

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) 476-3470 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 341175

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

1. Operator Name and Address MARSHALL & WINSTON INC P.O. Box 50880 Midland, TX 79710		2. OGRID Number 14187
		3. API Number 30-025-51634
4. Property Code 39736	5. Property Name LOCO DINERO 36 STATE COM	6. Well No. 033H

7. Surface Location

UL - Lot C	Section 36	Township 21S	Range 33E	Lot Idn C	Feet From 200	N/S Line N	Feet From 2270	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot N	Section 36	Township 21S	Range 33E	Lot Idn N	Feet From 41	N/S Line S	Feet From 1990	E/W Line W	County Lea
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9. Pool Information

WC-025 G-06 S213326D;BONE SPRING	97929
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3658
16. Multiple N	17. Proposed Depth 16951	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date 7/1/2023
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

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1805	1550	0
Int1	12.25	9.625	40	5305	1300	0
Prod	8.75	5.5	20	16951	2490	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Sherry Roberts	Approved By: Paul F Kautz	
Title: Operations Secretary	Title: Geologist	
Email Address: sroberts@mar-win.com	Approved Date: 6/21/2023	Expiration Date: 6/21/2025
Date: 5/30/2023	Phone: 432-684-6373	Conditions of Approval Attached

DISTRICT I1625 N. FRANKLIN DR., BOHNS, NM 86240
Phone: (505) 898-4161 Fax: (505) 898-0780**DISTRICT II**511 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 746-1253 Fax: (505) 746-0720**DISTRICT III**1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 834-6178 Fax: (505) 834-6170**DISTRICT IV**1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3480 Fax: (505) 478-3483

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025-	97929	WC-025 G-06 S213326D; BONE SPRING
Property Code	Property Name	Well Number
	LOCO DINERO 36 STATE COM	33H
OGRID No.	Operator Name	Elevation
14187	MARSHALL & WINSTON, INC.	3658.4'

Surface Location

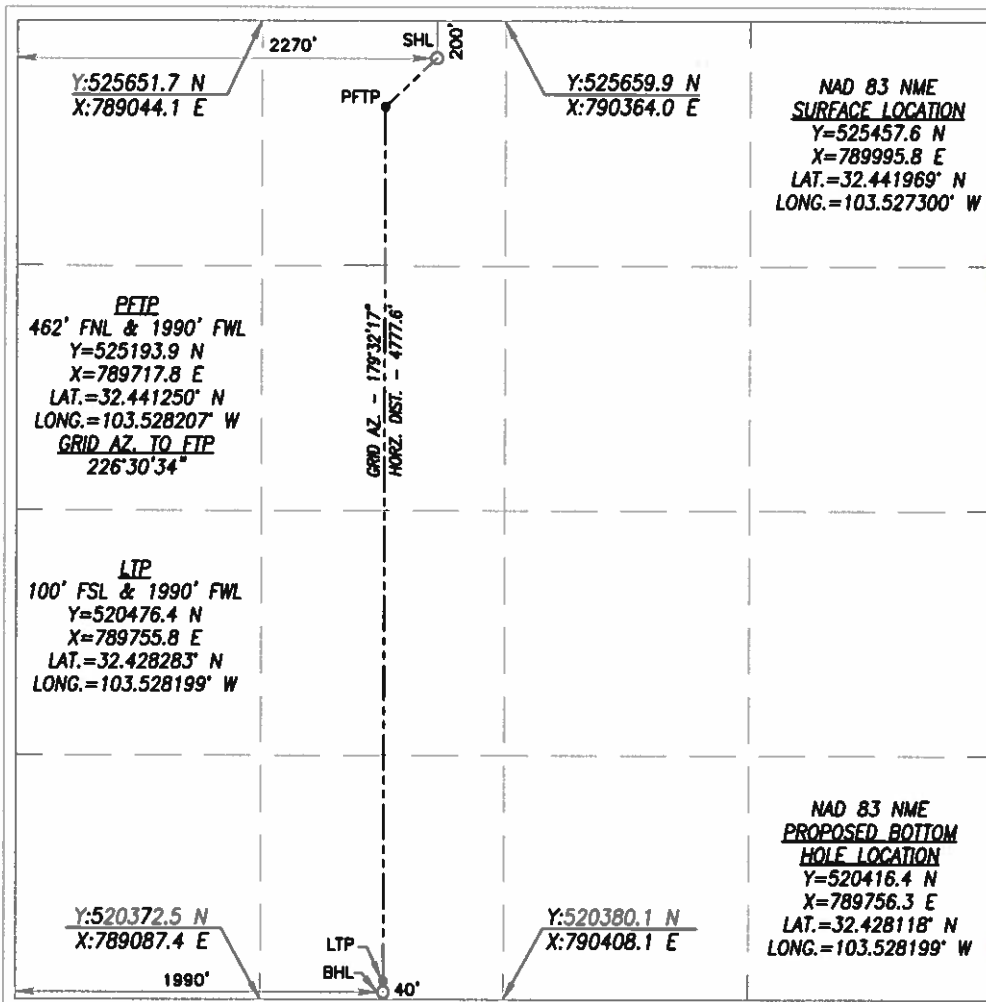
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	21-S	33-E		200	NORTH	2270	WEST	LEA

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
N	36	21-S	33-E		40	SOUTH	1990	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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

**OPERATOR CERTIFICATION**

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.

Signature: Todd Passmore Date: 05/26/23
Printed Name: Todd Passmore
E-mail Address: tpassmore@mar-win.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MAY 2, 2023
Date of Survey

Signature & Seal of Professional Surveyor

LUIS E. LANDAVERDE
NEW MEXICO
26407
PROFESSIONAL SURVEYOR

Signature: Luis Landa Verde Date: 5/3/23
Certificate No. LUIS LANDAVERDE 26407
W.O. # 23-255 DRAWN BY: TS

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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

Form APD Conditions

Permit 341175

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: MARSHALL & WINSTON INC [14187] P.O. Box 50880 Midland, TX 79710	API Number: 30-025-51634
	Well: LOCO DINERO 36 STATE COM #033H

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 CIRCULATE ON ALL STRINGS
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud

Marshall & Winston, Inc.

Loco Dinero 36 State Com #33H
Lea County, NM (NAD83 NME)
Job No. WT-23-**-
Lateral 1r0



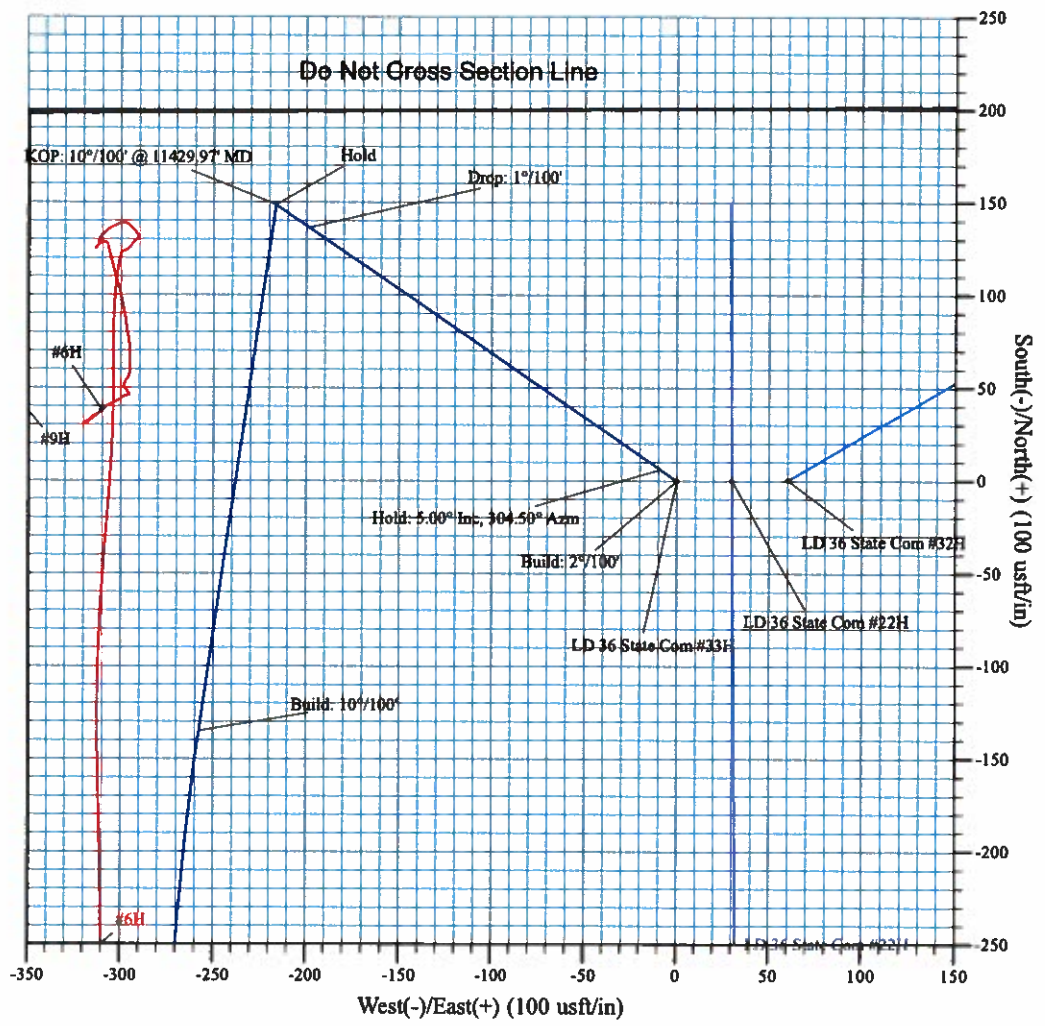
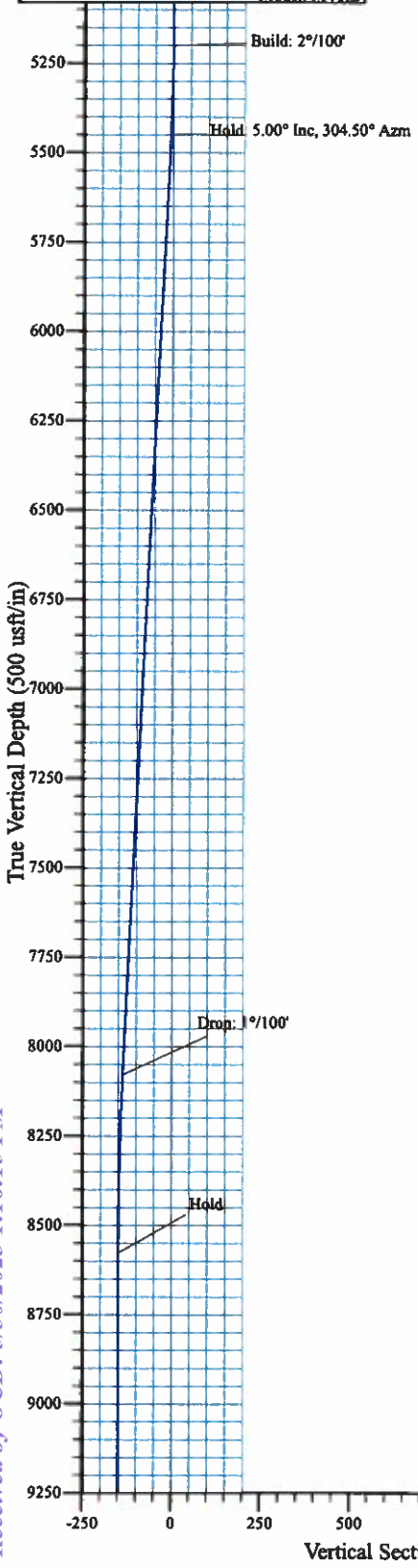
T

G

M

Azimuths to Grid North
True North: -0.43°
Magnetic North: 5.82°

Magnetic Field
Strength: 47660.5nT
Dip Angle: 60.10°
Date: 7/4/2023
Model: MVHD



SECTION DETAILS										Annotation
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	
1	0.00	0.00	0.00	0.00	0.00	0.00	0.000	0.00	0.00	
2	5200.00	0.00	0.00	5200.00	0.00	0.00	0.000	0.00	0.00	Build: 2°/100'
3	5449.85	5.00	304.50	5449.53	6.17	-8.97	2.000	304.50	-6.24	Hold: 5.00° Inc, 304.50° Azm
4	8088.28	5.00	304.50	8077.93	136.34	-198.37	0.000	0.00	-137.92	Drop: 1°/100'
5	8587.98	0.00	0.00	8577.00	148.67	-216.32	1.000	180.00	-150.40	Hold
6	11429.97	0.00	0.00	11418.99	148.67	-216.32	0.000	0.00	-150.40	KOP: 10°/100' @ 11429.97' MD
7	12029.97	60.00	188.30	11915.19	-134.81	-257.68	10.000	188.30	132.74	Build: 10°/100'
8	12341.34	90.00	179.54	11995.00	-431.24	-276.36	10.000	-17.12	429.01	LP/Hold: 90.00° Inc, 179.54° Azm
9	16951.45	90.00	179.54	11995.00	-5041.20	-239.50	0.000	0.00	5039.11	PBHL

DESIGN TARGET DETAILS							
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
BHL - Loco Dinero 36 State Com #33H	11995.00	-5041.20	-239.50	520416.40	789756.30	32.42812	-103.52820
FTP - Loco Dinero 36 State Com #33H	11995.00	-263.70	-278.00	525193.90	789717.80	32.44125	-103.52821
LTP - Loco Dinero 36 State Com #33H	11995.00	-4981.20	-240.00	520476.40	789755.80	32.42828	-103.52820

PROJECT DETAILS: Lea County, NM (NAD83 NME)	
Geodetic System:	US State Plane 1983
Datum:	North American Datum 1983
Ellipsoid:	GRS 1980
Zone:	New Mexico Eastern Zone
System Datum:	Mean Sea Level

SITE DETAILS: Loco Dinero 36 State Com #33H	
Site Centre Northing:	525457.60
Easting:	789995.80
Positional Uncertainty:	0.00
Convergence:	0.43
Local North:	Grid



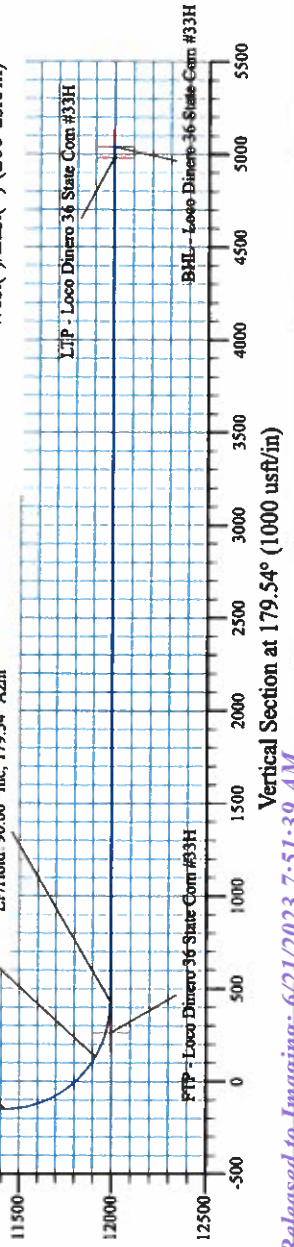
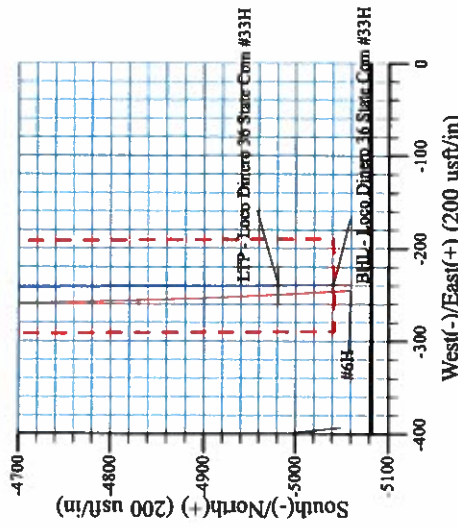
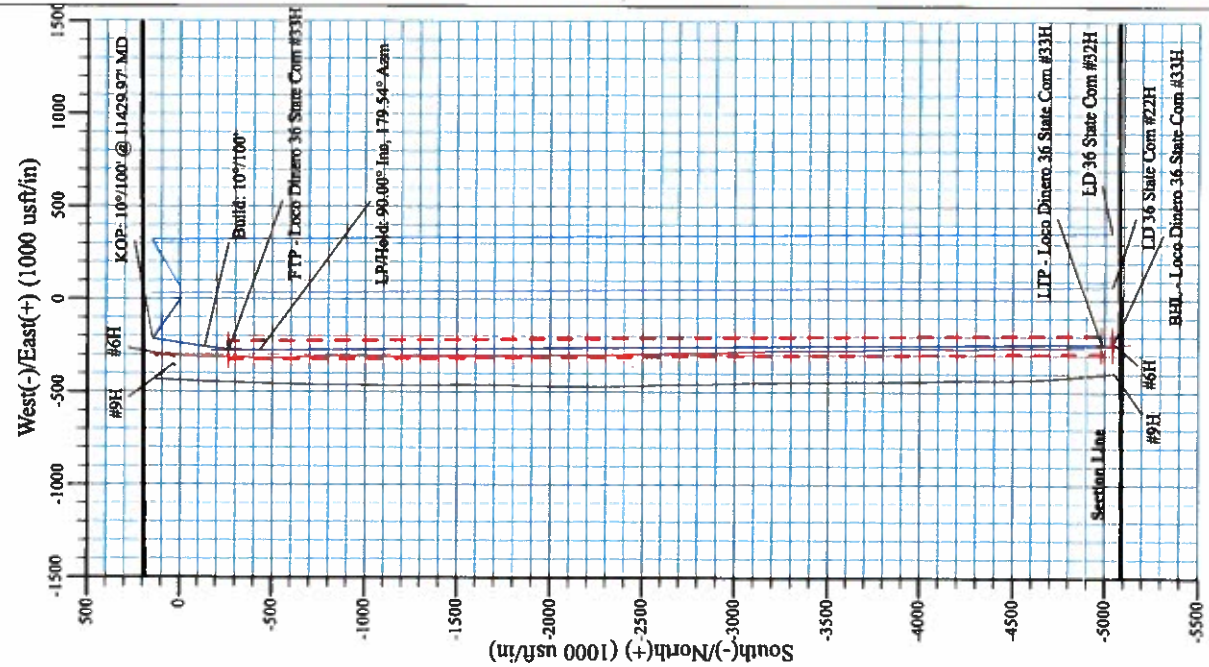
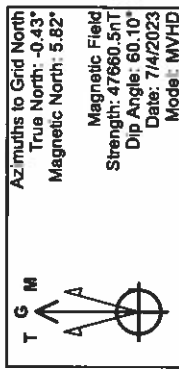
Loco Dinero 36 State Com #33H
Lea County, NM (NAD83 NME)
Job No. WT-23-***
Lateral 1r0

SECTION DETAILS									
Sec	MD	Inc	Azi	TVDD	+N/-S	+E/-W	Dleg	TFace	VSet
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	5200.00	0.00	0.00	5200.00	0.00	0.00	0.00	0.00	0.00
3	5449.85	5.00	304.50	5449.53	6.17	-8.97	2.000	304.50	-6.24
4	8088.28	5.00	304.50	8077.93	136.34	-198.37	0.000	0.00	-137.92
5	8587.98	0.00	0.00	8577.00	148.67	-216.32	1.000	180.00	-150.40
6	11429.97	0.00	0.00	11418.99	148.67	-216.32	0.000	0.00	-150.40
7	12029.97	60.00	188.30	11915.19	-134.81	-257.68	10.000	188.30	132.74
8	12341.34	90.00	179.54	11995.00	-431.24	-276.36	10.000	-17.12	429.01
9	16951.45	90.00	179.54	11995.00	-5041.20	-239.50	0.000	0.00	5039.11

DESIGN TARGET DETAILS									
Name	TVDD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude		
BHL - Loco Dinero 36 State Com #33H	11995.00	-5041.20	-239.50	520416.40	789756.30	32.42812	-103.52820		
FTP - Loco Dinero 36 State Com #33H	11995.00	-263.70	-278.00	525193.90	789717.80	32.44125	-103.52821		
LTP - Loco Dinero 36 State Com #33H	11995.00	-4981.20	-240.00	520476.40	789755.80	32.42828	-103.52820		

PROJECT DETAILS: Lea County, NM (NAD83 NME)
Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level

SITE DETAILS: Loco Dinero 36 State Com #33H
Site Centre Northing: 525457.60
Easting: 789995.80
Positional Uncertainty: 0.00
Convergence: 0.43
Local North: Grid



Marshall & Winston, Inc.

**Lea County, NM (NAD83 NME)
Loco Dinero 36 State Com #33H
LD 36 State Com #33H**

OH

Plan: Lateral 1r0

Standard Planning Report

16 May, 2023

Aim Directional Services Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

Project	Lea County, NM (NAD83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Loco Dinero 36 State Com #33H			
Site Position:		Northing:	525,457.60 usft	Latitude: 32.44197
From:	Map	Easting:	789,995.80 usft	Longitude: -103.52730
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	

Well	LD 36 State Com #33H			
Well Position	+N/-S	0.00 usft	Northing:	525,457.60 usft
	+E/-W	0.00 usft	Easting:	789,995.80 usft
Position Uncertainty	0.00 usft		Wellhead Elevation:	usft
Grid Convergence:	0.43 *		Ground Level:	3,658.40 usft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	MVHD	7/4/2023	6.25	60.10	47,660.47057399

Design	Lateral 1r0			
Audit Notes:				
Version:		Phase:	PROTOTYPE	Tie On Depth: 0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	179.54

Plan Survey Tool Program	Date 5/16/2023			
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	16,951.36 Lateral 1r0 (OH)	MWD+HDGM OWSG MWD + HDGM	

Aim Directional Services Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

Plan Sections										
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	0.000	0.000	0.000	0.00	
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.000	0.000	0.000	0.00	
5,449.85	5.00	304.50	5,449.53	6.17	-8.97	2.000	2.000	0.000	304.50	
8,088.28	5.00	304.50	8,077.93	136.34	-198.37	0.000	0.000	0.000	0.00	
8,587.98	0.00	0.01	8,577.00	148.67	-216.32	1.000	-1.000	0.000	180.00	
11,429.97	0.00	0.01	11,418.99	148.67	-216.32	0.000	0.000	0.000	0.01	
12,029.97	60.00	188.30	11,915.19	-134.81	-257.68	10.000	10.000	0.000	188.30	
12,341.35	90.00	179.54	11,995.00	-431.24	-276.36	10.000	9.635	-2.813	-17.12	
16,951.45	90.00	179.54	11,995.00	-5,041.20	-239.50	0.000	0.000	0.000	0.00	BHL - Loco Dinero :

Aim Directional Services Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

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	0.000	0.000	0.000
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.000	0.000	0.000
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.000	0.000	0.000
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.000	0.000	0.000
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.000	0.000	0.000
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.000	0.000	0.000
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.000	0.000	0.000
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.000	0.000	0.000
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.000	0.000	0.000
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.000	0.000	0.000
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.000	0.000	0.000
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.000	0.000	0.000
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.000	0.000	0.000
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.000	0.000	0.000
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.000	0.000	0.000
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.000	0.000	0.000
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.000	0.000	0.000
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.000	0.000	0.000
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.000	0.000	0.000
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.000	0.000	0.000
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.000	0.000	0.000
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.000	0.000	0.000
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.000	0.000	0.000
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.000	0.000	0.000
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.000	0.000	0.000
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.000	0.000	0.000
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.000	0.000	0.000
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.000	0.000	0.000
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.000	0.000	0.000
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.000	0.000	0.000
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.000	0.000	0.000
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.000	0.000	0.000
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.000	0.000	0.000
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.000	0.000	0.000
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.000	0.000	0.000
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.000	0.000	0.000
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.000	0.000	0.000
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.000	0.000	0.000
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.000	0.000	0.000
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.000	0.000	0.000
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.000	0.000	0.000
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.000	0.000	0.000
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.000	0.000	0.000
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.000	0.000	0.000
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.000	0.000	0.000
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.000	0.000	0.000
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.000	0.000	0.000
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.000	0.000	0.000
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.000	0.000	0.000
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.000	0.000	0.000
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.000	0.000	0.000
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.000	0.000	0.000
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.000	0.000	0.000
Build: 2°/100'									

Aim Directional Services Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

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)
5,300.00	2.00	304.50	5,299.98	0.99	-1.44	-1.00	2.000	2.000	0.000
5,400.00	4.00	304.50	5,399.84	3.95	-5.75	-4.00	2.000	2.000	0.000
5,449.85	5.00	304.50	5,449.53	6.17	-8.97	-6.24	2.000	2.000	0.000
Hold: 5.00° Inc, 304.50° Azm									
5,500.00	5.00	304.50	5,499.49	8.64	-12.57	-8.74	0.000	0.000	0.000
5,600.00	5.00	304.50	5,599.11	13.57	-19.75	-13.73	0.000	0.000	0.000
5,700.00	5.00	304.50	5,698.73	18.51	-26.93	-18.72	0.000	0.000	0.000
5,800.00	5.00	304.50	5,798.35	23.44	-34.11	-23.72	0.000	0.000	0.000
5,900.00	5.00	304.50	5,897.97	28.38	-41.29	-28.71	0.000	0.000	0.000
6,000.00	5.00	304.50	5,997.59	33.31	-48.47	-33.70	0.000	0.000	0.000
6,100.00	5.00	304.50	6,097.21	38.24	-55.64	-38.69	0.000	0.000	0.000
6,200.00	5.00	304.50	6,196.83	43.18	-62.82	-43.68	0.000	0.000	0.000
6,300.00	5.00	304.50	6,296.45	48.11	-70.00	-48.67	0.000	0.000	0.000
6,400.00	5.00	304.50	6,396.07	53.04	-77.18	-53.66	0.000	0.000	0.000
6,500.00	5.00	304.50	6,495.69	57.98	-84.36	-58.65	0.000	0.000	0.000
6,600.00	5.00	304.50	6,595.31	62.91	-91.54	-63.64	0.000	0.000	0.000
6,700.00	5.00	304.50	6,694.93	67.84	-98.72	-68.63	0.000	0.000	0.000
6,800.00	5.00	304.50	6,794.55	72.78	-105.89	-73.63	0.000	0.000	0.000
6,900.00	5.00	304.50	6,894.17	77.71	-113.07	-78.62	0.000	0.000	0.000
7,000.00	5.00	304.50	6,993.79	82.64	-120.25	-83.61	0.000	0.000	0.000
7,100.00	5.00	304.50	7,093.41	87.58	-127.43	-88.60	0.000	0.000	0.000
7,200.00	5.00	304.50	7,193.03	92.51	-134.61	-93.59	0.000	0.000	0.000
7,300.00	5.00	304.50	7,292.65	97.45	-141.79	-98.58	0.000	0.000	0.000
7,400.00	5.00	304.50	7,392.27	102.38	-148.97	-103.57	0.000	0.000	0.000
7,500.00	5.00	304.50	7,491.89	107.31	-156.14	-108.56	0.000	0.000	0.000
7,600.00	5.00	304.50	7,591.51	112.25	-163.32	-113.55	0.000	0.000	0.000
7,700.00	5.00	304.50	7,691.13	117.18	-170.50	-118.54	0.000	0.000	0.000
7,800.00	5.00	304.50	7,790.75	122.11	-177.68	-123.54	0.000	0.000	0.000
7,900.00	5.00	304.50	7,890.37	127.05	-184.86	-128.53	0.000	0.000	0.000
8,000.00	5.00	304.50	7,989.99	131.98	-192.04	-133.52	0.000	0.000	0.000
8,088.28	5.00	304.50	8,077.94	136.34	-198.37	-137.92	0.000	0.000	0.000
Drop: 1°/100'									
8,100.00	4.88	304.50	8,089.61	136.91	-199.20	-138.50	1.000	-1.000	0.000
8,200.00	3.88	304.50	8,189.32	141.23	-205.50	-142.88	1.000	-1.000	0.000
8,300.00	2.88	304.50	8,289.14	144.57	-210.36	-146.26	1.000	-1.000	0.000
8,400.00	1.88	304.50	8,389.06	146.92	-213.78	-148.64	1.000	-1.000	0.000
8,500.00	0.88	304.50	8,489.03	148.29	-215.76	-150.01	1.000	-1.000	0.000
8,587.98	0.00	0.01	8,577.00	148.67	-216.32	-150.40	1.000	-1.000	0.000
Hold									
8,600.00	0.00	0.00	8,589.02	148.67	-216.32	-150.40	0.000	0.000	0.000
8,700.00	0.00	0.00	8,689.02	148.67	-216.32	-150.40	0.000	0.000	0.000
8,800.00	0.00	0.00	8,789.02	148.67	-216.32	-150.40	0.000	0.000	0.000
8,900.00	0.00	0.00	8,889.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,000.00	0.00	0.00	8,989.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,100.00	0.00	0.00	9,089.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,200.00	0.00	0.00	9,189.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,300.00	0.00	0.00	9,289.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,400.00	0.00	0.00	9,389.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,500.00	0.00	0.00	9,489.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,600.00	0.00	0.00	9,589.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,700.00	0.00	0.00	9,689.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,800.00	0.00	0.00	9,789.02	148.67	-216.32	-150.40	0.000	0.000	0.000
9,900.00	0.00	0.00	9,889.02	148.67	-216.32	-150.40	0.000	0.000	0.000

Aim Directional Services Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

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)
10,000.00	0.00	0.00	9,989.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,100.00	0.00	0.00	10,089.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,200.00	0.00	0.00	10,189.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,300.00	0.00	0.00	10,289.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,400.00	0.00	0.00	10,389.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,500.00	0.00	0.00	10,489.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,600.00	0.00	0.00	10,589.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,700.00	0.00	0.00	10,689.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,800.00	0.00	0.00	10,789.02	148.67	-216.32	-150.40	0.000	0.000	0.000
10,900.00	0.00	0.00	10,889.02	148.67	-216.32	-150.40	0.000	0.000	0.000
11,000.00	0.00	0.00	10,989.02	148.67	-216.32	-150.40	0.000	0.000	0.000
11,100.00	0.00	0.00	11,089.02	148.67	-216.32	-150.40	0.000	0.000	0.000
11,200.00	0.00	0.00	11,189.02	148.67	-216.32	-150.40	0.000	0.000	0.000
11,300.00	0.00	0.00	11,289.02	148.67	-216.32	-150.40	0.000	0.000	0.000
11,400.00	0.00	0.00	11,389.02	148.67	-216.32	-150.40	0.000	0.000	0.000
11,429.97	0.00	0.00	11,418.99	148.67	-216.32	-150.40	0.000	0.000	0.000
KOP: 10°/100' @ 11429.97' MD									
11,450.00	2.00	188.30	11,439.02	148.32	-216.37	-150.06	10.001	10.001	0.000
11,500.00	7.00	188.30	11,488.85	144.44	-216.94	-146.18	10.000	10.000	0.000
11,550.00	12.00	188.30	11,538.15	136.27	-218.13	-138.02	10.000	10.000	0.000
11,600.00	17.00	188.30	11,586.54	123.89	-219.94	-125.65	10.000	10.000	0.000
11,650.00	22.00	188.30	11,633.65	107.37	-222.34	-109.16	10.000	10.000	0.000
11,700.00	27.00	188.30	11,679.14	86.86	-225.34	-88.67	10.000	10.000	0.000
11,750.00	32.00	188.30	11,722.64	62.50	-228.89	-64.34	10.000	10.000	0.000
11,800.00	37.00	188.30	11,763.83	34.49	-232.98	-36.36	10.000	10.000	0.000
11,850.00	42.00	188.30	11,802.40	3.02	-237.57	-4.93	10.000	10.000	0.000
11,900.00	47.00	188.30	11,838.05	-31.65	-242.63	29.70	10.000	10.000	0.000
11,950.00	52.00	188.30	11,870.51	-69.26	-248.11	67.26	10.000	10.000	0.000
12,000.00	57.00	188.30	11,899.53	-109.53	-253.99	107.48	10.000	10.000	0.000
12,029.97	60.00	188.30	11,915.19	-134.81	-257.68	132.74	9.999	9.999	0.000
Build: 10°/100'									
12,050.00	61.92	187.63	11,924.91	-152.15	-260.10	150.06	10.001	9.566	-3.337
12,100.00	66.71	186.06	11,946.58	-196.88	-265.46	194.74	10.000	9.591	-3.143
12,150.00	71.52	184.60	11,964.40	-243.38	-269.79	241.20	10.000	9.620	-2.924
12,200.00	76.34	183.22	11,978.23	-291.30	-273.05	289.09	10.000	9.641	-2.764
12,250.00	81.17	181.89	11,987.98	-340.27	-275.23	338.05	10.000	9.656	-2.653
12,300.00	86.00	180.60	11,993.56	-389.93	-276.31	387.70	10.000	9.665	-2.584
12,341.34	90.00	179.54	11,995.00	-431.24	-276.36	429.00	10.000	9.669	-2.554
LP/Hold: 90.00° Inc, 179.54° Azm									
12,400.00	90.00	179.54	11,995.00	-489.89	-275.89	487.66	0.001	0.001	0.000
12,500.00	90.00	179.54	11,995.00	-589.89	-275.09	587.66	0.000	0.000	0.000
12,600.00	90.00	179.54	11,995.00	-689.89	-274.29	687.66	0.000	0.000	0.000
12,700.00	90.00	179.54	11,995.00	-789.89	-273.49	787.66	0.000	0.000	0.000
12,800.00	90.00	179.54	11,995.00	-889.88	-272.69	887.66	0.000	0.000	0.000
12,900.00	90.00	179.54	11,995.00	-989.88	-271.89	987.66	0.000	0.000	0.000
13,000.00	90.00	179.54	11,995.00	-1,089.88	-271.09	1,087.66	0.000	0.000	0.000
13,100.00	90.00	179.54	11,995.00	-1,189.87	-270.29	1,187.66	0.000	0.000	0.000
13,200.00	90.00	179.54	11,995.00	-1,289.87	-269.49	1,287.66	0.000	0.000	0.000
13,300.00	90.00	179.54	11,995.00	-1,389.87	-268.69	1,387.66	0.000	0.000	0.000
13,400.00	90.00	179.54	11,995.00	-1,489.86	-267.89	1,487.66	0.000	0.000	0.000
13,500.00	90.00	179.54	11,995.00	-1,589.86	-267.09	1,587.66	0.000	0.000	0.000
13,600.00	90.00	179.54	11,995.00	-1,689.86	-266.29	1,687.66	0.000	0.000	0.000
13,700.00	90.00	179.54	11,995.00	-1,789.85	-265.49	1,787.66	0.000	0.000	0.000

Aim Directional Services Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

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)
13,800.00	90.00	179.54	11,995.00	-1,889.85	-264.69	1,887.66	0.000	0.000	0.000
13,900.00	90.00	179.54	11,995.00	-1,989.85	-263.90	1,987.66	0.000	0.000	0.000
14,000.00	90.00	179.54	11,995.00	-2,089.84	-263.10	2,087.66	0.000	0.000	0.000
14,100.00	90.00	179.54	11,995.00	-2,189.84	-262.30	2,187.66	0.000	0.000	0.000
14,200.00	90.00	179.54	11,995.00	-2,289.84	-261.50	2,287.66	0.000	0.000	0.000
14,300.00	90.00	179.54	11,995.00	-2,389.83	-260.70	2,387.66	0.000	0.000	0.000
14,400.00	90.00	179.54	11,995.00	-2,489.83	-259.90	2,487.66	0.000	0.000	0.000
14,500.00	90.00	179.54	11,995.00	-2,589.83	-259.10	2,587.66	0.000	0.000	0.000
14,600.00	90.00	179.54	11,995.00	-2,689.82	-258.30	2,687.66	0.000	0.000	0.000
14,700.00	90.00	179.54	11,995.00	-2,789.82	-257.50	2,787.66	0.000	0.000	0.000
14,800.00	90.00	179.54	11,995.00	-2,889.82	-256.70	2,887.66	0.000	0.000	0.000
14,900.00	90.00	179.54	11,995.00	-2,989.82	-255.90	2,987.66	0.000	0.000	0.000
15,000.00	90.00	179.54	11,995.00	-3,089.81	-255.10	3,087.66	0.000	0.000	0.000
15,100.00	90.00	179.54	11,995.00	-3,189.81	-254.30	3,187.66	0.000	0.000	0.000
15,200.00	90.00	179.54	11,995.00	-3,289.81	-253.50	3,287.66	0.000	0.000	0.000
15,300.00	90.00	179.54	11,995.00	-3,389.80	-252.70	3,387.66	0.000	0.000	0.000
15,400.00	90.00	179.54	11,995.00	-3,489.80	-251.90	3,487.66	0.000	0.000	0.000
15,500.00	90.00	179.54	11,995.00	-3,589.80	-251.10	3,587.66	0.000	0.000	0.000
15,600.00	90.00	179.54	11,995.00	-3,689.79	-250.30	3,687.66	0.000	0.000	0.000
15,700.00	90.00	179.54	11,995.00	-3,789.79	-249.50	3,787.66	0.000	0.000	0.000
15,800.00	90.00	179.54	11,995.00	-3,889.79	-248.71	3,887.66	0.000	0.000	0.000
15,900.00	90.00	179.54	11,995.00	-3,989.78	-247.91	3,987.66	0.000	0.000	0.000
16,000.00	90.00	179.54	11,995.00	-4,089.78	-247.11	4,087.66	0.000	0.000	0.000
16,100.00	90.00	179.54	11,995.00	-4,189.78	-246.31	4,187.66	0.000	0.000	0.000
16,200.00	90.00	179.54	11,995.00	-4,289.77	-245.51	4,287.66	0.000	0.000	0.000
16,300.00	90.00	179.54	11,995.00	-4,389.77	-244.71	4,387.66	0.000	0.000	0.000
16,400.00	90.00	179.54	11,995.00	-4,489.77	-243.91	4,487.66	0.000	0.000	0.000
16,500.00	90.00	179.54	11,995.00	-4,589.76	-243.11	4,587.66	0.000	0.000	0.000
16,600.00	90.00	179.54	11,995.00	-4,689.76	-242.31	4,687.66	0.000	0.000	0.000
16,700.00	90.00	179.54	11,995.00	-4,789.76	-241.51	4,787.66	0.000	0.000	0.000
16,800.00	90.00	179.54	11,995.00	-4,889.75	-240.71	4,887.66	0.000	0.000	0.000
16,900.00	90.00	179.54	11,995.00	-4,989.75	-239.91	4,987.66	0.000	0.000	0.000
16,951.45	90.00	179.54	11,995.00	-5,041.20	-239.50	5,039.11	0.000	0.000	0.000
PBHL									

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
LTP - Loco Dinero 36 - hit/miss target - Shape - Point	0.00	0.00	11,995.00	-4,981.20	-240.00	520,476.40	789,755.80	32.42828	-103.52820
- plan misses target center by 0.02usft at 16891.45usft MD (11995.00 TVD, -4981.20 N, -239.98 E)									
BHL - Loco Dinero 36 - plan hits target center - Point	0.00	0.00	11,995.00	-5,041.20	-239.50	520,416.40	789,756.30	32.42812	-103.52820
FTP - Loco Dinero 36 - plan misses target center by 24.07usft at 12178.50usft MD (11972.78 TVD, -270.54 N, -271.78 E) - Point	0.00	0.00	11,995.00	-263.70	-278.00	525,193.90	789,717.80	32.44125	-103.52821

Aim Directional Services

Planning Report

Database:	EDM 5000.17-Aim-DB	Local Co-ordinate Reference:	Well LD 36 State Com #33H
Company:	Marshall & Winston, Inc.	TVD Reference:	Well @ 3684.90usft (26.5'KB)
Project:	Lea County, NM (NAD83 NME)	MD Reference:	Well @ 3684.90usft (26.5'KB)
Site:	Loco Dinero 36 State Com #33H	North Reference:	Grid
Well:	LD 36 State Com #33H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Lateral 1r0		

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
5,200.00	5,200.00	0.00	0.00	Build: 2"/100'
5,449.85	5,449.53	6.17	-8.97	Hold: 5.00° Inc, 304.50° Azm
8,088.28	8,077.94	136.34	-198.37	Drop: 1"/100'
8,587.98	8,577.00	148.67	-216.32	Hold
11,429.97	11,418.99	148.67	-216.32	KOP: 10"/100' @ 11429.97' MD
12,029.97	11,915.19	-134.81	-257.68	Build: 10"/100'
12,341.34	11,995.00	-431.24	-276.36	LP/Hold: 90.00° Inc, 179.54° Azm
16,951.45	11,995.00	-5,041.20	-239.50	PBHL

Intent As Drilled

API #		
Operator Name: MARSHALL & WINSTON, INC	Property Name: LOCO DINERO 36 STATE COM	Well Number 33H

Kick Off Point (KOP)

UL C	Section 36	Township 21-S	Range 33-E	Lot	Feet 50	From N/S NORTH	Feet 2052.42	From E/W WEST	County LEA
Latitude 32.44238					Longitude -103.52800			NAD NAD 83 NME	

First Take Point (FTP)

UL C	Section 36	Township 21-S	Range 33-E	Lot	Feet 461	From N/S NORTH	Feet 1990.00	From E/W WEST	County LEA
Latitude 32.44125					Longitude -103.52821			NAD NAD 83 NME	

Last Take Point (LTP)

UL C	Section 36	Township 21-S	Range 33-E	Lot	Feet 100	From N/S SOUTH	Feet 1990.00	From E/W WEST	County
Latitude 32.42828					Longitude -103.52820			NAD NAD 83 NME	

Is this well the defining well for the Horizontal Spacing Unit? NO ☐Is this well an infill well? NO ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Marshall & Winston, Inc. **OGRID:** 14187 **Date:** 05 / 26 / 2023

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

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	Anticipated Produced Water BBL/D
Loco Dinero 36 State Com 33H		UL C, Sec 36	200 FNL	750	750	1000
		T21S, R33E	2270 FWL			

IV. Central Delivery Point Name: Loco Dinero CTB [See 19.15.27.9(D)(1) NMAC]

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

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
<u>Loco Dinero 36 State Com 33H</u>		<u>7/01/23</u>	<u>8/01/23</u>	<u>10/17/23</u>	<u>10/17/23</u>	<u>10/17/23</u>
						<u>Estimated</u>

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. ☐ 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 ☒ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☒ 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 by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided 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 information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

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

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

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

If Operator checks this box, Operator will select one of the following:

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

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

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

Section 4 - Notices

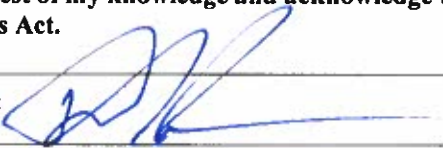
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

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

Signature: 

Printed Name: Todd Passmore

Title: Operations Manager

E-mail Address: tpassmore@mar-win.com

Date: 05/26/23

Phone: 432-684-6373

OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)

Approved By:

Title:

Approval Date:

Conditions of Approval:

Marshall & Winston, Inc.

Natural Gas Management Plan ~ Attachment

- VI. Marshall & Winston, Inc. (M&W) engineering staff will utilize separation equipment based on capacities suggested by the manufacturer in conjunction with anticipated daily production rates. Engineered design of the VRU system along with pipe sizing will be verified by COMM Engineering Services to ensure maximum efficiency for anticipated volumes.
- VII. M&W will take the following actions to comply with the regulations listed in 19.15.28.8:
- A. M&W plans to efficiently recover natural gas by minimizing waste gas as defined in 19.15.2 NMAC. M&W will ensure each new well drilled and completed is connected to a natural gas gathering system before the well is on line. If the natural gas gathering infrastructure is not in place the well will be delayed or shut in until the gathering system is available.
 - B. Drilling operations are equipped with a flare located at least 100 ft from the nearest wellbore. The flare will be used to combust any gas the is circulated to surface during drilling operations. Estimated volumes will be reported appropriately.
 - C. During completion operations and natural gas brought to surface will be flared. Following completion operations all fluids and gases flowed/pumped from the well will be directed to designed separation equipment at the central tank battery. All natural gas will be sent directly to the sales line. If the initial gas production does not meet gathering sales line specifications it will be flared for no more than 60 days. Gas analysis will be running twice a week and once gas meets sales specifications the gas will be sent to the sales line. Flared volumes will be reported accordingly.
 - D. M&W will not flare natural gas unless it follows the provisions and exceptions list in 19.15.27.8. If the gas gathering system is unavailable each well(s) will be shut in the gathering system is back in service. Only during an emergency or malfunction of equipment will gas be flared. Appropriate estimated volumes will be reported.
 - E. M&W will comply with required standards listed in 19.5.27.8 A-F.
 - F. The volume of natural gas that is vented or flared as a result of a malfunction or emergency during operations will be estimated and reported accordingly. The volume of natural gas that is vented, flared or used beneficially during production operations will measured or estimated. M&W will install meters to measure the volume of natural gas flared from the facility. Measuring devices will conform to industry stands as well as NMOCD regulations.
- VIII. During maintenance operations that involve separation equipment venting will controlled by shutting in well(s). During VRU maintenance operations natural gas will be diverted to the flare to avoid venting the natural gas.



May 26, 2023

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Intrepid Potash
P. O. Box 101
Carlsbad, NM 88220
Attn: Jason Jones

RE: Notification to Potash Lessees
Loco Dinero 36 State Com #22H, #32H and #33H
Section 36, T21S, R33E
Lea County, New Mexico

Mr. Jones,

Pursuant to the Oil Conservation's Division Order No. R-111-P, this letter and the attached map is to notify you that Marshall & Winston, Inc., is filing 3 applications for permits to drill (APD's), within the potash area, with the New Mexico Oil Conservation Division (NMOCD) for the above captioned wells.

A copy of our APD's submitted to the NMOCD are attached for your information.

Intrepid is the only effected party and if you have any objections to these APD's, you must submit your protest to the NMOCD – Hobb's office within 20 days of your receipt of a copy of this notice.

Please contact the undersigned at 432-684-6373 should you have any questions or need anything further.

Sincerely,

A handwritten signature in blue ink, appearing to read "TP", followed by a long horizontal line.

Todd Passmore
Operations Manager

TP/sr

Enclosures

