Form C-101 August 1, 2011

Permit 323861

<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**

- 1	me and Address	PARTNERS HA	T MESA. LLC								2. OGRID	Number 372417		
114	90 Westheimer Ruston, TX 77077										3. API Nu	mber 30-025-50564		
4. Property Code 5. Property Name 6. Well No. BECKNELL 21 33 17 STATE COM 822H														
					7. 8	Surfac	ce Location							
UL - Lot F	Section 17	Township 21	Range S	33E	Lot Idn F	F	eet From 2437	N/S Line	N	Feet From 1	680	E/W Line W	County	Lea
					8. Propose	ed Bot	tom Hole Location	1						
UL - Lot K	Section 5	Township 21S	Range	33E	Lot Idn K	Fe	eet From 2588	N/S Line	S	Feet From 20	090	E/W Line W	County	Lea
					9. 1	Pool Ir	nformation							
WC-025 G-0	8 S213304D;BON	E SPRING										97895		
					Additio	onal W	lell Information							
11. Work Type Nev	v Well	12. Well Type OIL		13. Cable/F	totary			14. Le	ase Typ Sta		15. Ground Level Elevation 3788			
16. Multiple N		17. Proposed D 213	•	18. Formati	<sup>on</sup> 2nd Bone Spri	ing Sa	ınd	19. Co	ntractor	r		20. Spud Date 6/10/2023		
Depth to Grou	nd water			Distance from nearest fresh water well					Distance to nearest surface water					
We will be	using a closed-lo	op system in li	eu of lined pi	s										
				2	1. Proposed (	Casing	g and Cement Pro	gram						
Type	Hole Size	Casing	Size	Cas	ing Weight/ft		Setting De	pth		Sacks of 0	Cement Estimated TOC			

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1829	1403	0
Int1	12.25	10.75	40.5	3722	422	0
Int2	9.875	7.625	29.7	5520	815	0
Prod	6.75	5.5	20	21311	682	0

#### **Casing/Cement Program: Additional Comments**

22	Proposed	Blowout	Provention	Program

Туре	Working Pressure	Test Pressure	Manufacturer								
Double Ram	5000	5000	TBD								

knowledge and be	elief.	above is true and complete to the best of my		OIL CONS	SERVATION DIVISION		
Printed Name:	Electronically filed by Eile	een M Kosakowski	Approved By:	Paul F Kautz	Paul F Kautz		
Title:			Title:	Geologist			
Email Address:	ekosakowski@advancee	energypartners.com	Approved Date:	9/14/2022	Expiration Date: 9/14/2024		
Date:	8/24/2022	Phone: 832-672-4604	Conditions of Approval Attached				

District I

District III

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

1000 Rio Brazos Road, 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 & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

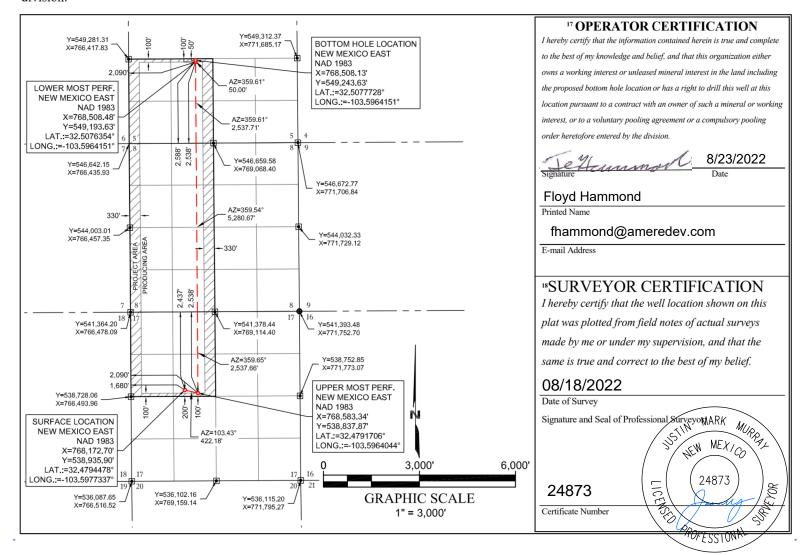
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code					
30-025-		97895	WC-025 G-08 S213304D;BONE	SPRING			
<sup>4</sup> Property Code 333273			roperty Name 1-33-17 State Com	<sup>6</sup> Well Number #822H			
<sup>7</sup> OGRID No. 372417		- 1	perator Name PARTNERS HAT MESA LLC	<sup>9</sup> Elevation 3,788.30'			

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
F	17	21-S	33-E		2,437'	NORTH	1,680'	WEST	LEA		
	<sup>11</sup> Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
K	5	21-S	33-E		2,588'	SOUTH	2,090'	WEST	LEA		
12 Dedicated Acres	<sup>13</sup> Joint or	r Infill 14 (	Consolidation	Code 15 Or	der No.						
640			С								

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 323861

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

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#### **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:		
ADVANCE ENERGY PARTNERS HAT MESA, LLC [372417]	30-025-50564		
11490 Westheimer Rd., Ste 950	Well:		
Houston, TX 77077	BECKNELL 21 33 17 STATE COM #822H		

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	CEMENT MUST COME TO THE SURFACE ON ALL STRINGS
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud

## State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary Designate Adrienne Sandoval, Division Director Oil Conservation Division



September 12, 2022,

Todd E. Leahy, JD, PhD Deputy Secretary

BUREAU OF LAND MANAGEMENT ATT: James S. Rutley

620 E Greene Street Carlsbad, NM 88220 STATE LAND OFFICE ATT: Paige Czoski PO BOX 1148 Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Advance Energy Partners Hat Mesa, LLC LEASE NAME: Becknell 21 33 17 State Com # 822H

PROPOSED LOCATION: U/L F Sec 17 T21S R33E 2437 FNL 1680 FWL

Lat. 32.4794478

Long. -103.5977337 NAD83

PROPOSED DEPTH: 221311' MD 10602' TVD

#### Gentleman:

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether the location is within an established Life-of-Mine-Reserve that are filed with and approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Thank you for your assistance. Please Return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Hobbs Office Geologist, District I

RESONSE:

Printed Signatu

Signed

Representing BIM

#### State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Adrienne Sandoval, Division Director Oil Conservation Division



**Todd E. Leahy, JD, PhD** Deputy Secretary

September 12, 2022,

BUREAU OF LAND MANAGEMENT ATT: James S. Rutley 620 E Greene Street Carlsbad, NM 88220 STATE LAND OFFICE ATT: Paige Czoski PO BOX 1148 Santa Fe, NM 87505

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OPERATOR: Advance Energy Partners Hat Mesa, LLC

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Lat. 32.4794478

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Thank you for your assistance. Please Return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Paul Kautz

Hobbs Office Geologist, District I

**RESONSE:** 

The above referenced location is in LMR (\_\_2022\_\_year) --------Yes\_\_\_\_\_\_\_No \_\_X

The above referenced location is within the Buffer Zone------Yes\_\_\_\_\_\_\_No \_\_X

Signed \_\_\_\_\_\_Paige Czoski

Printed Signature \_\_\_\_\_Paige Czoski

NM SLO

Representing \_\_\_\_\_



American Resource Development LLC.

## **Ameredev Operating**

Hat Mesa Becknell State Com - C Pad BECKNELL 21-31-17 STATE COM 822H

**OWB** 

Plan: PRELIM1

## **Standard Planning Report - Geographic**

23 August, 2022



Database: AUS-COMPASS - EDM\_15 - 32bit

Company: Ameredev Operating Project: Hat Mesa

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
Design: PRELIM1

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

Minimum Curvature

Project Hat Mesa, Lea County, NM

Map System: US Sta Geo Datum: North

Map Zone:

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

Mean Sea Level

Site Becknell State Com - C Pad

 Site Position:
 Northing:
 538,936.06 usft
 Latitude:
 32.479448

 From:
 Map
 Easting:
 768,192.76 usft
 Longitude:
 -103.597669

Position Uncertainty: 0.0 usft Slot Radius: 13-3/16 "

Well BECKNELL 21-31-17 STATE COM 822H

 Well Position
 +N/-S
 0.0 usft
 Northing:
 538,935.90 usft
 Latitude:
 32.479448

**+E/-W** 0.0 usft **Easting**: 768,172.70 usft **Longitude**: -103.597734

Position Uncertainty 0.0 usft Wellhead Elevation: usf Ground Level: 3,788.0 usft

Grid Convergence:  $0.40\,^{\circ}$ 

Wellbore OWB

 Magnetics
 Model Name
 Sample Date (°)
 Declination (°)
 Dip Angle (nT)
 Field Strength (nT)

 IGRF2020
 8/22/2022
 6.44
 60.09
 47,516.09484076

Design PRELIM1

**Audit Notes:** 

Version:Phase:PROTOTYPETie On Depth:0.0

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

 0.0
 0.0
 0.0
 1.86

MWD

Plan Survey Tool Program Date 8/23/2022

Depth From Depth To

0.0

(usft) (usft) Survey (Wellbore) Tool Name Remarks

(acts) Cartes (troubers)

OWSG MWD - Standard

21,311.2 PRELIM1 (OWB)

Owod wwb - dianda

Plan Sections	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
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	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	
2,248.9	4.98	145.87	2,248.6	-8.9	6.1	2.00	2.00	0.00	145.87	
10,120.7	4.98	145.87	10,090.7	-574.4	389.4	0.00	0.00	0.00	0.00	
10,905.2	90.00	359.59	10,602.0	-98.0	410.6	12.00	10.84	-18.65	-146.18 F	TP (BS 822H)
21,261.3	90.00	359.59	10,602.0	10,257.8	335.8	0.00	0.00	0.00	0.00 LT	TP (BS 822H)
21,311.2	90.00	359.59	10,602.0	10,307.7	335.4	0.00	0.00	0.00	0.00 B	HL (BS 822H)



Database: AUS-COMPASS - EDM\_15 - 32bit

Company: Ameredev Operating

Project: Hat Mesa

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
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Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

Planned Surv	<b>v</b> ey								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.0		0.00	0.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
100.0		0.00	100.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
200.0		0.00	200.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
300.0		0.00	300.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
400.0		0.00	400.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
500.0		0.00	500.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
600.0		0.00	600.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
700.0		0.00	700.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
800.0 900.0		0.00	800.0 900.0	0.0	0.0	538,935.90	768,172.70	32.479448 32.479448	-103.597734
1,000.0		0.00 0.00	1,000.0	0.0 0.0	0.0 0.0	538,935.90 538,935.90	768,172.70 768,172.70	32.479448 32.479448	-103.597734 -103.597734
1,100.0		0.00	1,100.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,200.0		0.00	1,100.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,300.0		0.00	1,300.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,400.0		0.00	1,400.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,500.0		0.00	1,500.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,600.0		0.00	1,600.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,700.0	0.00	0.00	1,700.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,704.0	0.00	0.00	1,704.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
RSLR	GRID								
1,800.0	0.00	0.00	1,800.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
1,900.0	0.00	0.00	1,900.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
2,000.0	0.00	0.00	2,000.0	0.0	0.0	538,935.90	768,172.70	32.479448	-103.597734
Start B	uild 2.00								
2,100.0		145.87	2,100.0	-1.4	1.0	538,934.46	768,173.68	32.479444	-103.597731
2,108.6		145.87	2,108.6	-1.7	1.2	538,934.20	768,173.85	32.479443	-103.597730
SLDO_									
2,200.0		145.87	2,199.8	-5.8	3.9	538,930.13	768,176.61	32.479432	-103.597721
2,248.9		145.87	2,248.6	-8.9	6.1	538,926.96	768,178.76	32.479423	-103.597715
	871.8 hold a			40.0		500 000 00	700 404 05	00.470440	400 507707
2,300.0		145.87	2,299.5	-12.6	8.6	538,923.29	768,181.25	32.479413	-103.597707
2,400.0		145.87	2,399.1	-19.8	13.4 18.3	538,916.10	768,186.12	32.479393 32.479373	-103.597691
2,500.0 2,600.0		145.87 145.87	2,498.7 2,598.4	-27.0 -34.2	23.2	538,908.92 538,901.74	768,190.99 768,195.86	32.479373 32.479354	-103.597675 -103.597660
2,700.0		145.87	2,698.0	-34.2 -41.3	28.0	538,894.55	768,200.73	32.479334	-103.597644
2,800.0		145.87	2,797.6	-41.5 -48.5	32.9	538,887.37	768,205.59	32.479314	-103.597628
2,900.0		145.87	2,897.2	-55.7	37.8	538,880.19	768,210.46	32.479294	-103.597613
3,000.0		145.87	2,996.9	-62.9	42.6	538,873.00	768,215.33	32.479274	-103.597597
3,100.0		145.87	3,096.5	-70.1	47.5	538,865.82	768,220.20	32.479254	-103.597582
3,200.0		145.87	3,196.1	-77.3	52.4	538,858.64	768,225.07	32.479234	-103.597566
3,300.0		145.87	3,295.7	-84.5	57.2	538,851.45	768,229.94	32.479215	-103.597550
3,400.0	4.98	145.87	3,395.3	-91.6	62.1	538,844.27	768,234.81	32.479195	-103.597535
3,500.0	4.98	145.87	3,495.0	-98.8	67.0	538,837.08	768,239.68	32.479175	-103.597519
3,600.0		145.87	3,594.6	-106.0	71.9	538,829.90	768,244.55	32.479155	-103.597503
3,602.3	4.98	145.87	3,596.9	-106.2	72.0	538,829.73	768,244.66	32.479155	-103.597503
TNSL_									
3,700.0		145.87	3,694.2	-113.2	76.7	538,822.72	768,249.42	32.479135	-103.597488
3,800.0		145.87	3,793.8	-120.4	81.6	538,815.53	768,254.29	32.479115	-103.597472
3,900.0		145.87	3,893.5	-127.6	86.5	538,808.35	768,259.16	32.479096	-103.597457
4,000.0		145.87	3,993.1	-134.7	91.3	538,801.17	768,264.03	32.479076	-103.597441
4,058.5		145.87	4,051.3	-138.9	94.2	538,796.97	768,266.87	32.479064	-103.597432
<b>CPTN_</b> 4,100.0		145.87	4,092.7	-141.9	96.2	538,793.98	768,268.89	32.479056	-102 507425
4,100.0		145.87	4,092.7 4,192.3	-141.9 -149.1	101.1	538,786.80	768,273.76	32.479036 32.479036	-103.597425 -103.597410
4,200.0	4.30	143.07	7,18∠.3	- 148.1	101.1	330,700.00	100,213.10	32.47 3030	-103.331410



Database: AUS-COMPASS - EDM\_15 - 32bit

Company: Ameredev Operating

Project: Hat Mesa

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
Design: PRELIM1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

Design.		LIIVI I							
Planned Surv	ev								
. Idilliod Odi V	-,								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
4,300.0		145.87	4,291.9	-156.3	105.9	538,779.62	768,278.63	32.479016	-103.597394
4,400.0		145.87	4,291.9	-163.5	110.8	538,772.43	768,283.50	32.478996	-103.597378
								32.478977	
4,500.0		145.87	4,491.2	-170.7	115.7	538,765.25	768,288.37		-103.597363
4,600.0		145.87	4,590.8	-177.8	120.5	538,758.07	768,293.24	32.478957	-103.597347
4,700.0		145.87	4,690.4	-185.0	125.4	538,750.88	768,298.11	32.478937	-103.597331
4,800.0		145.87	4,790.1	-192.2	130.3	538,743.70	768,302.98	32.478917	-103.597316
4,900.0		145.87	4,889.7	-199.4	135.2	538,736.52	768,307.85	32.478897	-103.597300
5,000.0		145.87	4,989.3	-206.6	140.0 144.9	538,729.33	768,312.72	32.478877	-103.597285
5,100.0		145.87	5,088.9	-213.8		538,722.15	768,317.59	32.478858	-103.597269
5,200.0		145.87	5,188.6	-220.9	149.8	538,714.96	768,322.46	32.478838	-103.597253
5,300.0		145.87	5,288.2	-228.1	154.6	538,707.78	768,327.32	32.478818	-103.597238
5,400.0		145.87	5,387.8	-235.3	159.5	538,700.60	768,332.19	32.478798	-103.597222
5,457.9		145.87	5,445.5	-239.5	162.3	538,696.44	768,335.01	32.478787	-103.597213
BLCN_		445.07	F 407 4	040.5	404.4	F00 000 44	700 007 00	00 470770	400 507000
5,500.0		145.87	5,487.4	-242.5	164.4	538,693.41	768,337.06	32.478778	-103.597206
5,600.0		145.87	5,587.0	-249.7	169.2	538,686.23	768,341.93	32.478758	-103.597191
5,700.0		145.87	5,686.7	-256.9	174.1	538,679.05	768,346.80	32.478739	-103.597175
5,800.0		145.87	5,786.3	-264.0	179.0	538,671.86	768,351.67	32.478719	-103.597160
5,900.0		145.87	5,885.9	-271.2	183.8	538,664.68	768,356.54	32.478699	-103.597144
6,000.0		145.87	5,985.5	-278.4	188.7	538,657.50	768,361.41	32.478679	-103.597128
6,100.0		145.87	6,085.2	-285.6	193.6	538,650.31	768,366.28	32.478659	-103.597113
6,200.0		145.87 145.87	6,184.8 6,284.4	-292.8 -300.0	198.5 203.3	538,643.13 538,635.95	768,371.15 768,376.02	32.478639 32.478620	-103.597097 -103.597081
6,300.0						•	,	32.478600	-103.597066
6,400.0 6,500.0		145.87 145.87	6,384.0 6,483.6	-307.1 -314.3	208.2 213.1	538,628.76 538,621.58	768,380.89 768,385.76	32.478580	-103.597050
6,600.0		145.87	6,583.3	-314.5	217.9	538,614.40	768,390.62	32.478560	-103.597035
6,700.0		145.87	6,682.9	-321.3	222.8	538,607.21	768,395.49	32.478540	-103.597033
6,800.0		145.87	6,782.5	-335.9	227.7	538,600.03	768,400.36	32.478520	-103.597019
6,900.0		145.87	6,882.1	-343.1	232.5	538,592.84	768,405.23	32.478501	-103.596988
7,000.0		145.87	6,981.8	-350.2	237.4	538,585.66	768,410.10	32.478481	-103.596972
7,100.0		145.87	7,081.4	-357.4	242.3	538,578.48	768,414.97	32.478461	-103.596956
7,200.0		145.87	7,181.0	-364.6	247.1	538,571.29	768,419.84	32.478441	-103.596941
7,272.8		145.87	7,253.5	-369.8	250.7	538,566.07	768,423.38	32.478427	-103.596929
BYCN			.,200.0	555.5		000,000.0.	. 55, .25.55	020.2.	.00.00002
7,300.0		145.87	7,280.6	-371.8	252.0	538,564.11	768,424.71	32.478421	-103.596925
7,400.0		145.87	7,380.3	-379.0	256.9	538,556.93	768,429.58	32.478401	-103.596910
7,500.0		145.87	7,479.9	-386.2	261.8	538,549.74	768,434.45	32.478382	-103.596894
7,600.0		145.87	7,579.5	-393.3	266.6	538,542.56	768,439.32	32.478362	-103.596878
7,700.0		145.87	7,679.1	-400.5	271.5	538,535.38	768,444.19	32.478342	-103.596863
7,800.0		145.87	7,778.7	-407.7	276.4	538,528.19	768,449.06	32.478322	-103.596847
7,900.0		145.87	7,878.4	-414.9	281.2	538,521.01	768,453.92	32.478302	-103.596831
8,000.0		145.87	7,978.0	-422.1	286.1	538,513.83	768,458.79	32.478282	-103.596816
8,100.0		145.87	8,077.6	-429.3	291.0	538,506.64	768,463.66	32.478262	-103.596800
8,200.0		145.87	8,177.2	-436.4	295.8	538,499.46	768,468.53	32.478243	-103.596784
8,300.0		145.87	8,276.9	-443.6	300.7	538,492.28	768,473.40	32.478223	-103.596769
8,400.0		145.87	8,376.5	-450.8	305.6	538,485.09	768,478.27	32.478203	-103.596753
8,500.0		145.87	8,476.1	-458.0	310.4	538,477.91	768,483.14	32.478183	-103.596738
8,600.0		145.87	8,575.7	-465.2	315.3	538,470.72	768,488.01	32.478163	-103.596722
8,700.0		145.87	8,675.3	-472.4	320.2	538,463.54	768,492.88	32.478143	-103.596706
8,800.0	4.98	145.87	8,775.0	-479.5	325.1	538,456.36	768,497.75	32.478124	-103.596691
8,888.3	4.98	145.87	8,862.9	-485.9	329.3	538,450.02	768,502.04	32.478106	-103.596677
BSPG_	GRID								
8,900.0	4.98	145.87	8,874.6	-486.7	329.9	538,449.17	768,502.62	32.478104	-103.596675
9,000.0	4.98	145.87	8,974.2	-493.9	334.8	538,441.99	768,507.49	32.478084	-103.596659



Database: AUS-COMPASS - EDM\_15 - 32bit

Company: Ameredev Operating

Project: Hat Mesa

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
Design: PRELIM1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

9,200.0 4.98 145.87 9,173.5 -508.3 344.5 538,427.62 768,517.22 32.478044 -10 9,300.0 4.98 145.87 9,273.1 -515.5 349.4 538,420.44 768,522.09 32.478024 -10	03.596644 03.596628 03.596613 03.596597 03.596581 03.596566 03.596550
9,200.0     4.98     145.87     9,173.5     -508.3     344.5     538,427.62     768,517.22     32.478044     -10       9,300.0     4.98     145.87     9,273.1     -515.5     349.4     538,420.44     768,522.09     32.478024     -10	03.596628 03.596613 03.596597 03.596581 03.596566 03.596550
	03.596581 03.596566 03.596550
9,500.0     4.98     145.87     9,472.3     -529.8     359.1     538,406.07     768,531.83     32.477985     -10       9,600.0     4.98     145.87     9,572.0     -537.0     364.0     538,398.89     768,536.70     32.477965     -10	
9,800.0     4.98     145.87     9,771.2     -551.4     373.7     538,384.52     768,546.44     32.477925     -10       9,900.0     4.98     145.87     9,870.8     -558.6     378.6     538,377.34     768,551.31     32.477905     -10	03.596534 03.596519
9,944.8 4.98 145.87 9,915.4 -561.8 380.8 538,374.12 768,553.49 32.477897 -10  FBSG GRID	03.596512
10,000.0     4.98     145.87     9,970.4     -565.7     383.5     538,370.16     768,556.18     32.477886     -10,030.7       10,030.7     4.98     145.87     10,001.0     -568.0     385.0     538,367.95     768,557.67     32.477879     -10	03.596503 03.596498
AEP_TARGET_1BS_GRID           10,100.0         4.98         145.87         10,070.1         -572.9         388.4         538,362.97         768,561.05         32.477866         -10	03.596488
	03.596484
	03.596484
10,150.0 2.84 102.23 10,119.9 -575.6 390.8 538,360.28 768,563.48 32.477858 -10	03.596480
	03.596476
	03.596472
	03.596468 03.596464
	03.596460
	03.596457
	03.596453
	03.596450
AEP_TARGET_2CARB_GRID	
	03.596449
	03.596446
	03.596442 03.596439
	03.596436
	03.596433
	03.596430
	03.596427
	03.596424
	03.596422
	03.596419
	03.596419
<b>SBSG_GRID</b> 10,625.0 56.42 1.43 10,522.2 -362.4 408.7 538,573.48 768,581.39 32.478444 -10	03.596417
	03.596417
	03.596413
	03.596412
AEP_TARGET_2BS_EK_UPR_GRID	
10,700.0 65.41 0.85 10,558.6 -297.0 410.0 538,638.94 768,582.68 32.478624 -1	03.596411
	03.596410
	03.596408
	03.596407
	03.596406
	03.596406 03.596405
	03.596405



Database: AUS-COMPASS - EDM\_15 - 32bit

Company: Ameredev Operating

Project: Hat Mesa
Site: Recknell State Com-

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
Design: PRELIM1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

J									
Planned Surv	ey								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,900.0	89.38	359.62	10,602.0	-103.2	410.7	538,832.70	768,583.37	32.479156	-103.596405
10,905.2	90.00	359.59	10,602.0	-98.0	410.6	538,837.87	768,583.34	32.479171	-103.596405
Start 10	0356.1 hold		MD - FTP (BS						
11,000.0	90.00	359.59	10,602.0	-3.2	410.0	538,932.70	768,582.65	32.479431	-103.596405
11,100.0		359.59	10,602.0	96.8	409.2	539,032.69	768,581.93	32.479706	-103.596405
11,200.0		359.59	10,602.0	196.8	408.5	539,132.69	768,581.21	32.479981	-103.596405
11,300.0		359.59	10,602.0	296.8	407.8	539,232.69	768,580.48	32.480256	-103.596405
11,400.0	90.00	359.59	10,602.0	396.8	407.1	539,332.69	768,579.76	32.480531	-103.596405
11,500.0	90.00	359.59	10,602.0	496.8	406.3	539,432.68	768,579.04	32.480806	-103.596405
11,600.0	90.00	359.59	10,602.0	596.8	405.6	539,532.68	768,578.32	32.481080	-103.596405
11,700.0		359.59	10,602.0	696.8	404.9	539,632.68	768,577.59	32.481355	-103.596405
11,800.0	90.00	359.59	10,602.0	796.8	404.2	539,732.67	768,576.87	32.481630	-103.596406
11,900.0		359.59	10,602.0	896.8	403.4	539,832.67	768,576.15	32.481905	-103.596406
12,000.0		359.59	10,602.0	996.8	402.7	539,932.67	768,575.42	32.482180	-103.596406
12,100.0		359.59	10,602.0	1,096.8	402.0	540,032.67	768,574.70	32.482455	-103.596406
12,200.0		359.59	10,602.0	1,196.8	401.3	540,132.66	768,573.98	32.482730	-103.596406
12,300.0		359.59	10,602.0	1,296.8	400.6	540,232.66	768,573.26	32.483004	-103.596406
12,400.0		359.59	10,602.0	1,396.8	399.8	540,332.66	768,572.53	32.483279	-103.596406
12,500.0		359.59	10,602.0	1,496.8	399.1	540,432.66	768,571.81	32.483554	-103.596406
12,600.0 12,700.0		359.59 359.59	10,602.0 10,602.0	1,596.8 1,696.7	398.4 397.7	540,532.65 540,632.65	768,571.09 768,570.37	32.483829 32.484104	-103.596406
12,700.0		359.59	10,602.0	1,796.7	397.7 396.9	540,732.65	768,569.64	32.484379	-103.596407 -103.596407
12,800.0		359.59	10,602.0	1,796.7	396.9	540,732.65	768,568.92	32.484654	-103.596407
13,000.0		359.59	10,602.0	1,996.7	395.5	540,932.64	768,568.20	32.484929	-103.596407
13,100.0		359.59	10,602.0	2,096.7	394.8	541,032.64	768,567.47	32.485203	-103.596407
13,200.0		359.59	10,602.0	2,196.7	394.1	541,132.64	768,566.75	32.485478	-103.596407
13,300.0		359.59	10,602.0	2,296.7	393.3	541,232.64	768,566.03	32.485753	-103.596407
13,400.0		359.59	10,602.0	2,396.7	392.6	541,332.63	768,565.31	32.486028	-103.596407
13,500.0		359.59	10,602.0	2,496.7	391.9	541,432.63	768,564.58	32.486303	-103.596407
13,600.0	90.00	359.59	10,602.0	2,596.7	391.2	541,532.63	768,563.86	32.486578	-103.596407
13,700.0		359.59	10,602.0	2,696.7	390.4	541,632.63	768,563.14	32.486853	-103.596408
13,800.0	90.00	359.59	10,602.0	2,796.7	389.7	541,732.62	768,562.41	32.487127	-103.596408
13,900.0	90.00	359.59	10,602.0	2,896.7	389.0	541,832.62	768,561.69	32.487402	-103.596408
14,000.0		359.59	10,602.0	2,996.7	388.3	541,932.62	768,560.97	32.487677	-103.596408
14,100.0		359.59	10,602.0	3,096.7	387.5	542,032.61	768,560.25	32.487952	-103.596408
14,200.0	90.00	359.59	10,602.0	3,196.7	386.8	542,132.61	768,559.52	32.488227	-103.596408
14,300.0		359.59	10,602.0	3,296.7	386.1	542,232.61	768,558.80	32.488502	-103.596408
14,400.0		359.59	10,602.0	3,396.7	385.4	542,332.61	768,558.08	32.488777	-103.596408
14,500.0		359.59	10,602.0	3,496.7	384.7	542,432.60	768,557.36	32.489051	-103.596408
14,600.0		359.59	10,602.0	3,596.7	383.9	542,532.60	768,556.63	32.489326	-103.596408
14,700.0		359.59	10,602.0	3,696.7	383.2	542,632.60	768,555.91	32.489601	-103.596409
14,800.0		359.59	10,602.0	3,796.7	382.5	542,732.60	768,555.19	32.489876	-103.596409
14,900.0		359.59	10,602.0	3,896.7	381.8	542,832.59	768,554.46	32.490151	-103.596409 -103.596409
15,000.0		359.59 359.59	10,602.0 10,602.0	3,996.7	381.0	542,932.59	768,553.74 768,553.02	32.490426	
15,100.0 15,200.0		359.59	10,602.0	4,096.7 4,196.7	380.3 379.6	543,032.59 543,132.59	768,552.30	32.490701 32.490976	-103.596409 -103.596409
15,200.0		359.59	10,602.0	4,196.7 4,296.7	379.6 378.9	543,132.59	768,552.50 768,551.57	32.491250	-103.596409
15,400.0		359.59	10,602.0	4,396.7	378.2	543,332.58	768,550.85	32.491525	-103.596409
15,500.0		359.59	10,602.0	4,496.7	377.4	543,432.58	768,550.13	32.491800	-103.596409
15,600.0		359.59	10,602.0	4,596.7	376.7	543,532.58	768,549.41	32.492075	-103.596410
15,700.0		359.59	10,602.0	4,696.7	376.0	543,632.57	768,548.68	32.492350	-103.596410
15,800.0		359.59	10,602.0	4,796.7	375.3	543,732.57	768,547.96	32.492625	-103.596410
15,900.0		359.59	10,602.0	4,896.7	374.5	543,832.57	768,547.24	32.492900	-103.596410
16,000.0	90.00	359.59	10,602.0	4,996.7	373.8	543,932.57	768,546.51	32.493174	-103.596410



Database: AUS-COMPASS - EDM\_15 - 32bit

Company: Ameredev Operating

Project: Hat Mesa

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
Design: PRELIM1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

Planned Surv	ey								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
16,100.0		359.59	10,602.0	5,096.7	373.1	544,032.56	768,545.79	32.493449	-103.596410
16,200.0		359.59	10,602.0	5,196.7	372.4	544,132.56	768,545.07	32.493724	-103.596410
16,300.0		359.59	10,602.0	5,296.7	371.6	544,232.56	768,544.35	32.493999	-103.596410
16,400.0		359.59	10,602.0	5,396.7	370.9	544,332.55	768,543.62	32.494274	-103.596410
16,500.0		359.59	10,602.0	5,496.7	370.2	544,432.55	768,542.90	32.494549	-103.596410
16,600.0		359.59	10,602.0	5,596.6	369.5	544,532.55	768,542.18	32.494824	-103.596411
16,700.0		359.59	10,602.0	5,696.6	368.8	544,632.55	768,541.45	32.495098	-103.596411
16,800.0 16,900.0		359.59 359.59	10,602.0 10,602.0	5,796.6 5,896.6	368.0 367.3	544,732.54 544,832.54	768,540.73 768,540.01	32.495373 32.495648	-103.596411 -103.596411
17,000.0		359.59	10,602.0	5,996.6	366.6	544,932.54	768,539.29	32.495923	-103.596411
17,100.0		359.59	10,602.0	6,096.6	365.9	545,032.54	768,538.56	32.496198	-103.596411
17,200.0		359.59	10,602.0	6,196.6	365.1	545,132.53	768,537.84	32.496473	-103.596411
17,300.0		359.59	10,602.0	6,296.6	364.4	545,232.53	768,537.12	32.496748	-103.596411
17,400.0		359.59	10,602.0	6,396.6	363.7	545,332.53	768,536.40	32.497022	-103.596411
17,500.0		359.59	10,602.0	6,496.6	363.0	545,432.53	768,535.67	32.497297	-103.596411
17,600.0	90.00	359.59	10,602.0	6,596.6	362.3	545,532.52	768,534.95	32.497572	-103.596412
17,700.0	90.00	359.59	10,602.0	6,696.6	361.5	545,632.52	768,534.23	32.497847	-103.596412
17,800.0	90.00	359.59	10,602.0	6,796.6	360.8	545,732.52	768,533.50	32.498122	-103.596412
17,900.0		359.59	10,602.0	6,896.6	360.1	545,832.52	768,532.78	32.498397	-103.596412
18,000.0		359.59	10,602.0	6,996.6	359.4	545,932.51	768,532.06	32.498672	-103.596412
18,100.0		359.59	10,602.0	7,096.6	358.6	546,032.51	768,531.34	32.498947	-103.596412
18,200.0		359.59	10,602.0	7,196.6	357.9	546,132.51	768,530.61	32.499221	-103.596412
18,300.0		359.59	10,602.0	7,296.6	357.2	546,232.51	768,529.89	32.499496	-103.596412
18,400.0		359.59	10,602.0	7,396.6	356.5	546,332.50	768,529.17	32.499771	-103.596412
18,500.0 18,600.0		359.59 359.59	10,602.0 10,602.0	7,496.6 7,596.6	355.7 355.0	546,432.50 546,532.50	768,528.45 768,527.72	32.500046 32.500321	-103.596412 -103.596413
18,700.0		359.59	10,602.0	7,696.6	354.3	546,632.49	768,527.72	32.500521	-103.596413
18,800.0		359.59	10,602.0	7,796.6	353.6	546,732.49	768,526.28	32.500390	-103.596413
18,900.0		359.59	10,602.0	7,896.6	352.9	546,832.49	768,525.55	32.501145	-103.596413
19,000.0		359.59	10,602.0	7,996.6	352.1	546,932.49	768,524.83	32.501420	-103.596413
19,100.0		359.59	10,602.0	8,096.6	351.4	547,032.48	768,524.11	32.501695	-103.596413
19,200.0	90.00	359.59	10,602.0	8,196.6	350.7	547,132.48	768,523.39	32.501970	-103.596413
19,300.0	90.00	359.59	10,602.0	8,296.6	350.0	547,232.48	768,522.66	32.502245	-103.596413
19,400.0	90.00	359.59	10,602.0	8,396.6	349.2	547,332.48	768,521.94	32.502520	-103.596413
19,500.0		359.59	10,602.0	8,496.6	348.5	547,432.47	768,521.22	32.502795	-103.596414
19,600.0		359.59	10,602.0	8,596.6	347.8	547,532.47	768,520.49	32.503069	-103.596414
19,700.0		359.59	10,602.0	8,696.6	347.1	547,632.47	768,519.77	32.503344	-103.596414
19,800.0		359.59	10,602.0	8,796.6	346.4	547,732.47	768,519.05	32.503619	-103.596414
19,900.0		359.59	10,602.0	8,896.6	345.6	547,832.46	768,518.33	32.503894	-103.596414
20,000.0		359.59	10,602.0	8,996.6	344.9	547,932.46	768,517.60	32.504169	-103.596414
20,100.0 20,200.0		359.59 359.59	10,602.0 10,602.0	9,096.6 9,196.6	344.2 343.5	548,032.46	768,516.88	32.504444 32.504719	-103.596414 -103.596414
20,200.0		359.59	10,602.0	9,196.6	343.5	548,132.46 548,232.45	768,516.16 768,515.44	32.504994	-103.596414
20,400.0		359.59	10,602.0	9,396.5	342.0	548,332.45	768,514.71	32.505268	-103.596414
20,500.0		359.59	10,602.0	9,496.5	341.3	548,432.45	768,513.99	32.505543	-103.596415
20,600.0		359.59	10,602.0	9,596.5	340.6	548,532.45	768,513.27	32.505818	-103.596415
20,700.0		359.59	10,602.0	9,696.5	339.8	548,632.44	768,512.54	32.506093	-103.596415
20,800.0		359.59	10,602.0	9,796.5	339.1	548,732.44	768,511.82	32.506368	-103.596415
20,900.0		359.59	10,602.0	9,896.5	338.4	548,832.44	768,511.10	32.506643	-103.596415
21,000.0	90.00	359.59	10,602.0	9,996.5	337.7	548,932.43	768,510.38	32.506918	-103.596415
21,100.0		359.59	10,602.0	10,096.5	337.0	549,032.43	768,509.65	32.507192	-103.596415
21,200.0		359.59	10,602.0	10,196.5	336.2	549,132.43	768,508.93	32.507467	-103.596415
21,261.2		359.59	10,602.0	10,257.7	335.8	549,193.63	768,508.49	32.507635	-103.596415
Start 50	0.0 hold at 2	1261.3 MD	- LTP (BS 822	2H)					





Database: AUS-COMPASS - EDM\_15 - 32bit Ameredev Operating

Project: Ameredev Operating
Hat Mesa

Site: Becknell State Com - C Pad

Well: BECKNELL 21-31-17 STATE COM 822H

Wellbore: OWB
Design: PRELIM1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well BECKNELL 21-31-17 STATE COM 822H

KB=27' @ 3815.0usft KB=27' @ 3815.0usft

Grid

_					
ч	ıan	ne	a S	ur	vev

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
21,300.0 21,311.2		359.59 359.59	10,602.0 10,602.0	10,296.5 10,307.7	335.5 335.4	549,232.43 549,243.63	768,508.21 768,508.13	32.507742 32.507773	-103.596415 -103.596415
TD at 2	21311.2 - BHI	L (BS 822H)							

Design Targets									
Target Name - hit/miss target I - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
LTP (BS 822H) - plan hits target ce - Point	0.00 nter	0.00	10,602.0	10,257.7	335.8	549,193.63	768,508.48	32.507635	-103.596415
FTP (BS 822H) - plan hits target ce - Point	0.00 nter	0.00	10,602.0	-98.0	410.6	538,837.87	768,583.34	32.479171	-103.596405
BHL (BS 822H) - plan hits target ce - Point	0.00 nter	0.00	10,602.0	10,307.7	335.4	549,243.63	768,508.13	32.507773	-103.596415

Formations						
	Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
	1,704.0	1,704.0	RSLR_GRID		0.00	
	2,108.6	2,108.6	SLDO_GRID		0.00	
	3,602.3	3,596.9	TNSL_GRID		0.00	
	4,058.5	4,051.3	CPTN_GRID			
	5,457.9	5,445.5	BLCN_GRID			
	7,272.8	7,253.5	BYCN_GRID			
	8,888.3	8,862.9	BSPG_GRID			
	9,944.8	9,915.4	FBSG_GRID			
	10,030.7	10,001.0	AEP_TARGET_1BS_GRID			
	10,347.5	10,312.1	AEP_TARGET_2CARB_GRID			
	10,602.1	10,509.1	SBSG_GRID			
	10,686.5	10,552.9	AEP_TARGET_2BS_EK_UPR_GRI			

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Cool	+E/-W	Commont
(usit)	(usit)	(usft)	(usft)	Comment
2,000.0	2,000.0	0.0	0.0	Start Build 2.00
2,248.9	2,248.6	-8.9	6.1	Start 7871.8 hold at 2248.9 MD
10,120.7	10,090.7	-574.4	389.4	Start DLS 12.00 TFO -146.18
10,905.2	10,602.0	-98.0	410.6	Start 10356.1 hold at 10905.2 MD
21,261.3	10,602.0	10,257.8	335.8	Start 50.0 hold at 21261.3 MD
21,311.2	10,602.0	10,307.7	335.4	TD at 21311.2



2901 Via Fortuna, Suite 600, Austin, Texas 78746 • Phone 832-672-4700 • Fax 832-672-4609

September 9, 2022

Mr. Paul Kautz, Hobbs District Geologist Energy Minerals Natural Resources Dept. Oil Conservation Division 1625 N. French Dr. Hobbs, New Mexico 88240

Re: Advance Energy Partners Hat Mesa, LLC (OGRID No. 372417)
Proposed Well APDs- Becknell Wells
State Land in Section 17, T21S-R33E
Lea County, New Mexico

Dear Mr. Kautz,

This letter is to confirm that there are no active potash leases within a 1-mile radius of the SHLs of the Becknell 21-33-17 State Com wells in Section 17, Township 21 South, Range 33 East, Lea County, New Mexico.

#### Becknell 21-33-17 State Com Wells:

#### Becknell 21-33-17 State Com #71H

- The surface location is located 2,437 feet from the north line and 700 feet from the west line (Unit E) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 330 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #72H

- The surface location is located 2,437 feet from the north line and 1,700 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,973 feet from the west line (Unit K) of Section 5.

#### Becknell 21-33-17 State Com #73H

- The surface location is located 2,439 feet from the north line and 2,033 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,430 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #91H

■ The surface location is located 2,437 feet from the north line and 760 feet from the west line (Unit E) of Section 17

• The bottom hole location is located 2,589 feet from the south line and 330 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #92H

- The surface location is located 2,437 feet from the north line and 1,640 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,090 feet from the west line (Unit K) of Section 5.

#### Becknell 21-33-17 State Com #93H

- The surface location is located 2,440 feet from the north line and 810 feet from the east line (Unit H) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,430 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #111H

- The surface location is located 2,437 feet from the north line and 1,620 feet from the west line (Unit F) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 1,210 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #113H

- The surface location is located 2,439 feet from the north line and 2,073 feet from the east line (Unit G) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 2,304 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #114H

- The surface location is located 2,440 feet from the north line and 790 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 550 feet from the east line (Unit I) of Section 5.

#### Becknell 21-33-17 State Com #811H

- The surface location is located 2,437 feet from the north line and 800 feet from the west line (Unit E) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,210 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #813H

- The surface location is located 2,439 feet from the north line and 2,133 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,304 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #814H

- The surface location is located 2,440 feet from the north line and 730 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 550 feet from the east line (Unit I) of Section 5.

#### Becknell 21-33-17 State Com #821H

- The surface location is located 2,437 feet from the north line and 720 feet from the west line (Unit E) of Section 17.
- The bottom hole location is located 2,589 feet from the south line and 330 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #822H

- The surface location is located 2,437 feet from the north line and 1,680 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,090 feet from the west line (Unit K) of Section 5.

#### Becknell 21-33-17 State Com #823H

- The surface location is located 2,439 feet from the north line and 2,053 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,430 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #831H

- The surface location is located 2,437 feet from the north line and 780 feet from the west line (Unit E) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 1,210 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #833H

- The surface location is located 2,439 feet from the north line and 2,113 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,304 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #834H

- The surface location is located 2,440 feet from the north line and 750 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 550 feet from the east line (Unit I) of Section 5.

#### Becknell 21-33-17 State Com #911H

• The surface location is located 2,437 feet from the north line and 740 feet from the west line (Unit E) of Section 17

• The bottom hole location is located 2,589 feet from the south line and 430 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #912H

- The surface location is located 2,437 feet from the north line and 1,660 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,190 feet from the west line (Unit K) of Section 5.

#### Becknell 21-33-17 State Com #913H

- The surface location is located 2,440 feet from the north line and 830 feet from the east line (Unit H) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,330 feet from the east line (Unit J) of Section 5.

#### Becknell 21-33-17 State Com #921H

- The surface location is located 2,437 feet from the north line and 1,600 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,310 feet from the west line (Unit L) of Section 5.

#### Becknell 21-33-17 State Com #923H

- The surface location is located 2,439 feet from the north line and 2,093 feet from the east line (Unit G) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 2,204 feet from the east line (Unit J) of Section 5.

#### Boone 21-33-16 State Com #924H

- The surface location is located 2,440 feet from the north line and 770 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 450 feet from the east line (Unit I) of Section 5.

If you have any questions about this letter, please contact me by phone at 737-444-2997 or email at LLaufer@ameredev.com.

Sincerely,

Lizzy Laufer Landman

Advance Energy Partners Hat Mesa, LLC

Email: LLaufer@ameredev.com

#### State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Date:

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: Advance Energy Partners Hat Mesa, LLC OGRID: 372417

II.	<b>Type:</b> ⊠ Original □	Amendment d	ue to 🗆 19.15.27.9.	D(6)(a) NMAC	□ 19.15.27.9.D(	6)(b) NMAC 🗆	Other.
If (	Other, please describe: _						
	Well(s): Provide the forecompleted from a sing					vells proposed to	be drilled or proposed
	Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
	BECKNELL 21-33-17 State Com 072H	30-025-	F-17-21S-33E	2437' FNL & 1700' FWL	1000	1600	3300
	BECKNELL 21-33-17 State Com 092H	30-025-	F-17-21S-33E	2437' FNL & 1640' FWL	1000	1600	3300
	BECKNELL 21-33-17 State Com 111H	30-025-	F-17-21S-33E	2437' FNL & 1620' FWL	1000	1600	3300
	BECKNELL 21-33-17 State Com 822H	30-025-	F-17-21S-33E	2437' FNL & 1680' FWL	1000	1600	3300
	BECKNELL 21-33-17 State Com 912H	30-025-	F-17-21S-33E	2437' FNL & 1660' FWL	1000	1600	3300
	BECKNELL 21-33-17 State Com 921H	30-025-	F-17-21S-33E	2437' FNL &	1000	1600	3300

IV. Central Delivery Point Name:	[See 19.15.27.9(D)(1) NMAC]
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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	Completion	Initial Flow	First Production
		_	Date	Commencement Date	Back Date	Date
BECKNELL 21-33-17	30-025-	4/5/2023	4/25/2023	8/21/2022	10/11/2022	10/14/2022
State Com 072H						
DE STOLET 1 01 00 15	20.025	ć (1 0 /0 0 0 0	6/20/2022	0/24/2002	10/11/2000	10/11/0000
BECKNELL 21-33-17	30-025-	6/10/2023	6/30/2023	8/21/2022	10/11/2022	10/14/2022
State Com 092H						
BECKNELL 21-33-17	30-025-	7/2/2023	7/22/2023	8/21/2022	10/11/2022	10/14/2022
State Com 111H						
BECKNELL 21-33-17	30-025-	4/27/2023	5/17/2023	8/21/2022	10/11/2022	10/14/2022
State Com 822H						
BECKNELL 21-33-17	30-025-	5/19/2023	6/8/2023	8/21/2022	10/11/2022	10/14/2022
State Com 912H						
BECKNELL 21-33-17	30-025-	7/24/2023	8/13/2023	8/21/2022	10/11/2022	10/14/2022
State Com 921H						

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.

#### Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☑ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

#### IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF	

#### X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. $\square$ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural	gas gathering system $\square$	will □ will not have	capacity to gather	100% of the anticipated	natural gas
production volume from the well	prior to the date of first p	production.			

XIII. Line Pressure. Operator $\square$ does $\square$ does not anticipate that its existing well(s) connected to the same segment	, or portion	, of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused b	y the new w	rell(s).

			manage						

XIV. Confidentiality: $\Box$ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information providence.	ided in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific infor	mation
for which confidentiality is asserted and the basis for such assertion.	

(i)

## Section 3 - Certifications <u>Effective May 25, 2021</u>

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) **(b)** power generation for grid; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and (h)

#### **Section 4 - Notices**

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

- (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: Dayeed Khan
Printed Name: Dayeed Khan
Title: Engineer
E-mail Address: dkhan@ameredev.com
Date: 08/23/2022
Phone: 737-300-4735
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

#### **Natural Gas Management Plan**

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

- Separation equipment is sized to allow for retention time and velocity to adequately separate oil, gas, and water at anticipated peak rates.
- All central tank battery equipment is designed to efficiently capture the remaining gas from the liquid phase.
- Valves and meters are designed to service without flow interruption or venting of gas.

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

#### 19.15.27.8 (A)

Advanced Energy Partners field operations are designed with the goal of minimizing flaring and preventing venting of natural gas. If capturing the gas is not possible then the gas is combusted/flared using properly sized flares or combustors in accordance with state air permit rules.

#### 19.15.27.8 (B) Venting and Flaring during drilling operations

- A properly-sized flare stack will be located at a minimum 100' from the nearest surface hole location on the pad.
- All natural gas produced during drilling operations will be flared. Venting will only occur if there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment.

#### 19.15.27.8 (C) Venting and Flaring during completions or recompletions operations.

- During all phases of flowback, wells will flow through a sand separator, or other appropriate flowback separation equipment, and the well stream will be directed to a central tank battery (CTB) through properly sized flowlines
- The CTB will have properly sized separation equipment for maximum anticipated flowrates
- Multiple stages of separation will be used to separate gas from liquids. All gas will be routed to a sales outlet. Fluids will be routed to tanks equipped with a closed loop system that will recover any residual gas from the tanks and route such gas to a sales outlet.

#### 19.15.27.8 (D) Venting and Flaring during production operations.

• During production, the well stream will be routed to the CTB where multiple stages of separation will separate gas from liquids. All gas will be routed to a sales outlet. Fluids will be routed to tanks with a closed

loop system that will recover any residual gas from the tanks and route such gas to a sales outlet, minimizing tank emissions.

- Flares are equipped with auto-ignition systems and continuous pilot operations.
- Automatic gauging equipment is installed on all tanks.

#### 19.15.27.8 (E) Performance Standards

- Production equipment will be designed to handle maximum anticipated rates and pressure.
- Automatic gauging equipment is installed on all tanks to minimize venting
- All flared gas will be combusted in a flare stack that is properly sized and designed to ensure proper combustion.
- •Flares are equipped with continuous pilots and auto-ignitors along with remote monitoring of the pilot status
- Weekly AVOs and monthly LDAR inspections will be performed on all wells and facilities that produce more than 60 Mcfd.
- Gas/H2S detectors will be installed throughout the facilities and wellheads to detect leaks and enable timely repairs.

#### 19.15.27.8 (F) Measurement or estimation of vented and flared natural gas

- All high pressure flared gas is measured by equipment conforming to API 14.10.
- No meter bypasses are installed.
- When metering is not practical due to low pressure/low rate, the vented or flared volume will be estimated through flare flow curves with the assistance of air emissions consultants, as necessary.

## VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

- Advanced Energy Partners will use best management practices to vent as minimally as possible during well intervention operations and downhole well maintenance
- All natural gas is routed into the gas gathering system and directed to one of Advanced Energy Partners multiple gas sales outlets.
- All venting events will be recorded and all start-up, shutdown, maintenance logs will be kept for control equipment
- All control equipment will be maintained to provide highest run-time possible
- All procedures are drafted to keep venting and flaring to the absolute minimum