<u>District I</u> 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 **District IV**

G

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

Form C-101 August 1, 2011

Permit 308617

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZO
--

	APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE										
Operator Name and Address MANZANO LLC							2. OGRID Number 231429				
P.O. Box 1737 Roswell, NM 88202						3. API Number 30-025-49781					
	4. Property Code 5. Property Name VINDICATOR CANYON STATE UNIT							6. Well No	152H		
7. Surface Location							Ta .				
UL - Lot	Section	Township		Range	Lot Idn	Feet From	N/S Line	Feet From		E/W Line	County

10 17S 36E 200 S 1420 Lea 8. Proposed Bottom Hole Location UL - Lot Section Township Range Lot Idn Feet From N/S Line Feet From E/W Line County

2585 1420 Lea

9. Pool Information

WC-025 G-09 S173615C;UPPER PENN	98333

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		Private	3848
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	20500	Pennsylvanian Shale		3/1/2022
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

22

17S

36E

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	40	2010	635	0
Int1	8.75	7.625	29.7	11250	1750	0
Prod	6.75	5.5	20	20500	1850	0

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	10000	10000	see attached BOP diagram
Annular	5000	5000	see attached BOP diagram

knowledge and be	elief.	true and complete to the best of my NMAC ⊠ and/or 19.15.14.9 (B) NMAC		OIL CONSERVATION	ON DIVISION	
Printed Name:	Electronically filed by Michael Ha	nagan	Approved By:	Paul F Kautz		
Title:	Manager		Title:	Geologist		
Email Address:	mike@manzanoenergy.com		Approved Date:	2/18/2022 Expiration Date: 2/18/2024		
Date:	2/17/2022	Phone: 575-623-1996	Conditions of Appr	oval Attached		

Received by OCD: 2/18/2022 8:20:49 AM

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 DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name								
	98333	WC 025	G-09	\$1736150	C. Upper Penn					
Property Code		Property Name								
330253	VINDICATOR CAI	VINDICATOR CANYON STATE UNIT 152H								
OGRID No.	0pera	Operator Name								
231429	MANZA	Operator Name Elevation MANZANO LLC 3848'								

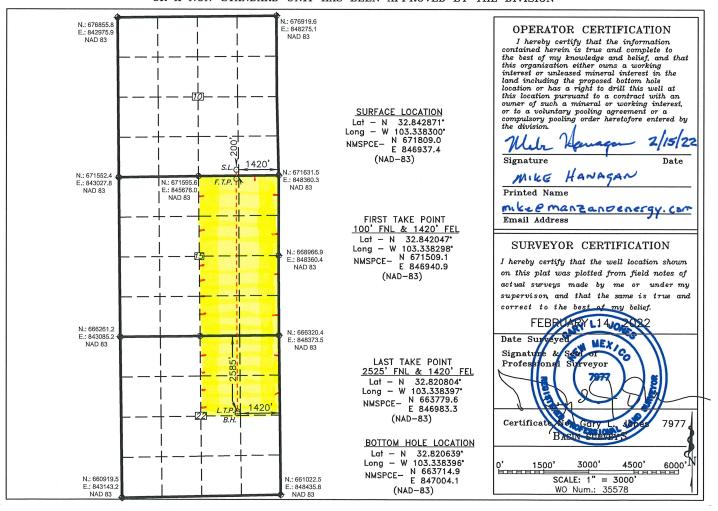
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	10	17 S	36 E		200	SOUTH	1420	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townshi	ip	Range	Lot Id	n	Feet from the	North/South line	Feet from the	East/West line	County
G	22	17 9	s	36 E			2585	NORTH	1420	EAST	LEA
Dedicated Acres	Joint of	r Infill	Con	solidation (Code	Ord	er No.			\	
480			UN	ITIZET	5	R-	21572	VINDICATOR	CAHYON :	STATE UN	IT

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



Form APD Conditions

Permit 308617

<u>District I</u> 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

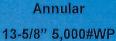
State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MANZANO LLC [231429]	30-025-49781
P.O. Box 1737	Well:
Roswell, NM 88202	VINDICATOR CANYON STATE UNIT #152H

OCD Reviewer	Condition
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	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
pkautz	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
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing





Double Ram

13 5/8" 10,000#WP Pipe 13 5/8" 10,000#WP Blind Single Ram

13 5/8" 10,000#WP Pipe

With required adaptors

Mud Cross 13 5/8" 10,000#WP

Wing Valve 4 1/16" 10,000#WP

HCR Valve 4 1/16" 10,000#WP

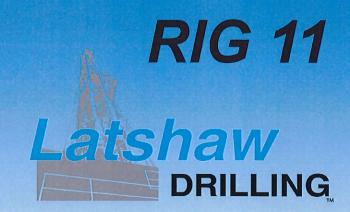
Choke Blk 4 1/16" 10,000#WP

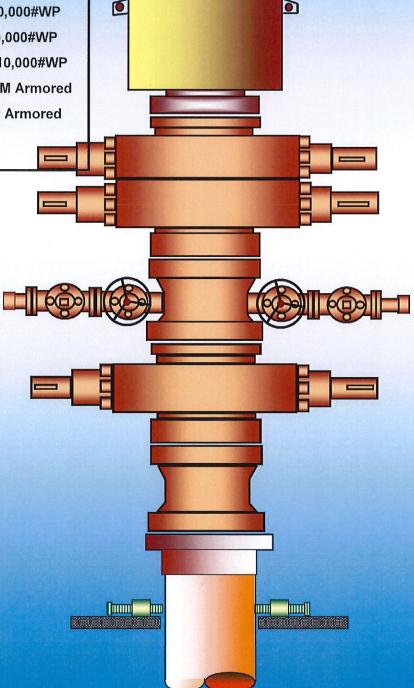
Kill Valve 2 1/16" 10,000#WP

Check Valve 2 1/16" 10,000#WP

Choke Line 4 1/16" 10M Armored

Kill Line 2 1/16" 10M Armored





RIG 11

DRILLING

- 3 Gate Valve 4 1/16" 10,000#WP
- 5 Gate Valve 3 1/16" 10,000#WP
- 2 Gate Valves 4 1/16" 5,000#WP
- 3 Gate Valve 3 1/8" 5,000#WP
- 1- Gate Valve 2 1/16" 10,000#WP
- 1 Manual Adjustable Choke 3 1/10"10,000#WP
- 1 DSA, 3 1/16" 10,000#WP
- 2 Spacer Spool, 3 1/8" 5 000#WP
- 1 Spool, flange adp 2 1/16" 10M
- 1 Studded Cross (5way) 5,000#WP
- 1 Tee Studded
- 1 Instrument Flange and Gauge
- 10 3/4"" Buffer Chamber
- 3 Blind Flanges, 4 1/16" & 3 1/8" 5M
- 3 Flanges, 4 1/16" 5M & 10M

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Received by OCD: 2/18/2022 8:20:49 AM



Company: Manzano
Site: Vindicator Canyon State Unit 152H
Well: Vindicator Canyon State Unit 152H
Project: Lea County, NM (NAD 83)
Rig: Latshaw 11 - 27'?



Begin 2.00°/100' Drop

Begin 3.00° Tangent

Begin 2.00°/100' Build

-300

-1200

-1500

-1800

-4800

-6000

-6300

-6600

-6900

-7200

-7500

-7800

-8100

-8400

-9000

-9300

-9600

-9900

-10200

-10500

-10800

1500

West(-)/East(+) (300 usft/in)

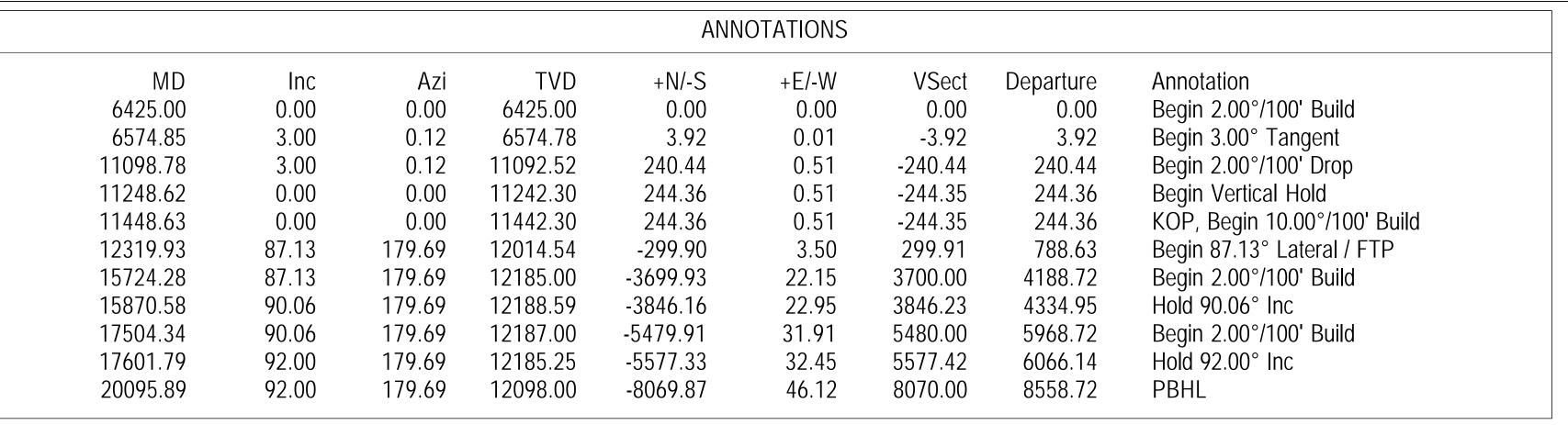
Begin Vertical Hold

-1200

300-

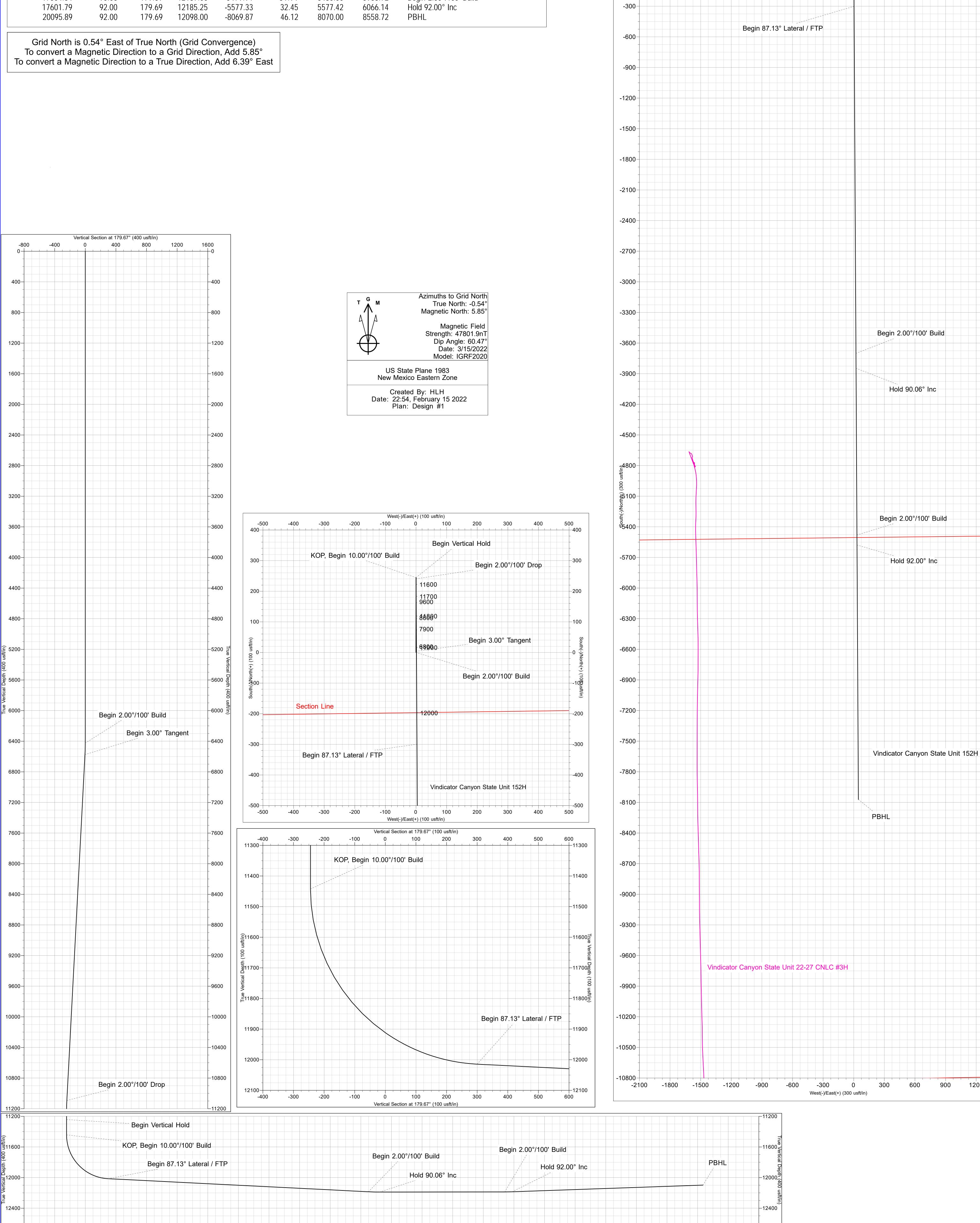
KOP, Begin 10.00°/100' Build

Section Line



2400

Vertical Section at 179.67° (400 usft/in)



6000

7200



Manzano

Lea County, NM (NAD 83) Vindicator Canyon State Unit 152H Vindicator Canyon State Unit 152H

Wellbore #1

Plan: Design #1

Standard Planning Report

15 February, 2022





Planning Report



EDM5000 Database: Company: Manzano

Project: Lea County, NM (NAD 83) Vindicator Canyon State Unit 152H Site: Well: Vindicator Canyon State Unit 152H

Wellbore #1 Wellbore: Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H

RKB @ 3875.00usft (Latshaw 11 - 27'?) RKB @ 3875.00usft (Latshaw 11 - 27'?)

Minimum Curvature

Project Lea County, NM (NAD 83)

Map System: Geo Datum:

Map Zone:

US State Plane 1983 North American Datum 1983 New Mexico Eastern Zone

System Datum:

Mean Sea Level

Vindicator Canyon State Unit 152H Site

Site Position: From:

Northing: Easting:

671,809.0000 usft 846,937.4000 usft

Latitude: Longitude:

32° 50' 34.337 N 103° 20' 17.879 W

Мар **Position Uncertainty:** 0.00 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.54°

Well Vindicator Canyon State Unit 152H

Well Position +N/-S +E/-W 0.00 usft 0.00 usft Northing: Easting:

671,809.0000 usft 846,937.4000 usft

Latitude: Longitude:

32° 50' 34.337 N 103° 20' 17.879 W

Position Uncertainty 0.00 usft Wellhead Elevation: Ground Level: 3,848.00 usft

Wellbore #1 Wellbore

Declination **Magnetics Model Name** Sample Date **Dip Angle** Field Strength (°) (nT) (°) IGRF2020 60.47 47,801.90777971 3/15/2022 6.39

Design Design #1

Audit Notes:

Version:

Phase:

PLAN

Tie On Depth:

0.00

Depth From (TVD) Vertical Section: +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.00 0.00 0.00 179.67

Plan Section	s									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,425.00	0.00	0.00	6,425.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,574.85	3.00	0.12	6,574.78	3.92	0.01	2.00	2.00	0.00	0.12	
11,098.78	3.00	0.12	11,092.52	240.44	0.51	0.00	0.00	0.00	0.00	
11,248.62	0.00	0.00	11,242.30	244.36	0.51	2.00	-2.00	0.00	180.00	VP - VCSU 152H
11,448.63	0.00	0.00	11,442.31	244.36	0.51	0.00	0.00	0.00	0.00	
12,319.93	87.13	179.69	12,014.54	-299.90	3.50	10.00	10.00	0.00	179.69	
15,724.28	87.13	179.69	12,185.00	-3,699.93	22.15	0.00	0.00	0.00	0.00	T1 - VCSU 152H
15,870.58	90.06	179.69	12,188.59	-3,846.16	22.95	2.00	2.00	0.00	0.00	
17,504.35	90.06	179.69	12,187.00	-5,479.91	31.91	0.00	0.00	0.00	0.00	T2 - VCSU 152H
17,601.79	92.00	179.69	12,185.25	-5,577.33	32.45	2.00	2.00	0.00	0.00	
20,095.89	92.00	179.69	12,098.00	-8,069.87	46.12	0.00	0.00	0.00	0.00	PBHL - VCSU 152F

Page 9 of 22

Stryker Directional

Planning Report



Database: Company: EDM5000

Manzano Project: Lea County, NM (NAD 83)

Vindicator Canyon State Unit 152H Site: Vindicator Canyon State Unit 152H Well:

Wellbore: Wellbore #1 **Local Co-ordinate Reference:**

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H

RKB @ 3875.00usft (Latshaw 11 - 27'?) RKB @ 3875.00usft (Latshaw 11 - 27'?)

Design:	Design #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)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00



Planning Report



Database: EDM5000 Company: Manzano

Company: Manzano
Project: Lea County, NM (NAD 83)

Site: Vindicator Canyon State Unit 152H
Well: Vindicator Canyon State Unit 152H

Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H

RKB @ 3875.00usft (Latshaw 11 - 27'?) RKB @ 3875.00usft (Latshaw 11 - 27'?)

Grid

Design	:	Design #1								
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)
	5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
	5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
	5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
	5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00
	5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00
	5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,425.00	0.00	0.00	6,425.00	0.00	0.00	0.00	0.00	0.00	0.00
	6,500.00 6,574.85	2/ 100' Build 1.50 3.00	0.12 0.12	6,499.99 6,574.78	0.98 3.92	0.00 0.01	-0.98 -3.92	2.00 2.00	2.00 2.00	0.00 0.00
	Begin 3.00° 6,600.00	Tangent 3.00	0.12	6,599.90	5.23	0.01	-5.23	0.00	0.00	0.00
	6,700.00	3.00	0.12	6,699.76	10.46	0.01	-10.46	0.00	0.00	0.00
	6,800.00	3.00	0.12	6,799.62	15.69	0.03	-15.69	0.00	0.00	0.00
	6,900.00	3.00	0.12	6,899.49	20.92	0.04	-20.92	0.00	0.00	0.00
	7,000.00	3.00	0.12	6,999.35	26.15	0.06	-26.15	0.00	0.00	0.00
	7,100.00	3.00	0.12	7,099.21	31.37	0.07	-31.37	0.00	0.00	0.00
	7,200.00	3.00	0.12	7,199.08	36.60	0.08	-36.60	0.00	0.00	0.00
	7,300.00	3.00	0.12	7,298.94	41.83	0.09	-41.83	0.00	0.00	0.00
	7,400.00	3.00	0.12	7,398.80	47.06	0.10	-47.06	0.00	0.00	0.00
	7,500.00	3.00	0.12	7,498.67	52.29	0.11	-52.29	0.00	0.00	0.00
	7,600.00	3.00	0.12	7,598.53	57.52	0.12	-57.51	0.00	0.00	0.00
	7,700.00	3.00	0.12	7,698.39	62.74	0.13	-62.74	0.00	0.00	0.00
	7,800.00	3.00	0.12	7,798.26	67.97	0.14	-67.97	0.00	0.00	0.00
	7,900.00	3.00	0.12	7,898.12	73.20	0.15	-73.20	0.00	0.00	0.00
	8,000.00	3.00	0.12	7,997.98	78.43	0.17	-78.43	0.00	0.00	0.00
	8,100.00	3.00	0.12	8,097.85	83.66	0.18	-83.66	0.00	0.00	0.00
	8,200.00	3.00	0.12	8,197.71	88.89	0.19	-88.88	0.00	0.00	0.00
	8,300.00	3.00	0.12	8,297.57	94.11	0.20	-94.11	0.00	0.00	0.00
	8,400.00	3.00	0.12	8,397.44	99.34	0.21	-99.34	0.00	0.00	0.00
	8,500.00	3.00	0.12	8,497.30	104.57	0.22	-104.57	0.00	0.00	0.00
	8,600.00	3.00	0.12	8,597.16	109.80	0.23	-109.80	0.00	0.00	0.00
	8,700.00	3.00	0.12	8,697.03	115.03	0.24	-115.02	0.00	0.00	0.00
	8,800.00	3.00	0.12	8,796.89	120.26	0.25	-120.25	0.00	0.00	0.00
	8,900.00	3.00	0.12	8,896.75	125.48	0.26	-125.48	0.00	0.00	0.00
	9,000.00	3.00	0.12	8,996.61	130.71	0.28	-130.71	0.00	0.00	0.00
	9,100.00	3.00	0.12	9,096.48	135.94	0.29	-135.94	0.00	0.00	0.00
	9,200.00	3.00	0.12	9,196.34	141.17	0.30	-141.17	0.00	0.00	0.00
	9,300.00	3.00	0.12	9,296.20	146.40	0.31	-146.39	0.00	0.00	0.00
	9,400.00	3.00	0.12	9,396.07	151.63	0.32	-151.62	0.00	0.00	0.00
	9,500.00	3.00	0.12	9,495.93	156.85	0.33	-156.85	0.00	0.00	0.00
	9,600.00	3.00	0.12	9,595.79	162.08	0.34	-162.08	0.00	0.00	0.00
	9,700.00	3.00	0.12	9,695.66	167.31	0.35	-167.31	0.00	0.00	0.00
	9,800.00	3.00	0.12	9,795.52	172.54	0.36	-172.53	0.00	0.00	0.00
	9,900.00	3.00	0.12	9,895.38	177.77	0.37	-177.76	0.00	0.00	0.00
	10,000.00	3.00	0.12	9,995.25	183.00	0.39	-182.99	0.00	0.00	0.00
	10,100.00	3.00	0.12	10,095.11	188.22	0.40	-188.22	0.00	0.00	0.00
	10,200.00	3.00	0.12	10,194.97	193.45	0.41	-193.45	0.00	0.00	0.00



Planning Report



Database: EDM5000 Company: Manzano

Project: Lea County, NM (NAD 83)
Site: Vindicator Canyon State Unit 152H
Well: Vindicator Canyon State Unit 152H

Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H RKB @ 3875.00usft (Latshaw 11 - 27'?)

RKB @ 3875.00usft (Latshaw 11 - 27'?)

Grid Minimum Curvature

ellbore: Wellbore #1

Design	•	Design #1								
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)
	10,300.00	3.00	0.12	10,294.84	198.68	0.42	-198.68	0.00	0.00	0.00
	10,400.00	3.00	0.12	10,394.70	203.91	0.43	-203.90	0.00	0.00	0.00
	10,500.00	3.00	0.12	10,494.56	209.14	0.44	-209.13	0.00	0.00	0.00
	10,600.00	3.00	0.12	10,594.43	214.37	0.45	-214.36	0.00	0.00	0.00
	10,700.00	3.00	0.12	10,694.29	219.59	0.46	-219.59	0.00	0.00	0.00
	10,800.00	3.00	0.12	10,794.15	224.82	0.47	-224.82	0.00	0.00	0.00
	10,900.00	3.00	0.12	10,894.02	230.05	0.48	-230.04	0.00	0.00	0.00
	11,000.00	3.00	0.12	10,993.88	235.28	0.50	-235.27	0.00	0.00	0.00
	11,098.78	3.00	0.12	11,092.52	240.44	0.51	-240.44	0.00	0.00	0.00
		°/100' Drop	0.40	44 000 74	040.54	0.54	0.40.50	0.00	0.00	0.00
	11,100.00	2.97	0.12	11,093.74	240.51	0.51	-240.50	2.00	-2.00	0.00
	11,200.00	0.97	0.12	11,193.68	243.95	0.51	-243.94	2.00	-2.00	0.00
	11,248.62	0.00	0.00	11,242.30	244.36	0.51	-244.35	2.00	-2.00	0.00
	Begin Vert		0.00	11,212.00	211.00	0.01	211.00	2.00	2.00	0.00
	11,300.00	0.00	0.00	11,293.68	244.36	0.51	-244.35	0.00	0.00	0.00
	11,400.00	0.00	0.00	11,393.68	244.36	0.51	-244.35	0.00	0.00	0.00
	11,448.63	0.00	0.00	11,442.31	244.36	0.51	-244.35	0.00	0.00	0.00
	KOP, Begin	n 10.00°/100' E	uila							
	11,450.00	0.14	179.69	11,443.68	244.36	0.51	-244.35	10.00	10.00	0.00
	11,500.00	5.14	179.69	11,493.61	242.06	0.53	-242.05	10.00	10.00	0.00
	11,550.00	10.14	179.69	11,543.15	235.42	0.56	-235.41	10.00	10.00	0.00
	11,600.00	15.14	179.69	11,591.92	224.48	0.62	-224.48	10.00	10.00	0.00
	11,650.00	20.14	179.69	11,639.56	209.34	0.71	-209.33	10.00	10.00	0.00
	11,700.00	25.14	179.69	11,685.69	190.10	0.81	-190.09	10.00	10.00	0.00
	11,750.00	30.14	179.69	11,729.97	166.91	0.94	-166.91	10.00	10.00	0.00
	11,800.00	35.14	179.69	11,772.06	139.96	1.09	-139.95	10.00	10.00	0.00
	11,850.00	40.14	179.69	11,811.64	109.43	1.25	-109.43	10.00	10.00	0.00
	11,900.00	45.14	179.69	11,848.42	75.58	1.44	-75.57	10.00	10.00	0.00
	11,950.00	50.14	179.69	11,882.10	38.65	1.64	-38.64	10.00	10.00	0.00
	12,000.00	55.14	179.69	11,912.43	-1.08	1.86	1.09	10.00	10.00	0.00
	12,050.00	60.14	179.69	11,939.19	-43.30	2.09	43.31	10.00	10.00	0.00
	12,100.00	65.14	179.69	11,962.16	-87.69	2.34	87.70	10.00	10.00	0.00
	12,150.00	70.14	179.69	11,981.18	-133.92	2.59	133.93	10.00	10.00	0.00
	12,200.00	75.14	179.69	11,996.09	-181.62	2.85	181.64	10.00	10.00	0.00
	12,250.00	80.14	179.69	12,006.79	-230.45	3.12	230.46	10.00	10.00	0.00
	12,300.00	85.14	179.69	12,013.20	-280.02	3.39	280.03	10.00	10.00	0.00
	12,319.93	87.13	179.69	12,014.54	-299.90	3.50	299.91	10.00	10.00	0.00
		3° Lateral / FT 87.13	P 179.69	12 010 55	-379.87	3.94	379.89	0.00	0.00	0.00
	12,400.00 12,500.00 12,600.00 12,700.00 12,800.00 12,900.00	87.13 87.13 87.13 87.13 87.13	179.69 179.69 179.69 179.69 179.69	12,018.55 12,023.56 12,028.57 12,033.57 12,038.58 12,043.59	-379.67 -479.74 -579.62 -679.49 -779.36 -879.23	5.94 4.49 5.03 5.58 6.13 6.68	479.76 579.63 679.51 779.38 879.26	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 0.00 0.00
	13,000.00	87.13	179.69	12,048.60	-979.11	7.23	979.13	0.00	0.00	0.00
	13,100.00	87.13	179.69	12,053.60	-1,078.98	7.77	1,079.01	0.00	0.00	0.00
	13,200.00	87.13	179.69	12,058.61	-1,178.85	8.32	1,178.88	0.00	0.00	0.00
	13,300.00	87.13	179.69	12,063.62	-1,278.73	8.87	1,278.76	0.00	0.00	0.00
	13,400.00	87.13	179.69	12,068.62	-1,378.60	9.42	1,378.63	0.00	0.00	0.00
	13,500.00	87.13	179.69	12,073.63	-1,478.47	9.97	1,478.51	0.00	0.00	0.00
	13,600.00	87.13	179.69	12,078.64	-1,578.35	10.51	1,578.38	0.00	0.00	0.00
	13,700.00	87.13	179.69	12,083.64	-1,678.22	11.06	1,678.26	0.00	0.00	0.00
	13,800.00	87.13	179.69	12,088.65	-1,778.09	11.61	1,778.13	0.00	0.00	0.00
	13,900.00	87.13	179.69	12,093.66	-1,877.97	12.16	1,878.00	0.00	0.00	0.00



Planning Report



Database: EDM5000 Company: Manzano

Project: Lea County, NM (NAD 83)
Site: Vindicator Canyon State Unit 152H
Well: Vindicator Canyon State Unit 152H

Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H RKB @ 3875.00usft (Latshaw 11 - 27'?) RKB @ 3875.00usft (Latshaw 11 - 27'?)

Grid

Design:	Design #1								
Planned Survey									
Measure Depth (usft)	d Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
14,000.0 14,100.0 14,200.0 14,300.0 14,400.0	00 87.13 00 87.13 00 87.13	179.69 179.69 179.69 179.69 179.69	12,098.67 12,103.67 12,108.68 12,113.69 12,118.69	-1,977.84 -2,077.71 -2,177.58 -2,277.46 -2,377.33	12.70 13.25 13.80 14.35 14.90	1,977.88 2,077.75 2,177.63 2,277.50 2,377.38	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
14,500.0 14,600.0 14,700.0 14,800.0 14,900.0	00 87.13 00 87.13 00 87.13	179.69 179.69 179.69 179.69 179.69	12,123.70 12,128.71 12,133.71 12,138.72 12,143.73	-2,477.20 -2,577.08 -2,676.95 -2,776.82 -2,876.70	15.44 15.99 16.54 17.09 17.63	2,477.25 2,577.13 2,677.00 2,776.88 2,876.75	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
15,000.0 15,100.0 15,200.0 15,300.0 15,400.0	00 87.13 00 87.13 00 87.13	179.69 179.69 179.69 179.69 179.69	12,148.74 12,153.74 12,158.75 12,163.76 12,168.76	-2,976.57 -3,076.44 -3,176.32 -3,276.19 -3,376.06	18.18 18.73 19.28 19.83 20.37	2,976.62 3,076.50 3,176.37 3,276.25 3,376.12	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
15,500.0 15,600.0 15,700.0 15,724.2	00 87.13 00 87.13	179.69 179.69 179.69 179.69	12,173.77 12,178.78 12,183.78 12,185.00	-3,475.93 -3,575.81 -3,675.68 -3,699.93	20.92 21.47 22.02 22.15	3,476.00 3,575.87 3,675.75 3,700.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
15,800.0	00 88.64	179.69	12,187.79	-3,775.60	22.57	3,775.66	2.00	2.00	0.00
15,870.5		179.69	12,188.59	-3,846.16	22.95	3,846.23	2.00	2.00	0.00
15,900.0 16,000.0 16,100.0 16,200.0	90.06 90.06	179.69 179.69 179.69 179.69	12,188.56 12,188.47 12,188.37 12,188.27	-3,875.59 -3,975.59 -4,075.58 -4,175.58	23.11 23.66 24.21 24.76	3,875.66 3,975.66 4,075.66 4,175.66	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
16,300.0 16,400.0 16,500.0 16,600.0 16,700.0	90.06 90.06 90.06	179.69 179.69 179.69 179.69 179.69	12,188.17 12,188.08 12,187.98 12,187.88 12,187.78	-4,275.58 -4,375.58 -4,475.58 -4,575.58 -4,675.57	25.31 25.86 26.41 26.95 27.50	4,275.66 4,375.66 4,475.66 4,575.66 4,675.66	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
16,800.0 16,900.0 17,000.0 17,100.0 17,200.0	90.06 90.06 90.06	179.69 179.69 179.69 179.69 179.69	12,187.69 12,187.59 12,187.49 12,187.39 12,187.30	-4,775.57 -4,875.57 -4,975.57 -5,075.57 -5,175.57	28.05 28.60 29.15 29.70 30.25	4,775.66 4,875.66 4,975.66 5,075.66 5,175.66	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
17,300.0 17,400.0 17,504.0	90.06	179.69 179.69 179.69	12,187.20 12,187.10 12,187.00	-5,275.57 -5,375.56 -5,479.91	30.79 31.34 31.91	5,275.66 5,375.66 5,480.00	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
Begin 2 17,601	2. 00°/100' Build 79 92.00	179.69	12,185.25	-5,577.33	32.45	5,577.42	2.00	2.00	0.00
17,700.0	2.00° Inc 00 92.00	179.69	12,181.81	-5,675.48	32.99	5,675.57	0.00	0.00	0.00
17,800.0 17,900.0 18,000.0 18,100.0 18,200.0	92.00 92.00 92.00 92.00	179.69 179.69 179.69 179.69 179.69	12,178.31 12,174.82 12,171.32 12,167.82 12,164.32	-5,775.42 -5,875.35 -5,975.29 -6,075.23 -6,175.17	33.54 34.08 34.63 35.18 35.73	5,775.51 5,875.45 5,975.39 6,075.33 6,175.27	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
18,300.0 18,400.0 18,500.0 18,600.0	00 92.00 00 92.00	179.69 179.69 179.69 179.69	12,160.82 12,157.33 12,153.83 12,150.33	-6,275.10 -6,375.04 -6,474.98 -6,574.91	36.28 36.83 37.37 37.92	6,275.21 6,375.15 6,475.09 6,575.02	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00



Planning Report



Database: EDM5000 Company: Manzano

Project: Lea County, NM (NAD 83)
Site: Vindicator Canyon State Unit 152H

Well: Vindicator Canyon State Unit 152H

Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H RKB @ 3875.00usft (Latshaw 11 - 27'?)

RKB @ 3875.00usft (Latshaw 11 - 27'?)

Grid

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)
18,700.00	92.00	179.69	12,146.83	-6,674.85	38.47	6,674.96	0.00	0.00	0.00
18,800.00 18,900.00 19,000.00 19,100.00 19,200.00 19,300.00 19,400.00 19,500.00 19,600.00 19,700.00	92.00 92.00 92.00 92.00 92.00 92.00 92.00 92.00 92.00 92.00	179.69 179.69 179.69 179.69 179.69 179.69 179.69 179.69 179.69	12,143.33 12,139.83 12,136.34 12,132.84 12,129.34 12,125.84 12,122.34 12,118.85 12,115.35 12,111.85	-6,774.79 -6,874.73 -6,974.66 -7,074.60 -7,174.54 -7,274.48 -7,374.41 -7,474.35 -7,574.29 -7,674.22	39.02 39.57 40.11 40.66 41.21 41.76 42.31 42.86 43.40 43.95	6,774.90 6,874.84 6,974.78 7,074.72 7,174.66 7,274.60 7,374.53 7,474.47 7,574.41 7,674.35	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
19,800.00 19,900.00 20,000.00 20,095.89 PBHL	92.00 92.00 92.00 92.00	179.69 179.69 179.69 179.69	12,108.35 12,104.85 12,101.35 12,098.00	-7,774.16 -7,874.10 -7,974.04 -8,069.87	44.50 45.05 45.60 46.12	7,774.29 7,874.23 7,974.17 8,070.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00

Design Targets									
	Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
VP - VCSU 152H - plan hits target center - Point	0.00	0.00	11,242.30	244.36	0.51	672,053.3618	846,937.9145	32° 50' 36.755 N	103° 20' 17.846 W
PBHL - VCSU 152H - plan hits target center - Point	0.00	0.00	12,098.00	-8,069.87	46.12	663,739.1318	846,983.5220	32° 49' 14.493 N	103° 20' 18.229 W
Platted PBHL - VCSU - plan misses target cer - Point	0.00 nter by 3		12,098.00 t 20095.89เ	-8,094.10 usft MD (1209	66.70 98.00 TVD,	663,714.9000 -8069.87 N, 46.	847,004.1000 12 E)	32° 49' 14.251 N	103° 20' 17.991 W
T1 - VCSU 152H - plan hits target center - Point	0.00	0.00	12,185.00	-3,699.93	22.15	668,109.0663	846,959.5508	32° 49' 57.730 N	103° 20' 18.028 W
T2 - VCSU 152H - plan hits target center - Point	0.00	0.00	12,187.00	-5,479.91	31.91	666,329.0929	846,969.3148	32° 49' 40.118 N	103° 20' 18.110 W



Planning Report



Database: EDM5000 Company: Manzano

Project: Lea County, NM (NAD 83)
Site: Vindicator Canyon State Unit 152H

Well: Vindicator Canyon State Unit 152H

Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Vindicator Canyon State Unit 152H RKB @ 3875.00usft (Latshaw 11 - 27'?)

RKB @ 3875.00usft (Latshaw 11 - 27'?)

lan Annotations					
Measur Depth (usft)	Depth	Local Co +N/-S (usft)	ordinates +E/-W (usft)	Comment	
6,425	00 6,425.00	0.00	0.00	Begin 2.00°/100' Build	
6,574	85 6,574.78	3.92	0.01	Begin 3.00° Tangent	
11,098	78 11,092.52	240.44	0.51	Begin 2.00°/100' Drop	
11,248	62 11,242.30	244.36	0.51	Begin Vertical Hold	
11,448	63 11,442.31	244.36	0.51	KOP, Begin 10.00°/100' Build	
12,319	93 12,014.54	-299.90	3.50	Begin 87.13° Lateral / FTP	
15,724	28 12,185.00	-3,699.93	22.15	Begin 2.00°/100' Build	
15,870	58 12,188.59	-3,846.16	22.95	Hold 90.06° Inc	
17,504	35 12,187.00	-5,479.91	31.91	Begin 2.00°/100' Build	
17,601	79 12,185.25	-5,577.33	32.45	Hold 92.00° Inc	
20,095	89 12,098.00	-8,069.87	46.12	PBHL	

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.

$\frac{Section~1-Plan~Description}{\underline{Effective~May~25,2021}}$

I O) (A	NZANO II O	OCD		221420	D 4	0 45 400	
I. Operator:	<u>MA</u>	NZANO, LLC	OGRI	(D:	<u> 231429</u>	_Date:	2 /15 / 22	
II. Type: ⊠ Original [☐ Amendment	due to 🗆 19.15.27	9.D(6)(a) NMA	.C □ 19.15.27.9.D	(6)(b) NMAC [Other.		
If Other, please describe	If Other, please describe:							
III. Well(s): 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	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	P	Anticipated roduced Water BBL/D	
VINDICATOR CANYON	30-025-		200' FS &					
STATE UNIT #152H		O-10-17s-36e	1420' FE	1500	2000	500		
3 IV. Central Delivery Point Name: _Facility ID fAPP2123059687								
Well Name	API	Spud Date	TD Reached Date	Completion Commencement			First Production Date	
VINDICATOR CANYON) j		ii.				
STATE UNIT #152H		3/1/22	3/27/22	5/2/22	5/15/22	2	5/20/22	
VI. Separation Equipm			•	•	• •	•		
Subsection A through F VIII. Best Management during active and planner	of 19.15.27.8	NMAC. ☑ Attach a comple	•	•	•	0.0000000000000000000000000000000000000	•	

Received by OCD: 2/18/2022 8:20:49 AM

Section 2 — Enhanced Plan <u>EFFECTIVE APRIL 1, 2022</u>

	2022, an operator the complete this section		with its statewide natural g	as capture requirement for the applicable
	es that it is not requit t for the applicable re		tion because Operator is in	compliance with its statewide natural gas
IX. Anticipated Na	ntural Gas Producti	on:		
W	ell	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Of Gas for the First Year MCF
		57		
X. Natural Gas Ga	thering System (NC	GGS):		
Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in
production operation the segment or portion in the Segment or portion in the Segment or portion in the Segment of the Segment	ns to the existing or plion of the natural gas The natural gas gas from the well prior to Operator does	planned interconnect of the gathering system will thering system will to the date of first production does not anticipate the	he natural gas gathering syst which the well(s) will be con will not have capacity to gation.	nticipated pipeline route(s) connecting the tem(s), and the maximum daily capacity of mected. gather 100% of the anticipated natural gas ted to the same segment, or portion, of the in line pressure caused by the new well(s).
			he increased line pressure.	Time pressure educed by the new works.
XIV. Confidentiali Section 2 as provide	ity: ☐ Operator assed in Paragraph (2) o	erts confidentiality purs	uant to Section 71-2-8 NMS 27.9 NMAC, and attaches a	SA 1978 for the information provided in full description of the specific information

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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:

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

Section 4 - Notices

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- 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
- Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas (b) 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: Mach planay
Printed Name: Mike Hanagan
Title: MANAGER
E-mail Address: mike@manzanoenergy.com
Date: 2/15/22
Phone: 575-623-1996 ext 310
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

ATTACHMENT TO SECTION 1 OF THE NATURAL GAS MANAGEMENT PLAN FOR MANZANO, LLC VINDICATOR CANYON STATE UNIT #152H

Section VI. Separation Equipment

When the well is initially brought into the battery the production will go thru the "Test Separation Equipment" at the Central Battery and production from the well will first go into a 48" x 15' 500psi 2-Phase vertical Test Separator rated to handle 12500+ BFPD and 16+ MMCFGPD where the gas will be separated from the produced liquids with the residue gas then going into an identical 48" x 15' 500psi 2-phase vertical Test Gas Scrubber to remove any remaining liquids before then going into the gas sales line. The liquid that comes off of the initial 2-Phase vertical Test Separator will go into a 72" x 15' 500psi 3-phase horizontal Test Separator capable of handling 13,500 BFPD + 15 MMCF with the residue gas from this Test Separator going into the 48" x 15' 500psi 2-phase vertical Test Gas Scrubber to remove any remaining liquids before routing any remaining residue gas into the gas sales line. Additionally, there will be a choke on the wellhead which can be used to reduce flow into the separators should that be necessary.

Once the well has been on production for a 2-3 month test period, the well will be rotated into the "Production Separation Equipment" at the Central Battery Separation Equipment where the produced fluids from this and other Vindicator Canyon State Unit wells will first go into a 36" x 10' 500psi 2-phase vertical Production Separator that is rated to handle 4500 BFPD + 6.25 MMCFGPD where the gas will be separated from the produced liquids with the residue gas then going into a 30" x 10' 125psi 2-phase vertical Production Gas Scrubber that is rated to handle 3050 BFPD + 4.5 MMCFGPD which will remove any remaining liquids before then going into the gas sales line. The liquid that comes off of the initial 36" x 10' 125psi 2-Phase vertical Production Separator will go into a 48" x 15' 125psi 3-phase horizontal Production Separator capable of handling 6,500 BFPD + 14 MMCFGPD with the residue gas from this Production Separator going into the 30" x 10' 500psi 2-phase vertical Production Gas Scrubber to remove any remaining liquids before routing the remaining residue gas into the gas sales line. Any remaining fluid from the 48" x 15' 125psi 3-phase horizontal Production Separator will then be routed into a 8' x 20' 125# Heater Treater rated to handle 1500 BFPD + 6 MMCFGPD with the residue gas from the Heater Treater going into the 30" x 10' 500psi 2-phase vertical Production Gas Scrubber to remove any remaining liquids before routing the remaining residue gas into the gas sales line. After the well has been sent into the Production Separation Equipment, the production will be commingled with production from other wells in the Vindicator Canyon State Unit and the well will be periodically rotated into the Test Separation Equipment to measure production rates for individual wells.

We anticipate peak production for this well to be around 1500 BFPD + 2.0 MMCF which should be easily managed by the Separation Equipment described above which we have already installed for this well.

Section VII. Operational Practices as per 19.15.27.8 NMAC Subsections A through F

<u>Subsection A:</u> Manzano will maximize the recovery of natural gas and minimize the waste of natural gas by properly sizing and maintaining tanks, vessels and related equipment including thief hatches, enardo valves, flares and vapor recovery equipment. In all circumstances, Manzano shall flare rather than vent natural gas except when flaring is technically infeasible or when flaring would a risk to safe operations or personal safety.

<u>Subsection B - Venting and flaring during drilling operations:</u> Manzano will capture natural gas coming from the wellbore during drilling operations by routing any gas laden fluids through a mud gas separator with the gas then being routed to a flare stack located at least 100' from the wellbore. In addition, Manzano will be drilling the well with fluid sufficiently weighted to minimize the entry of natural gas into the wellbore. Any gas that is flared during the drilling operations will be reported pursuant to Paragraph (1) of Subsection G of 19.15.27.8 NMAC.

<u>Subsection C - Venting and flaring during completion operations:</u> After fracing, sand and the frac plugs will be cleaned out of the wellbore under controlled conditions (circulating 1 barrel in per 1 barrel out) that will reduce or eliminate the flow of gas to the atmosphere. After cleaning the well out, a packer with a rupture disk will be set by wireline and tubing with gas lift valves will be installed. The rupture disc will then be burst and flowback will commence.

During the initial flowback after the frac job the fluids will go directly into storage tanks until there is sufficient pressure to function a separator at which point the fluids will go into a separator that will remove the gas from the fluid and send the metered gas to an on-site flare stack until it is feasible to route the gas to the Central Battery.

As soon as it is practical, the produced fluids will be switched out of the flowback separator and into the flowline going to the Central Battery for separation and sale as soon as is feasible.

Any gas that is flared during the completion operations will be reported pursuant to Paragraph (1) of Subsection G of 19.15.27.8 NMAC.

Once the well dies or if the well does not flow, gas lift operations will begin utilizing gas from other wells in the Unit and production will be sent through the Separation Equipment at the Central Battery as described above.

<u>Subsection D - Venting and flaring during production operations:</u> Manzano shall not vent or flare natural gas during production operations except as allowed in 19.15.27.8.1,2 &4 NMAC. Any gas that is flared during production operations will be reported pursuant to Paragraph (1) of Subsection G of 19.15.27.8 NMAC.

<u>Subsection E - Performance standards:</u> The production facilities that will be utilized by this well have been designed to handle in excess of the anticipated maximum throughput and are

rated for pressures greater than the anticipated pressures. In addition, the facilities have been designed to minimize waste of natural gas.

The production storage tanks are equipped with an automated tank gauging system that reduces the need to open thief hatches on the tanks or to be on the tanks.

Manzano has installed an anchored flare stack over 100' away from the wellbore and production tanks that has an automatic ignitor and continuous pilot that will combust any natural gas routed to the flare stack and is capable of handling 5 MMCFGPD. Any natural gas routed through the flare stack will be metered and will be reported pursuant to Paragraph (1) of Subsection G of 19.15.27.8 NMAC. Natural gas will not be vented except as allowed in 19.15.27.8.1,2 &4 NMAC.

Low bleed pilots in Pneumatic valves will be installed if necessary.

Manzano will utilize SCADA to monitor production and equipment as well as to shut in the wellbore in case of an emergency or other situation that could result in gas being released to the atmosphere.

Should the sales line pressure reach the desired maximum operating pressure, the SCADA system will close the Emergency Shut Down Valve on the wellhead and send an alarm to production personnel. In the event that the ESD valve failed to close, gas would be routed to the flare stack with a continuous pilot. Any flared gas would be metered until such time that personnel could be dispatched to resolve the problem or manually shut the well in.

Manzano shall conduct weekly AVO inspections consisting of visual inspections, listening for leaks and smelling for odors, to confirm that all production equipment is operating properly and that there are no leaks or releases of natural gas except as allowed in Subsection D of 19.15.27.8 NMAC. The AVO inspection shall include the inspection of all components to identify defects and leaks. Any leaks that are found shall be immediately repaired. Manzano shall keep record of an AVO inspection for at least 5 years and shall make such record available for inspection by the Division upon request.

<u>Subsection F – Measurement or estimation of vented and flared natural gas:</u> Manzano shall measure or estimate the volume of natural gas that it vents, flares or beneficially uses during drilling, completion and production operations.

Manzano has installed equipment to measure the volume of natural gas flared from the Separation Equipment described in Section VI above as well as the process piping and vapor recovery equipment. Metering equipment has also been installed to measure the volume of natural gas delivered to the custody transfer point into the DCP gas line.

If metering is not practical due to circumstances such as low flow rate or low-pressure venting or flaring, Manzano shall estimate the volume of vented or flared natural gas using a verifiable methodology.

VIII. <u>Best Management Practices to minimize venting during active and planned maintenance:</u>

Manzano has installed an automated Emergency Shut Down Valve on wellhead to close the well in the event of an abnormal low or high-pressure occurrence on the flowline or within the facility.

Swabbing operations, if necessary, will be performed through the Separation Equipment described in Section VI above in a closed system.

If tubing is to be pulled, the well will be killed and pulled in an overbalanced condition to increase the safety of personnel and reduce gas emissions.

Should a production vessel need to be worked on, the vessel will be bleed down into the system to as low a pressure as is practical and then the vessel will be isolated by valves at the vessel to minimize the volume of gas to be bled off the vessel with none from the associated piping.

Manzano shall verbally notify the division as soon as is possible for any venting or flaring event that exceed 500 MCF or otherwise qualifies as a major release and shall follow up the verbal notification with the filing of a form C-129. On venting or flaring events that are less than 500 MCF, Manzano shall notify the division in writing by filing a form C-129 within 15 days of the event.