0	Brushy Canyon			
8,726.9	8,716.0	Bone Spring Lime			
8,807.9	8,797.0	Avalon A			
9,062.9	9,052.0	Avalon B			
9,741.9	9,731.0	1st Bone Spring			
10,289.5	10,257.0	2nd Bone Spring			

Measured	Vertical	Local Coor	dinates	
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
2,000.0	2,000.0	0.0	0.0	Start Build 2.00
2,219.0	2,218.8	8.2	1.4	Start 3572.8 hold at 2219.0 MD
5,791.8	5,781.2	277.1	48.6	Start Drop -2.00
6,010.9	6,000.0	285.3	50.0	Start 3927.0 hold at 6010.9 MD
9,937.9	9,927.0	285.3	50.0	Start DLS 10.00 TFO 179.44
10,837.9	10,500.0	-287.6	55.6	Start 7200.1 hold at 10837.9 MD
18,038.0	10,500.0	-7,487.4	126.6	TD at 18038.0

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Avant Operating LLC

LEASE NO.: NMNM128836

LOCATION: | Section 31, T.22 S., R.35 E., NMPM

COUNTY: Lea County, New Mexico

WELL NAME & NO.: Golden Tee 31 Fed Com 301H

SURFACE HOLE FOOTAGE: 185'/N & 1170'/W **BOTTOM HOLE FOOTAGE** 2540'/N & 330'/W

WELL NAME & NO.: | Golden Tee 31 Fed Com 302H

SURFACE HOLE FOOTAGE: 335'/N & 1170'/W **BOTTOM HOLE FOOTAGE** 2540'/N & 1254'/W

WELL NAME & NO.: Golden Tee 31 Fed Com 303H

SURFACE HOLE FOOTAGE: 485'/N & 1170'/W **BOTTOM HOLE FOOTAGE** 2540'/N & 2178'/W

WELL NAME & NO.: Golden Tee 31 Fed Com 502H

SURFACE HOLE FOOTAGE: 335'/N & 1200'/W **BOTTOM HOLE FOOTAGE** 2540'/N & 1254'/W

WELL NAME & NO.: Golden Tee 31 Fed Com 604H

SURFACE HOLE FOOTAGE: 400'/N & 1514'/E **BOTTOM HOLE FOOTAGE** 2540'/N & 2178'/E

WELL NAME & NO.: Golden Tee 31 Fed Com 605H

SURFACE HOLE FOOTAGE: 400'/N & 1484'/E **BOTTOM HOLE FOOTAGE** 2540'/N & 1254'/E

WELL NAME & NO.: | Golden Tee 31 Fed Com 606H

SURFACE HOLE FOOTAGE: 400'/N & 1454'/E **BOTTOM HOLE FOOTAGE** 2540'/N & 330'/E

COA

H2S	☐ Yes	☑ No	
Potash	■ None	☐ Secretary	□ R-111-P
Cave/Karst Potential	© Low	☐ Medium	☐ High
Cave/Karst Potential	Critical		
Variance	None	☑ Flex Hose	C Other
Wellhead	Conventional	Multibowl	□ Both
Other	☐ 4 String Area		□WIPP
Other	☐ Fluid Filled	☐ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	▼ COM	□ Unit

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

- 1. The 13-3/8 inch surface casing shall be set at approximately 1875 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Option 1 (Single Stage):

Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to capitan reef.
 Cement excess is less than 25%, more cement might be required.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to capitan reef.

Cement excess is less than 25%, more cement might be required

- ❖ In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- ❖ Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least **50 feet** on top of Capitan Reef top **or 200 feet** into the previous casing, whichever is greater. If cement does not circulate see B.1.a, c-d above.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to capitan reef.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

• In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - ☑ Eddy CountyCall the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - Lea County
 Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
 393-3612
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

- hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.
- C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.



Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:
 - Well control equipment
 - a. Flare line 150' from wellhead to be ignited by flare gun.
 - b. Choke manifold with a remotely operated choke.
 - c. Mud/gas separator
 - Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escape packs —4 packs shall be stored on the rig floor th sufficient air hose not to restrict work activity.
- Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8 inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher
- H2S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.
 - a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
 - A colored condition flag will be on display, reflecting the current condition at the site at the time.
 - c. Two wind socks will be placed in strategic locations, visible from all angles.

Mud program:

The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

■ Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

■ Communication:

Communication will be via cell phones and land lines where available.

Company Personnel to be Notified

John Harper, Vice President of Geosciences	Office: (720) 746-504	5
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Mobile: (678) 988-6644

Cory Nunez, Engineer Mobile: (432) 448-3293

Local & County Agencies

Monument Fire Department	911 or (575) 393-4339
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Hobbs Fire Marshal (575) 391-8185

Lea County Sheriff (Lovington) 911 or (575) 396-3611

Lea County Emergency Management (Lovington) (575) 396-8602

Lea Regional Medical Center Hospital (Hobbs) (575) 492-5000

State Agencies

NM State Police (Hobbs)	(575) 392-5588
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NM Oil Conservation (Hobbs) (575) 370-3186

NM Oil Conservation (Santa Fe) (505) 476-3440

NM Dept. of Transportation (Roswell) (575) 637-7201

Federal	Aa	encies
		0110100

BLM Carlsbad Field Office	(575) 234-5972
BLM Hobbs Field Station	(575) 393-3612
National Response Center	(800) 424-8802
US EPA Region 6 (Dallas)	(800) 887-6063
	(214) 665-6444

Veterinarians

Dal Paso Animal Hospital (Hobbs)	(575) 397-2286
Hobbs Animal Clinic & Pet Care (Hobbs)	(575) 392-5563
Great Plains Veterinary Clinic & Hospital (Hobbs)	(575) 392-5513

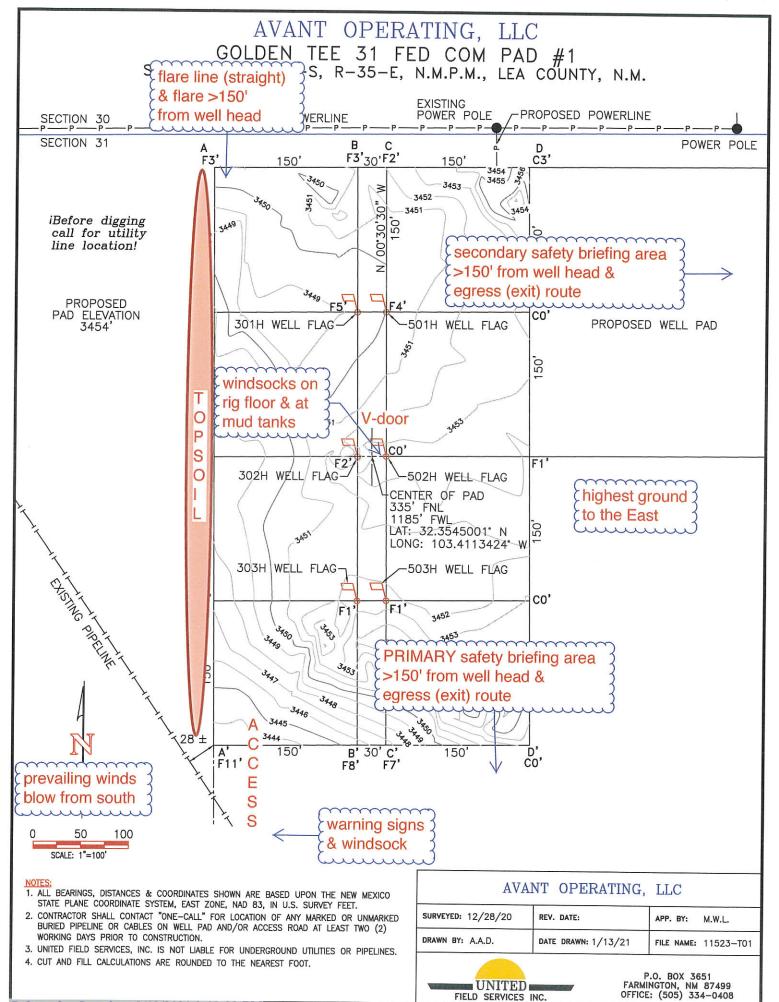
Residents within 2 miles

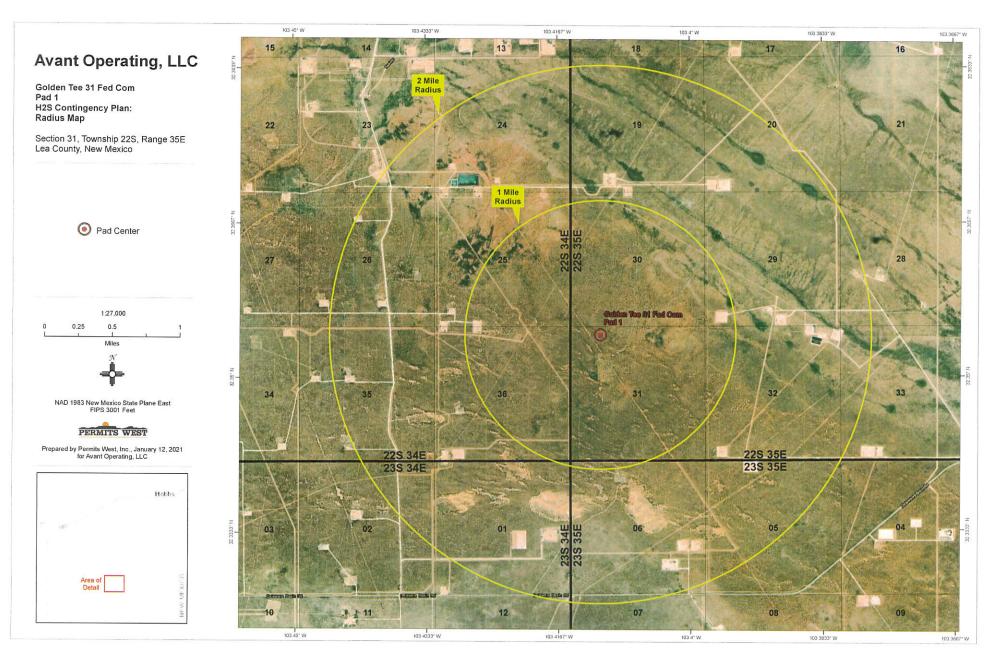
None

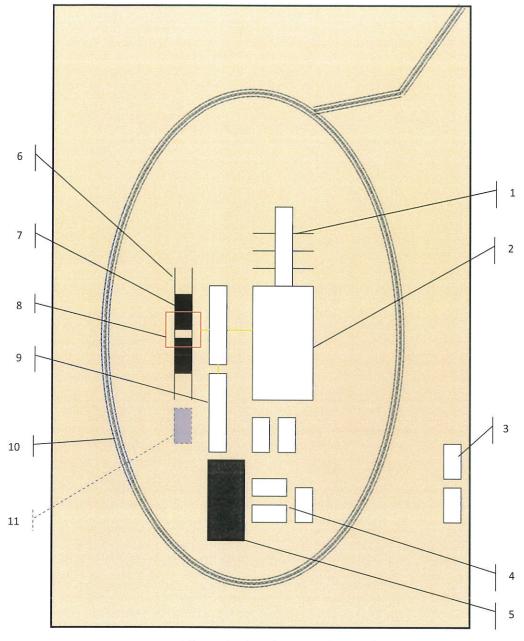
Air Evacuation

Med Flight Air Ambulance (Albuquerque)	(800) 842-4431
Lifeguard (Albuquerque)	(888) 866-7256

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Schematic Closed Loop Drilling Rig*

- 1. Pipe Rack
- 2. Drill Rig
- 3. House Trailers/ Offices
- 4. Generator/Fuel/Storage
- 5. Overflow-Frac Tank
- 6. Skids
- 7. Roll Offs
- 8. Hopper or Centrifuge
- 9. Mud Tanks
- 10. Loop Drive
- 11. Generator (only for use with centrifuge)

*Not drawn to scale: Closed loop system requires at least 30 feet beyond mud tanks. Ideally 60 feet would be available





Above: Centrifugal Closed Loop System



Closed Loop Drilling System: Mud tanks to right (1)

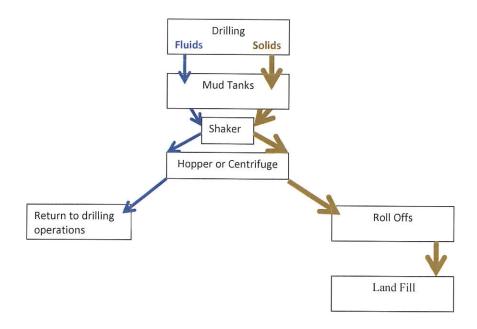
Hopper in air to settle out solids (2)

Water return pipe (3)

Shaker between hopper and mud tanks (4)

Roll offs on skids (5)

Flow Chart for Drilling Fluids and Solids



Photos Courtesy of Gandy Corporation Oil Field Service



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 42764

CONDITIONS

Operator:	OGRID:
Avant Operating, LLC	330396
1515 Wynkoop Street	Action Number:
Denver, CO 80202	42764
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
	Will require a File As Drilled C-102 and a Directional Survey with the C-104	8/19/2021
	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	8/19/2021
	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	8/19/2021
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	8/19/2021