Form 3160-3 (June 2015)				FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018			
UNITED STATES DEPARTMENT OF THE IN BUREAU OF LAND MANA	NTERIOR			5. Lease Serial No. NMNM77054		, 2010	
APPLICATION FOR PERMIT TO DI	RILL OR	REENTER		6. If Indian, Allotee	or Tribe	Name	
	EENTER			7. If Unit or CA Agr	reement,	Name and No.	
	her ngle Zone	Multiple Zone		8. Lease Name and Well No. CUTBOW 36 1 FEDERAL COM [333338]			
2. Name of Operator AVANT OPERATING LLC [330396]				9. API Well No.	30-025	5-51651	
		No. (include area cod 5045	e)	10. Field and Pool, of GEM; BONE SPRI		atory [27220]	
4. Location of Well (Report location clearly and in accordance we At surface SESW / 736 FSL / 1501 FWL / LAT 32.6260 At proposed prod. zone SESW / 100 FSL / 2040 FWL / Later 100 FSL / 2040 FWL / Later 2040 FWL	688 / LON	G -103.7233872	217347	11. Sec., T. R. M. or SEC 25/T19S/R32		Survey or Area	
14. Distance in miles and direction from nearest town or post office 16 miles	ce*			12. County or Parish 13. Stat			
15. Distance from proposed* 736 feet location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease 17. Sp 637.1			ng Unit dedicated to the	his well		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 33 feet	· · · · · · · · · · · · · · · · · · ·			/BIA Bond No. in file			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3579 feet	22. Approximate date work will start* 04/01/2023			23. Estimated duration 60 days	on		
	24. Atta		1.4 X	Y 1 12 75 77 7	1 4	2 CED 21 (2.2.2.2	
The following, completed in accordance with the requirements of (as applicable)	Onshore Oi	I and Gas Order No. 1	, and the F	Tydraulic Fracturing r	ule per 4.	3 CFR 3162.3-3	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System 		Item 20 above). 5. Operator certific	ation.	as unless covered by an			
SUPO must be filed with the appropriate Forest Service Office)).	6. Such other site sp BLM.	pecific infor	mation and/or plans as	may be r	equested by the	
25. Signature (Electronic Submission)		e (Printed/Typed) N WOOD / Ph: (72	0) 746-50	45	Date 11/09/2	2022	
Title President							
Approved by (Signature) (Electronic Submission)		e (Printed/Typed) Y LAYTON / Ph: (5	75) 234-59	959	Date 06/16/2	2023	
Title Assistant Field Manager Lands & Minerals Application approval does not warrant or certify that the applican	I	bad Field Office	nose rights	in the subject lease w	hich wou	ld entitle the	
applicant to conduct operations thereon. Conditions of approval, if any, are attached.							
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m of the United States any false, fictitious or fraudulent statements of					ıny depar	tment or agency	
NGMP Rec 06/20/2023							
				K			

SL

(Continued on page 2)



06/23/2023

*(Instructions on page 2)

DISTRICT | 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-8181 Fax: (575) 393-0720 DISTRICT II

<u>DISTRICT II</u> <u>811 S. First</u> St., Artesia, N.M. 88210 Phone: (575) 748—1283 Fax: (575) 748—9720

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 Phone: (505) 334-8178 Fax: (505) 334-8170 DISTRICT IV

DISTRICT_IV 1220 S. St. Francis Dr., Sente Fe, N.M. 87505 Phone: (505) 478-3480 Fex: (505) 478-3482 State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505 Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-51651	Pool Code 27220	1001 11000					
30-roperty Code 333338		Property Name Cutbow 36 1 Federal Com					
'OGRID No. 330396	*Operator N Avant Operati		* Elevation 3579				

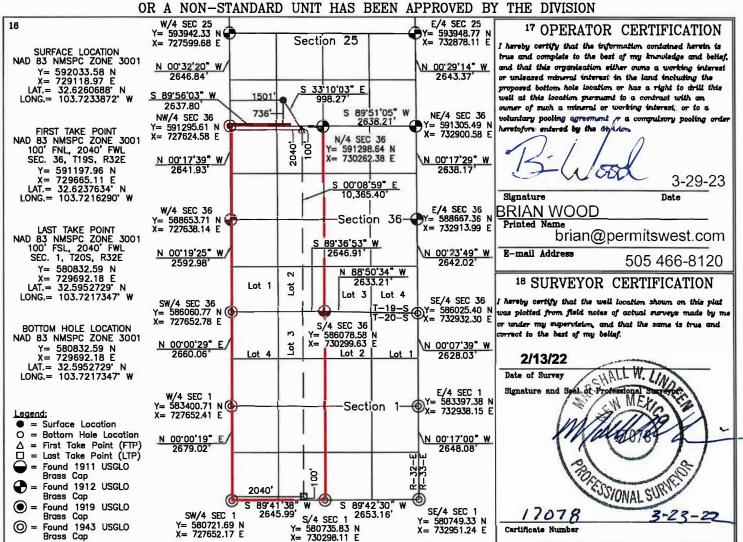
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	19 S	32 E		736	South	1501	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no. Section Township		Range Lot Id:		Feet from the	North/South line	Feet from the	East/West line	County			
N	1	20 S	32 E	100		South 2040		West	Lea		
Dedicated Acres	9		18 Joint or I	nfil) 14 Co	nsolidation Code	19 Order No.					
637.15					С	R-22391					

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



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description Effective May 25, 2021

I. Operator: Avant Operati	ng, LLC O	GRID: 330396	Date: 05/22/	2023			
II. Type: ⊠ Original □ Ar	mendment du	e to 🗆 19.15.27.	9.D(6)(a) NMA	□ 19.15.27.9.D(6)(b) NMAC □ (Other.	
If Other, please describe:							
III. Well(s): Provide the follower recompleted from a single	_				ells proposed to	be dril	lled or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	P	Anticipated roduced Water BBL/D
Cutbow 36 1 Federal Com 501H		N-25-T19S-R32E	761FSL/1440FW	L 2800 BBL/D	4200 MCF/D	10,00	00 BBL/D
Cutbow 36 1 Federal Com 502H		N-25-T19S-R32E	749FSL/1471FW	L 2800 BBL/D	4200 MCF/D	10,00	00 BBL/D
Cutbow 36 1 Federal Com 503H		N-25-T19S-R32E	736FSL/1501FW	L 2800 BBL/D	4200 MCF/D	10,00	00 BBL/D
IV. Central Delivery Point V. Anticipated Schedule: P proposed to be recompleted	rovide the fol	lowing informat			.	`	D)(1) NMAC] sed to be drilled or
Well Name	API	Spud Date	TD Reached	Completion	Initial F	low	First Production
			Date	Commencement D	Date Back D	ate	Date

	Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Back Date	Pirst Production Date
	Cutbow 36 1 Federal Com 501H		02/04/2024	05/02/2024	05/11/2024	07/06/2024	07/06/2024
ľ	Cutbow 36 1 Federal Com 502H		02/04/2024	05/02/2024	05/11/2024	07/06/2024	07/06/2024
	Cutbow 36 1 Federal Com 503H		02/04/2024	05/02/2024	05/11/2024	07/06/2024	07/06/2024

- 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	Available Maximum Daily Capacity
			Start Date	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. Liı	ne Capacity.	The natural	gas gat	thering systen	n 🗆 will 🛭	∃ will r	ot have	capacity t	o gather	100% of	f the a	nticipated	natural	gas
producti	on volume fi	om the well	prior to	the date of fi	rst produc	tion.								

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 by	y the new w	/ell(s).

l	Ш.	Attacl	h (Operator	's p	lan to	manage	product	ion in	response	e to th	ne increased	lline	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	ion
for which confidentiality is asserted and the basis for such assertion.	

(h)

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

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.

fuel cell production; and

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

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

Signature:
Printed Name: John Harper
Title: VP of Geosciences
E-mail Address: John@avantnr.com
Date: 05/22/23
Phone: 678-988-6644
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Avant Operating, LLC Natural Gas Management Plan

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



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

Drilling Plan Data Report

06/20/2023

APD ID: 10400089128

Submission Date: 11/09/2022

Highlighted data reflects the most recent changes

Operator Name: AVANT OPERATING LLC Well Name: CUTBOW 36 1 FEDERAL COM

Well Number: 503H

Well Type: OIL WELL

Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
9484187	QUATERNARY	3579	0	0	OTHER : Caliche	USEABLE WATER	N
9484188	RUSTLER ANHYDRITE	2429	1150	1150	ANHYDRITE	NONE	N
9484189	TOP SALT	2279	1300	1300	SALT	NONE	N
9484190	BOTTOM SALT	679	2900	2900	SALT	NONE	N
9484191	YATES	579	3000	3000	SANDSTONE	NATURAL GAS, OIL	N
9484192	CAPITAN REEF	279	3300	3300	LIMESTONE, OTHER : Intermediate	USEABLE WATER	N
9484193	CAPITAN REEF	-921	4500	4500	LIMESTONE, OTHER : Base	USEABLE WATER	N
9484198	CHERRY CANYON	-1421	5000	5000	SANDSTONE	NATURAL GAS, OIL	N
9484194	BRUSHY CANYON	-2671	6250	6255	SANDSTONE	NATURAL GAS, OIL	N
9484196	BONE SPRING LIME	-4221	7800	7841	LIMESTONE	NATURAL GAS, OIL	N
9484197	BONE SPRING 1ST	-5271	8850	8910	SANDSTONE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 10000

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

Requesting Variance? YES

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

Well Name: CUTBOW 36 1 FEDERAL COM Well Number: 503H

inspection.

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

Choke Diagram Attachment:

Choke_20221109094212.pdf

BOP Diagram Attachment:

BOP_20221109094220.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	24	20.0	NEW	API	N	0	1175	0	1175	3579	2404	1175	J-55	94	BUTT	1.12 5	1.12 5	DRY	1.6	DRY	1.6
2	INTERMED IATE	17.5	13.375	NEW	API	N	0	2950	0	2950	0	629	2950	J-55	54.5	LT&C		1.12 5	DRY	1.6	DRY	1.6
3		12.2 5	9.625	NEW	API	N	0	4000	0	4000	0	-421	4000	J-55	40	LT&C		1.12 5	DRY	1.6	DRY	1.6
4		12.2 5	9.625	NEW	NON API	Y	4000	4603	4000	4600	-4000	-1021	603	L-80	-	OTHER - HC LTC	1.12 5	1.12 5	DRY	1.6	DRY	1.6
5	PRODUCTI ON	8.75	5.5	NEW	NON API	N	0	8910	0	8850	0	-5271	8910	P- 110	-	OTHER - HC GBCD	1.12 5	1.12 5	DRY	1.6	DRY	1.6
6	PRODUCTI ON	8.5	5.5	NEW	NON API	N	8910	20552	8850	9800	-5268	-6221	11642	P- 110	-	OTHER - HC GBCD	1.12 5	1.12 5	DRY	1.6	DRY	1.6

Operator Name: AVANT OPERATING LLC Well Name: CUTBOW 36 1 FEDERAL COM

Well Number: 503H

Casing ID: 1

String

SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20221109094251.pdf

Casing ID: 2

String

INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20221109094326.pdf

Casing ID: 3

String

INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20221109094355.pdf

Well Name: CUTBOW 36 1 FEDERAL COM Well Number: 503H

Casing Attachments

Casing ID: 4 String INTERMEDIATE

Inspection Document:

Spec Document:

9.625in_Casing_Spec_20221109094410.pdf

Tapered String Spec:

9.625in_Casing_Spec_20221109094419.pdf

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20221109094431.pdf

Casing ID: 5 String PRODUCTION

Inspection Document:

Spec Document:

5.5in_Casing_Spec_20221109094456.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20221109094506.pdf

Casing ID: 6 String PRODUCTION

Inspection Document:

Spec Document:

5.5in_Casing_Spec_20221109094526.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20221109094536.pdf

Section 4 - Cement

Well Name: CUTBOW 36 1 FEDERAL COM

Well Number: 503H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1175	780	1.9	12.8	1482	50	35% B poz + 65% Class C	6% gel + 5% salt + 0.25 #/sack poly flake + 0.005 gal/sack no foam V1A
SURFACE	Tail		0	1175	265	1.34	14.8	4355	50	Class C	1% CaCl2 + 1% CaCl2 + 0.3% C-37 + 0.005 gal/sack no foam V1A
INTERMEDIATE	Lead		0	2950	1330	1.83	12.8	2433	40	35% Class B Poz + 65% Class C	2% gel + 5% salt + 0.05% R-1300 + 0.25 #/sack poly flake + 0.005 gal/sack no foam V1A
INTERMEDIATE	Tail		0	2950	385	1.37	14.8	527	40	Class C	5% salt + 0.3% C-37 + 0.005 gal/sack no foam V1A
INTERMEDIATE	Lead		0	4600	770	1.84	12.8	1416	20	35% Class B Poz + 65% Class C	2% gel + 5% salt + 0.2% R-1300 + 0.25 #/sack poly flake+ 0.005 gal/sack no foam V1A
INTERMEDIATE	Tail		0	4600	265	1.37	14.8	369	20	Class C	5% salt + 5% salt + 0.3% C-37 + 0.005 gal/sack no foam V1A
PRODUCTION	Lead		0	2055	880	3.39	10.7	2983	20	100% ProLite (Class H)	5 #/sack Plexcrete STE + 2% SMS + 0.05% SuspendaCem 6302 + 0.65% R-1300 + 0.2% C-47B + 3 #/sack gilsonite + 0.005 gal/sack no foam V1A
PRODUCTION	Tail		0	2055	2585	1.21	14.5	3133	20	50% Class B Poz + 50% Class H	5% salt + 0.05% SuspendaCem 6302 + 0.2% NSR-1 + 0.5% C- 47B + 0.005 gal/sack NoFoam V1A

Well Name: CUTBOW 36 1 FEDERAL COM Well Number: 503H

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials (e. g., barite, bentonite, LCM) to maintain mud properties and meet minimum lost circulation and weight increase requirements will always be kept on site.

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

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1175	OTHER : Fresh Water	8.4	10							
2950	4600	OTHER : Fresh Water	8.4	8.6							
1175	2950	OTHER : Brine	10	10.5							
4600	1018 7	OTHER : Cut Brine	9.2	9.5							
1018 7	2055 2	OIL-BASED MUD	9.5	9.8							

Well Name: CUTBOW 36 1 FEDERAL COM Well Number: 503H

Section 6 - Test, Logging, Coring

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

GR log will be acquired by MWD tools throughout the well.

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

GAMMA RAY LOG,

Coring operation description for the well:

No core or open hole or cased hole log is planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4688 Anticipated Surface Pressure: 2531

Anticipated Bottom Hole Temperature(F): 163

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

Cutbow_Pad2_H2S_Plan_20221109094749.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Cutbow_503H_Horizontal_Plan_20221109094802.pdf

Other proposed operations facets description:

All perforations will be >100' from the dedication perimeter. Closest water well (CP 00075) is 1.58 miles southwest. Depth to water was not reported in the 575' deep well.

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

If any lost circulation occurs below the base of salt, Avant will switch drilling mud from brine to fresh water to protect the Capitan Reef until intermediate casing is set.

Other proposed operations facets attachment:

CoFlex_Certs_20221109094934.pdf

Cutbow_503H_Anti_Collison_Report_20221109094947.pdf

Diverter 20221109095018.pdf

Cutbow_503H_Drill_Plan_20230329103623.pdf

Speedhead_Specs_20230329103656.pdf

Well Name: CUTBOW 36 1 FEDERAL COM Well Number: 503H

Other Variance attachment:

Casing_Cementing_Variance_Request_20221109095116.pdf

Received by OCD: 6/20/2023 11:12:15 AM Avant Operating, LLC

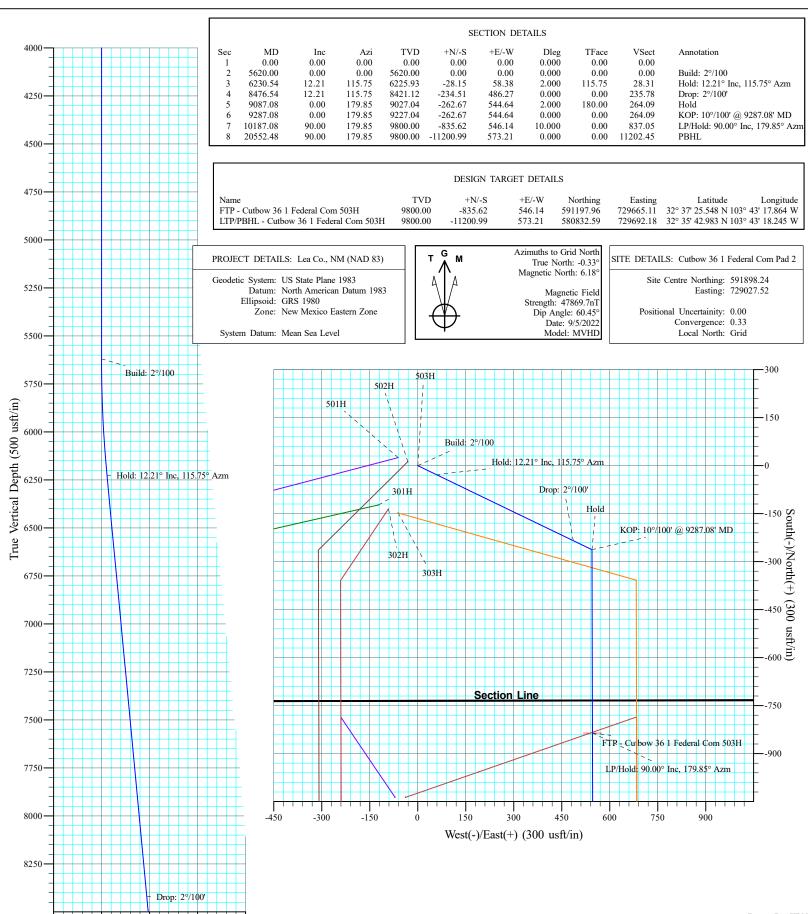


500

to Imaging: 6/23/2023/3:28:21 PM

Cutbow 36 1 Federal Com 503H Lea Co., NM (NAD 83) Job No. WT-22-*** Plan 0.1







Avant Natural Resources

Cutbow 36 1 Federal Com 503H Lea Co., NM (NAD 83) Job No. WT-22-*** Plan 0.1



nagi								SECTIO!	N DETAILS	3		
ng:	Sec 1	MD 0.00	Inc 0.00	Azi 0.00	TVD 0.00	+N/-S 0.00	+E/-W 0.00	Dleg 0.000	TFace 0.00	VSect 0.00	Target	Annotation
2	2	5620.00	0.00	0.00	5620.00	0.00	0.00	0.000	0.00	0.00		Build: 2°/100
95	3	6230.54	12.21	115.75	6225.93	-28.15	58.38	2.000	115.75	28.31		Hold: 12.21° Inc, 115.75° Azm
ı	4	8476.54	12.21	115.75	8421.12	-234.51	486.27	0.000	0.00	235.78		Drop: 2°/100'
92	5	9087.08	0.00	179.85	9027.04	-262.67	544.64	2.000	180.00	264.09		Hold
<i>¥</i>	6	9287.08	0.00	179.85	9227.04	-262.67	544.64	0.000	0.00	264.09		KOP: 10°/100' @ 9287.08' MD
1	7	10187.08	90.00	179.85	9800.00	-835.62	546.14	10.000	0.00	837.05	FTP - Cutbow 36 1 Federal Com 503H	LP/Hold: 90.00° Inc, 179.85° Azm
2	8	20552.48	90.00	179.85	9800.00	-11200.99	573.21	0.000	0.00	11202.45	LTP/PBHL - Cutbow 36 1 Federal Com 50)3HPBHL

		DESIGN IA	KGET DETAIL			
Name	TVD	+N/-S	+E/-W	Northing	 Latitude	Longitude
FTP - Cutbow 36 1 Federal Com 503H	9800.00	-835.62	546.14	591197.96	32° 37' 25.548 N	103° 43' 17.864 W
LTP/PBHL - Cutbow 36 1 Federal Com 503H	9800.00	-11200.99	573.21	580832.59	32° 35' 42.983 N	103° 43' 18.245 W

DESIGN TARGET DETAILS

PROJECT DETAILS: Lea Co., NM (NAD 83)

Geodetic System: US State Plane 1983 Datum: North American Datum 1983

Ellipsoid: GRS 1980

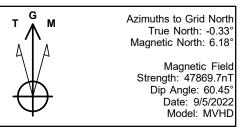
Zone: New Mexico Eastern Zone

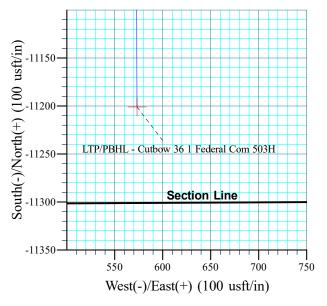
System Datum: Mean Sea Level

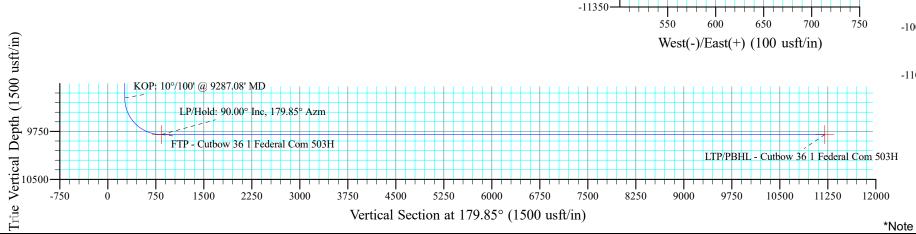
SITE DETAILS: Cutbow 36 1 Federal Com Pad

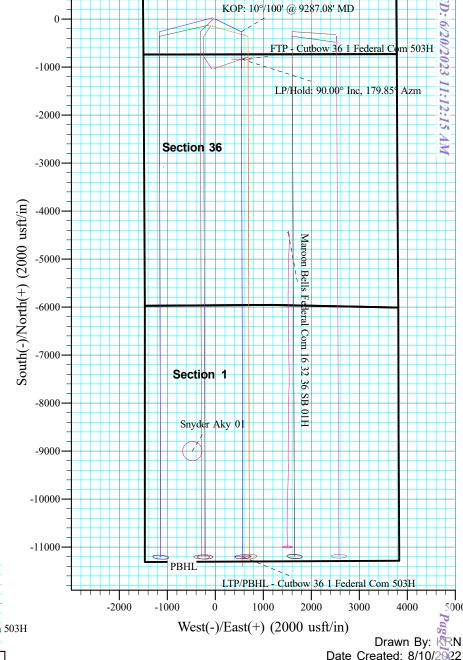
Site Centre Northing: 591898.24 Easting: 729027.52

Positional Uncertainity: 0.00 Convergence: 0.33 Local North: Grid









Date Revised: 8/10/2322 File: Avant - Cutbow 36 1 Federal Com 503H- Plan 0.1.

*Note - Aim is not responsible for any collision issues against unknown offset wells.



Avant Operating, LLC

Lea Co., NM (NAD 83) Cutbow 36 1 Federal Com Pad 2 Cutbow 36 1 Federal Com 503H

OH

Plan: Plan 0.1

Standard Planning Report

10 August, 2022



Page 19 of 41

Aim Directional Services, LLC





RTOC- EDM 5000.1 Single User Db Database: Company: Avant Operating, LLC

Project: Lea Co., NM (NAD 83) Cutbow 36 1 Federal Com Pad 2 Site: Well: Cutbow 36 1 Federal Com 503H

Wellbore: ОН Design: Plan 0.1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Cutbow 36 1 Federal Com 503H

Well @ 3604.00usft Well @ 3604.00usft

179.85

Grid

Minimum Curvature

Project	Lea Co.,	NM ((NAD 83

US State Plane 1983 Map System: North American Datum 1983

Geo Datum: Map Zone: New Mexico Eastern Zone System Datum: Mean Sea Level

0.00

Site Cutbow 36 1 Federal Com Pad 2

591,898.24 usft Site Position: Northing: Latitude: 32° 37' 32.514 N 103° 43' 25.272 W 729,027.52 usft From: Мар Easting: Longitude: 13-3/16 " 0.33° **Position Uncertainty:** 0.00 usft Slot Radius: **Grid Convergence:**

Well Cutbow 36 1 Federal Com 503H

32° 37' 33.848 N **Well Position** +N/-S 135.34 usft 592.033.58 usft Latitude: Northing: 91.45 usft 103° 43' 24.194 W +E/-W 729,118.97 usft Longitude: Easting:

Position Uncertainty 0.00 usft Wellhead Elevation: **Ground Level:** 3,579.00 usft

Wellbore ОН

Declination **Magnetics Model Name** Sample Date **Dip Angle** Field Strength (°) (°) (nT) **MVHD** 9/5/2022 6.51 60.45 47.869.715

0.00

Plan 0.1 Design

Audit Notes:

1

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

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

Date 8/10/2022 **Plan Survey Tool Program**

20,552.48

Depth From Depth To

0.00

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

0.00

Plan 0.1 (OH)

B001Mb_MWD+HRGM OWSG MWD + HRGM

Plan Section	s									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.000	0.000	0.000	0.00	
5,620.00	0.00	0.00	5,620.00	0.00	0.00	0.000	0.000	0.000	0.00	
6,230.54	12.21	115.75	6,225.93	-28.15	58.38	2.000	2.000	0.000	115.75	
8,476.54	12.21	115.75	8,421.12	-234.51	486.27	0.000	0.000	0.000	0.00	
9,087.08	0.00	179.85	9,027.04	-262.67	544.64	2.000	-2.000	0.000	180.00	
9,287.08	0.00	179.85	9,227.04	-262.67	544.64	0.000	0.000	0.000	0.00	
10,187.08	90.00	179.85	9,800.00	-835.62	546.14	10.000	10.000	0.000	0.00 F	TP - Cutbow 36 1
20,552.48	90.00	179.85	9,800.00	-11,200.99	573.21	0.000	0.000	0.000	0.00 LT	ΓΡ/PBHL - Cutbow





NATURAL RESOURCES

Database: RTOC- EDM 5000.1 Single User Db

Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Cutbow 36 1 Federal C

Cutbow 36 1 Federal Com Pad 2 Cutbow 36 1 Federal Com 503H

Wellbore: OH
Design: Plan 0.1

Well:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Cutbow 36 1 Federal Com 503H

Well @ 3604.00usft Well @ 3604.00usft

Grid

Design.	Fiail U. I								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
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
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.000	0.000	0.000

Planning Report



Database: RTOC-Company: Avant 0

Project:

Site:

Well:

RTOC- EDM 5000.1 Single User Db

Avant Operating, LLC Lea Co., NM (NAD 83)

Cutbow 36 1 Federal Com Pad 2 Cutbow 36 1 Federal Com 503H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well Cutbow 36 1 Federal Com 503H

Well @ 3604.00usft Well @ 3604.00usft

Grid

Desig	n:	Plan 0.1								
Plann	ed Survey									
	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
	5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.000	0.000	0.000
	5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.000	0.000	0.000
	5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.000	0.000	0.000
	5,620.00	0.00	0.00	5,620.00	0.00	0.00	0.00	0.000	0.000	0.000
	Build: 2°/10									
	5,700.00	1.60	115.75	5,699.99	-0.49	1.01	0.49	2.000	2.000	0.000
	5,800.00	3.60	115.75	5,799.88	-2.46	5.09	2.47	2.000	2.000	0.000
	5,900.00	5.60	115.75	5,899.55	-5.94	12.32	5.97	2.000	2.000	0.000
	6,000.00	7.60	115.75	5,998.89	-10.93	22.67	10.99	2.000	2.000	0.000
	6,100.00	9.60	115.75	6,097.76	-17.43	36.14	17.52	2.000	2.000	0.000
	6,200.00	11.60	115.75	6,196.05	-25.42	52.70	25.56	2.000	2.000	0.000
	6,230.54	12.21	115.75	6,225.93	-28.15	58.38	28.31	2.000	2.000	0.000
	Hold: 12.21	l° Inc, 115.75°	Azm							
	6,300.00	12.21	115.75	6,293.82	-34.54	71.61	34.72	0.000	0.000	0.000
	6,400.00	12.21	115.75	6,391.56	-43.72	90.66	43.96	0.000	0.000	0.000
	6,500.00	12.21	115.75	6,489.29	-52.91	109.71	53.20	0.000	0.000	0.000
	6,600.00	12.21	115.75	6,587.03	-62.10	128.76	62.44	0.000	0.000	0.000
	6,700.00	12.21	115.75	6,684.77	-71.29	147.82	71.67	0.000	0.000	0.000
	6,800.00	12.21	115.75	6,782.51	-80.47	166.87	80.91	0.000	0.000	0.000
	6,900.00	12.21	115.75	6,880.24	-89.66	185.92	90.15	0.000	0.000	0.000
	7,000.00	12.21	115.75	6,977.98	-98.85	204.97	99.39	0.000	0.000	0.000
	7,100.00	12.21	115.75	7,075.72	-108.04	224.02	108.62	0.000	0.000	0.000
	7,200.00	12.21	115.75	7,173.46	-117.23	243.07	117.86	0.000	0.000	0.000
	7,300.00	12.21	115.75	7,271.19	-126.41	262.12	127.10	0.000	0.000	0.000
	7,400.00	12.21	115.75	7,368.93	-135.60	281.17	136.34	0.000	0.000	0.000
	7,500.00	12.21	115.75	7,466.67	-144.79	300.22	145.57	0.000	0.000	0.000
	7,600.00	12.21	115.75	7,564.41	-153.98	319.28	154.81	0.000	0.000	0.000
	7,700.00	12.21	115.75	7,662.14	-163.16	338.33	164.05	0.000	0.000	0.000
	7,800.00	12.21	115.75	7,759.88	-172.35	357.38	173.29	0.000	0.000	0.000
	7,900.00	12.21	115.75	7,857.62	-181.54	376.43	182.52	0.000	0.000	0.000
	8,000.00	12.21	115.75	7,955.36	-190.73	395.48	191.76	0.000	0.000	0.000
	8,100.00	12.21	115.75	8,053.09	-199.92	414.53	201.00	0.000	0.000	0.000
	8,200.00	12.21	115.75	8,150.83	-209.10	433.58	210.24	0.000	0.000	0.000
	8,300.00 8,400.00 8,476.54 Drop: 2°/10	12.21 12.21 12.21	115.75 115.75 115.75	8,248.57 8,346.31 8,421.12	-218.29 -227.48 -234.51	452.63 471.68 486.27	219.48 228.71 235.78	0.000 0.000 0.000	0.000 0.000 0.000	0.000 0.000 0.000
	8,500.00	11.74	115.75	8,444.07	-236.63	490.65	237.91	2.000	-2.000	0.000
	8,600.00	9.74	115.75	8,542.31	-244.72	507.44	246.05	2.000	-2.000	0.000
	8,700.00	7.74	115.75	8,641.14	-251.32	521.13	252.69	2.000	-2.000	0.000
	8,800.00	5.74	115.75	8,740.44	-256.42	531.70	257.81	2.000	-2.000	0.000
	8,900.00	3.74	115.75	8,840.10	-260.01	539.14	261.42	2.000	-2.000	0.000
	9,000.00	1.74	115.75	8,939.98	-262.09	543.45	263.51	2.000	-2.000	0.000
	9,087.08	0.00	179.85	9,027.04	-262.67	544.64	264.09	2.000	-2.000	0.000
	Hold									
	9,100.00	0.00	0.00	9,039.96	-262.67	544.64	264.09	0.000	0.000	0.000
	9,200.00	0.00	0.00	9,139.96	-262.67	544.64	264.09	0.000	0.000	0.000
	9,287.08	0.00	0.00	9,227.04	-262.67	544.64	264.09	0.000	0.000	0.000
	9,300.00	00' @ 9287.08 1.29	179.85	9,239.96	-262.81	544.64	264.24	10.000	10.000	0.000
	9,350.00	6.29	179.85	9,289.84	-266.12	544.65	267.54	10.000	10.000	0.000
	9,400.00	11.29	179.85	9,339.23	-273.76	544.67	275.18	10.000	10.000	0.000
	9,450.00	16.29	179.85	9,387.78	-285.67	544.70	287.10	10.000	10.000	0.000

Planning Report



NATURAL RESOURCES

Database: RTOC- EDM 5000.1 Single User Db

Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)

Site: Cutbow 36 1 Federal Com Pad 2
Well: Cutbow 36 1 Federal Com 503H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Cutbow 36 1 Federal Com 503H

Well @ 3604.00usft

Well @ 3604.00usft

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
9,500.00	21.29	179.85	9,435.10	-301.77	544.75	303.20	10.000	10.000	0.000
9,550.00	26.29	179.85	9,480.83	-321.94	544.80	323.36	10.000	10.000	0.000
9,600.00	31.29	179.85	9,524.64	-346.01	544.86	347.44	10.000	10.000	0.000
9,650.00	36.29	179.85	9,566.18	-373.81	544.93	375.24	10.000	10.000	0.000
9,700.00	41.29	179.85	9,605.14	-405.13	545.02	406.55	10.000	10.000	0.000
9,750.00	46.29	179.85	9,641.22	-439.72	545.11	441.14	10.000	10.000	0.000
9,800.00	51.29	179.85	9,674.15	-477.32	545.20	478.75	10.000	10.000	0.000
9,850.00	56.29	179.85	9,703.67	-517.65	545.31	519.08	10.000	10.000	0.000
9,900.00	61.29	179.85	9,729.57	-560.41	545.42	561.83	10.000	10.000	0.000
9,950.00	66.29	179.85	9,751.65	-605.25	545.54	606.68	10.000	10.000	0.000
10,000.00	71.29	179.85	9,769.73	-651.85	545.66	653.28	10.000	10.000	0.000
10,050.00	76.29	179.85	9,783.68	-699.85	545.79	701.27	10.000	10.000	0.000
10,100.00	81.29	179.85	9,793.40	-748.88	545.91	750.30	10.000	10.000	0.000
10,150.00 10,187.08	86.29 90.00 90.00° Inc, 179 .	179.85 179.85	9,798.80 9,800.00	-798.57 -835.62	546.04 546.14	800.00 837.05	10.000 10.000	10.000 10.000	0.000 0.000
10,200.00 10,300.00 10,400.00	90.00 90.00 90.00 90.00	179.85 179.85 179.85	9,800.00 9,800.00 9,800.00	-848.54 -948.54 -1,048.54	546.17 546.43 546.70	849.97 949.97 1,049.97	0.000 0.000 0.000	0.000 0.000 0.000	0.000 0.000 0.000
10,500.00	90.00	179.85	9,800.00	-1,148.54	546.96	1,149.97	0.000	0.000	0.000
10,600.00	90.00	179.85	9,800.00	-1,248.54	547.22	1,249.97	0.000	0.000	0.000
10,700.00	90.00	179.85	9,800.00	-1,348.54	547.48	1,349.97	0.000	0.000	0.000
10,800.00	90.00	179.85	9,800.00	-1,448.54	547.74	1,449.97	0.000	0.000	0.000
10,900.00	90.00	179.85	9,800.00	-1,548.54	548.00	1,549.97	0.000	0.000	0.000
11,000.00	90.00	179.85	9,800.00	-1,648.54	548.26	1,649.97	0.000	0.000	0.000
11,100.00	90.00	179.85	9,800.00	-1,748.54	548.52	1,749.97	0.000	0.000	0.000
11,200.00	90.00	179.85	9,800.00	-1,848.54	548.79	1,849.97	0.000	0.000	0.000
11,300.00	90.00	179.85	9,800.00	-1,948.54	549.05	1,949.97	0.000	0.000	0.000
11,400.00	90.00	179.85	9,800.00	-2,048.54	549.31	2,049.97	0.000	0.000	0.000
11,500.00	90.00	179.85	9,800.00	-2,148.54	549.57	2,149.97	0.000	0.000	0.000
11,600.00	90.00	179.85	9,800.00	-2,248.54	549.83	2,249.97	0.000	0.000	0.000
11,700.00	90.00	179.85	9,800.00	-2,348.54	550.09	2,349.97	0.000	0.000	0.000
11,800.00	90.00	179.85	9,800.00	-2,448.54	550.35	2,449.97	0.000	0.000	0.000
11,900.00	90.00	179.85	9,800.00	-2,548.54	550.61	2,549.97	0.000	0.000	0.000
12,000.00	90.00	179.85	9,800.00	-2,648.54	550.87	2,649.97	0.000	0.000	0.000
12,100.00	90.00	179.85	9,800.00	-2,748.54	551.14	2,749.97	0.000	0.000	0.000
12,200.00	90.00	179.85	9,800.00	-2,848.54	551.40	2,849.97	0.000	0.000	0.000
12,300.00	90.00	179.85	9,800.00	-2,948.54	551.66	2,949.97	0.000	0.000	0.000
12,400.00	90.00	179.85	9,800.00	-3,048.54	551.92	3,049.97	0.000	0.000	0.000
12,500.00	90.00	179.85	9,800.00	-3,148.53	552.18	3,149.97	0.000	0.000	0.000
12,600.00	90.00	179.85	9,800.00	-3,248.53	552.44	3,249.97	0.000	0.000	0.000
12,700.00	90.00	179.85	9,800.00	-3,348.53	552.70	3,349.97	0.000	0.000	0.000
12,800.00	90.00	179.85	9,800.00	-3,448.53	552.96	3,449.97	0.000	0.000	0.000
12,900.00	90.00	179.85	9,800.00	-3,548.53	553.23	3,549.97	0.000	0.000	0.000
13,000.00	90.00	179.85	9,800.00	-3,648.53	553.49	3,649.97	0.000	0.000	0.000
13,100.00	90.00	179.85	9,800.00	-3,748.53	553.75	3,749.97	0.000	0.000	0.000
13,200.00	90.00	179.85	9,800.00	-3,848.53	554.01	3,849.97	0.000	0.000	0.000
13,300.00	90.00	179.85	9,800.00	-3,948.53	554.27	3,949.97	0.000	0.000	0.000
13,400.00	90.00	179.85	9,800.00	-4,048.53	554.53	4,049.97	0.000	0.000	0.000
13,500.00	90.00	179.85	9,800.00	-4,148.53	554.79	4,149.97	0.000	0.000	0.000
13,600.00	90.00	179.85	9,800.00	-4,248.53	555.05	4,249.97	0.000	0.000	0.000
13,700.00	90.00	179.85	9,800.00	-4,348.53	555.31	4,349.97	0.000	0.000	0.000
13,800.00	90.00	179.85	9,800.00	-4,448.53	555.58	4,449.97	0.000	0.000	0.000
13,900.00	90.00	179.85	9,800.00	-4,548.53	555.84	4,549.97	0.000	0.000	0.000

Planning Report



NATURAL RESOURCES

Database: RTOC- EDM 5000.1 Single User Db Company: Avant Operating, LLC

Avant Operating, LLC Lea Co., NM (NAD 83)

Cutbow 36 1 Federal Com Pad 2 Cutbow 36 1 Federal Com 503H

Wellbore: OH
Design: Plan 0.1

Project:

Site:

Well:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Cutbow 36 1 Federal Com 503H

Well @ 3604.00usft Well @ 3604.00usft

Crid

Design:	Plan 0.1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
14,000.00	90.00	179.85	9,800.00	-4,648.53	556.10	4,649.97	0.000	0.000	0.000
14,100.00	90.00	179.85	9,800.00	-4,748.53	556.36	4,749.97	0.000	0.000	0.000
14,200.00	90.00	179.85	9,800.00	-4,848.53	556.62	4,849.97	0.000	0.000	0.000
14,300.00	90.00	179.85	9,800.00	-4,948.53	556.88	4,949.97	0.000	0.000	0.000
14,400.00	90.00	179.85	9,800.00	-5,048.53	557.14	5,049.97	0.000	0.000	0.000
14,500.00	90.00	179.85	9,800.00	-5,148.53	557.40	5,149.97	0.000	0.000	0.000
14,600.00	90.00	179.85	9,800.00	-5,248.53	557.66	5,249.97	0.000	0.000	0.000
14,700.00	90.00	179.85	9,800.00	-5,348.53	557.93	5,349.97	0.000	0.000	0.000
14,800.00	90.00	179.85	9,800.00	-5,448.53	558.19	5,449.97	0.000	0.000	0.000
14,900.00	90.00	179.85	9,800.00	-5,548.53	558.45	5,549.97	0.000	0.000	0.000
15,000.00	90.00	179.85	9,800.00	-5,648.53	558.71	5,649.97	0.000	0.000	0.000
15,100.00	90.00	179.85	9,800.00	-5,748.53	558.97	5,749.97	0.000	0.000	0.000
15,200.00	90.00	179.85	9,800.00	-5,848.53	559.23	5,849.97	0.000	0.000	0.000
15,300.00	90.00	179.85	9,800.00	-5,948.53	559.49	5,949.97	0.000	0.000	0.000
15,400.00	90.00	179.85	9,800.00	-6,048.53	559.75	6,049.97	0.000	0.000	0.000
15,500.00	90.00	179.85	9,800.00	-6,148.52	560.02	6,149.97	0.000	0.000	0.000
15,600.00	90.00	179.85	9,800.00	-6,248.52	560.28	6,249.97	0.000	0.000	0.000
15,700.00	90.00	179.85	9,800.00	-6,348.52	560.54	6,349.97	0.000	0.000	0.000
15,800.00	90.00	179.85	9,800.00	-6,448.52	560.80	6,449.97	0.000	0.000	0.000
15,900.00	90.00	179.85	9,800.00	-6,548.52	561.06	6,549.97	0.000	0.000	0.000
16,000.00	90.00	179.85	9,800.00	-6,648.52	561.32	6,649.97	0.000	0.000	0.000
16,100.00	90.00	179.85	9,800.00	-6,748.52	561.58	6,749.97	0.000	0.000	0.000
16,200.00	90.00	179.85	9,800.00	-6,848.52	561.84	6,849.97	0.000	0.000	0.000
16,300.00	90.00	179.85	9,800.00	-6,948.52	562.10	6,949.97	0.000	0.000	0.000
16,400.00	90.00	179.85	9,800.00	-7,048.52	562.37	7,049.97	0.000	0.000	0.000
16,500.00	90.00	179.85	9,800.00	-7,148.52	562.63	7,149.97	0.000	0.000	0.000
16,600.00	90.00	179.85	9,800.00	-7,248.52	562.89	7,249.97	0.000	0.000	0.000
16,700.00	90.00	179.85	9,800.00	-7,348.52	563.15	7,349.97	0.000	0.000	0.000
16,800.00	90.00	179.85	9,800.00	-7,448.52	563.41	7,449.97	0.000	0.000	0.000
16,900.00	90.00	179.85	9,800.00	-7,548.52	563.67	7,549.97	0.000	0.000	0.000
17,000.00	90.00	179.85	9,800.00	-7,648.52	563.93	7,649.97	0.000	0.000	0.000
17,100.00	90.00	179.85	9,800.00	-7,748.52	564.19	7,749.97	0.000	0.000	0.000
17,200.00	90.00	179.85	9,800.00	-7,848.52	564.45	7,849.97	0.000	0.000	0.000
17,300.00	90.00	179.85	9,800.00	-7,948.52	564.72	7,949.97	0.000	0.000	0.000
17,400.00	90.00	179.85	9,800.00	-8,048.52	564.98	8,049.97	0.000	0.000	0.000
17,500.00	90.00	179.85	9,800.00	-8,148.52	565.24	8,149.97	0.000	0.000	0.000
17,600.00	90.00	179.85	9,800.00	-8,248.52	565.50	8,249.97	0.000	0.000	0.000
17,700.00	90.00	179.85	9,800.00	-8,348.52	565.76	8,349.97	0.000	0.000	0.000
17,800.00	90.00	179.85	9,800.00	-8,448.52	566.02	8,449.97	0.000	0.000	0.000
17,900.00	90.00	179.85	9,800.00	-8,548.52	566.28	8,549.97	0.000	0.000	0.000
18,000.00	90.00	179.85	9,800.00	-8,648.52	566.54	8,649.97	0.000	0.000	0.000
18,100.00	90.00	179.85	9,800.00	-8,748.52	566.81	8,749.97	0.000	0.000	0.000
18,200.00	90.00	179.85	9,800.00	-8,848.52	567.07	8,849.97	0.000	0.000	0.000
18,300.00	90.00	179.85	9,800.00	-8,948.52	567.33	8,949.97	0.000	0.000	0.000
18,400.00	90.00	179.85	9,800.00	-9,048.52	567.59	9,049.97	0.000	0.000	0.000
18,500.00	90.00	179.85	9,800.00	-9,148.51	567.85	9,149.97	0.000	0.000	0.000
18,600.00	90.00	179.85	9,800.00	-9,248.51	568.11	9,249.97	0.000	0.000	0.000
18,700.00	90.00	179.85	9,800.00	-9,348.51	568.37	9,349.97	0.000	0.000	0.000
18,800.00	90.00	179.85	9,800.00	-9,448.51	568.63	9,449.97	0.000	0.000	0.000
18,900.00	90.00	179.85	9,800.00	-9,548.51	568.89	9,549.97	0.000	0.000	0.000
19,000.00	90.00	179.85	9,800.00	-9,648.51	569.16	9,649.97	0.000	0.000	0.000
19,100.00	90.00	179.85	9,800.00	-9,748.51	569.42	9,749.97	0.000	0.000	0.000
19,200.00	90.00	179.85	9,800.00	-9,848.51	569.68	9,849.97	0.000	0.000	0.000
19,300.00	90.00	179.85	9,800.00	-9,948.51	569.94	9,949.97	0.000	0.000	0.000

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Aim Directional Services, LLC



Planning Report



Database: RTOC- EDM 5000.1 Single User Db Company: Avant Operating, LLC

Project: Lea Co., NM (NAD 83)
Site: Cutbow 36 1 Federal Com Pad 2
Well: Cutbow 36 1 Federal Com 503H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference: Survey Calculation Method: Well Cutbow 36 1 Federal Com 503H

Well @ 3604.00usft Well @ 3604.00usft

Grid

nned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
19,400.00	90.00	179.85	9,800.00	-10,048.51	570.20	10,049.97	0.000	0.000	0.000
19,500.00 19,600.00 19,700.00 19,800.00 19,900.00	90.00 90.00 90.00 90.00 90.00	179.85 179.85 179.85 179.85 179.85	9,800.00 9,800.00 9,800.00 9,800.00 9,800.00	-10,148.51 -10,248.51 -10,348.51 -10,448.51 -10,548.51	570.46 570.72 570.98 571.24 571.51	10,149.97 10,249.97 10,349.97 10,449.97 10,549.97	0.000 0.000 0.000 0.000 0.000	0.000 0.000 0.000 0.000 0.000	0.000 0.000 0.000 0.000 0.000
20,000.00 20,100.00 20,200.00 20,300.00 20,400.00	90.00 90.00 90.00 90.00 90.00	179.85 179.85 179.85 179.85 179.85	9,800.00 9,800.00 9,800.00 9,800.00 9,800.00	-10,648.51 -10,748.51 -10,848.51 -10,948.51 -11,048.51	571.77 572.03 572.29 572.55 572.81	10,649.97 10,749.97 10,849.97 10,949.97 11,049.97	0.000 0.000 0.000 0.000 0.000	0.000 0.000 0.000 0.000 0.000	0.000 0.000 0.000 0.000 0.000
20,500.00 20,552.48 PBHL	90.00 90.00	179.85 179.85	9,800.00 9,800.00	-11,148.51 -11,200.99	573.07 573.21	11,149.97 11,202.45	0.000 0.000	0.000 0.000	0.000 0.000

Design Targets									
Target Name - hit/miss target D - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP - Cutbow 36 1 Fe - plan hits target cer - Point	0.00 nter	0.00	9,800.00	-835.62	546.14	591,197.96	729,665.11	32° 37' 25.548 N	103° 43' 17.864 W
LTP/PBHL - Cutbow 3 - plan hits target cer - Point	0.00 nter	0.00	9,800.00	-11,200.99	573.21	580,832.59	729,692.18	32° 35′ 42.983 N	103° 43' 18.245 W

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coor +N/-S (usft)	rdinates +E/-W (usft)	Comment
5,620.00	5,620.00	0.00	0.00	Build: 2°/100
6,230.54	6,225.93	-28.15	58.38	Hold: 12.21° Inc, 115.75° Azm
8,476.54	8,421.12	-234.51	486.27	Drop: 2°/100'
9,087.08	9,027.04	-262.67	544.64	Hold
9,287.08	9,227.04	-262.67	544.64	KOP: 10°/100' @ 9287.08' MD
10,187.08	9,800.00	-835.62	546.14	LP/Hold: 90.00° Inc, 179.85° Azm
20,552.48	9,800.00	-11,200.99	573.21	PBHL

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Avant Operating LLC

LEASE NO.: NMNM077054

LOCATION: | Section 25, T.19 S., R.32 E., NMPM

COUNTY: Lea County, New Mexico

WELL NAME & NO.: | Cutbow 36 1 Federal Com 301H

SURFACE HOLE FOOTAGE: 614'/S & 1378'/W **BOTTOM HOLE FOOTAGE** 100'/S & 330'/W

ATS/API ID: ATS-22-2090 APD ID: 10400088008

Sundry ID: N/a

WELL NAME & NO.: Cutbow 36 1 Federal Com 302H

SURFACE HOLE FOOTAGE: | 601'/S & 1409'/W **BOTTOM HOLE FOOTAGE** | 100'/S & 1254'/W

ATS/API ID: ATS-23-234 APD ID: 10400089084

Sundry ID: N/a

WELL NAME & NO.: Cutbow 36 1 Federal Com 303H

SURFACE HOLE FOOTAGE: 588'/S & 1439'/W BOTTOM HOLE FOOTAGE 100'/S & 2178'/W

ATS/API ID: | ATS-23-235 APD ID: | 10400089104

Sundry ID: N/a

WELL NAME & NO.: | Cutbow 36 1 Federal Com 304H

SURFACE HOLE FOOTAGE: 250'/S & 1274'/E **BOTTOM HOLE FOOTAGE** 100'/S & 2178'/E **ATS/API ID:** ATS-23-236

APD ID: 10400089106

Sundry ID: N/a

WELL NAME & NO.: Cutbow 36 1 Federal Com 305H

 SURFACE HOLE FOOTAGE:
 250'/S & 1241'/E

 BOTTOM HOLE FOOTAGE
 100'/S & 1254'/E

ATS/API ID: | ATS-23-237 APD ID: | 10400089108

Sundry ID: N/a

WELL NAME & NO.: | Cutbow 36 1 Federal Com 306H

SURFACE HOLE FOOTAGE: 250'/S & 1207'/E **BOTTOM HOLE FOOTAGE** 100'/S & 330'/E **ATS/API ID:** ATS-23-238 APD ID: 10400089111

Sundry ID: N/a

WELL NAME & NO.: Cutbow 36 1 Federal Com 501H

SURFACE HOLE FOOTAGE: 761'/S & 1440'/W **BOTTOM HOLE FOOTAGE** 100'/S & 330'/W **ATS/API ID: ATS-23-239**

APD ID: 10400089122

Sundry ID: N/a

WELL NAME & NO.: Cutbow 36 1 Federal Com 502H

SURFACE HOLE FOOTAGE: 749'/S & 1471'/W **BOTTOM HOLE FOOTAGE** 100'/S & 1185'/W

ATS/API ID: ATS-23-240 APD ID: 10400089125

Sundry ID: N/a

WELL NAME & NO.: Cutbow 36 1 Federal Com 503H

SURFACE HOLE FOOTAGE: 736'/S & 1501'/W **BOTTOM HOLE FOOTAGE** 100'/S & 2040'/W

ATS/API ID: ATS-23-241 APD ID: 10400089128

Sundry ID: N/a

COA

H2S	Yes ▼		
Potash	Secretary 🔻		
Cave/Karst	Low		
Potential			
Cave/Karst	☐ Critical		
Potential			
Variance	None	☑ Flex Hose	Other
Wellhead	Diverter	▼	
Other	☑4 String	Capitan Reef	□WIPP
		Int 2 ▼	
Other	Pilot Hole	Open Annulus	
	None 🔻		
Cementing	Contingency Squeeze	Echo-Meter	Primary Cement
	None ▼	None ▼	Squeeze
	_	_	None ▼
Special	□Water	☑ COM	Unit
Requirements	Disposal/Injection		
Special	☐ Batch Sundry		
Requirements			
Special	☐ Break Testing	☐ Offline	☐ Casing
Requirements		Cementing	Clearance
Variance			

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delware and Bone Springs** formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

Surface casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 1. The 20 inch surface casing shall be set at approximately 1175 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface. The surface hole shall be 24 inch in diameter.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature

- survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **24 hours in the Potash Area** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 2. The minimum required fill of cement behind the 13-3/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef.
 Cement excess is less than 25%, more cement is required if washout occurs. Adjust cement volume and excess based on a fluid caliper or similar method that reflects the as-drilled size of the wellbore.
 - ❖ In <u>Secretary Potash Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - Cement should tie-back at least **50 feet** on top of Capitan Reef top **or 500 feet** into the previous casing, whichever is greater. If cement does not circulate see B.1.a, c-d above.
 - Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef.
- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be tested to 1500 psi. A Diverter system is approved as a variance to drill the 13-3/8 inch intermediate casing section in a 20 inch hole.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 13-3/8 inch intermediate casing shoe shall be 3000 (3M) psi.
- c. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8 inch intermediate casing shoe shall be 5000 (5M) psi.

Option 2:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be tested to 1500 psi. A Diverter system is approved as a variance to drill the 13-3/8 inch intermediate casing section in a 20 inch hole.
- b. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the 13-3/8 inch intermediate casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be 5000 (5M) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in Onshore Order 1 and 2.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

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

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - ⊠ Eddy County Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - Lea County Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

Α. **CASING**

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

B. PRESSURE CONTROL

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

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

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

D. WASTE MATERIAL AND FLUIDS

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

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

LVO 5/1/2023

Hydrogen Sulfide Plan Summary

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

Breathing apparatus:

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

Auxiliary Rescue Equipment:

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

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

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

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



Federal Agencies:

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

Veterinarians:

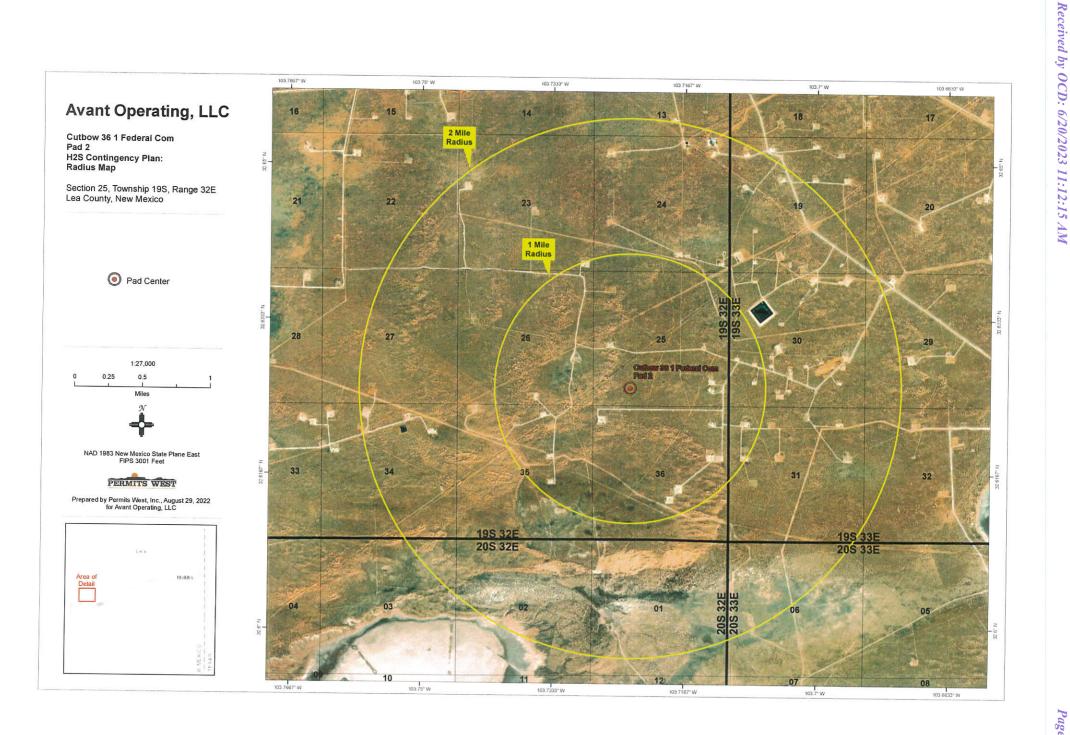
Dal Paso Animal Hospital (Hobbs)	(575) 397-2286
Hobbs Animal Clinic & Pet Care (Hobbs)	(575) 392-5563
Great Plains Veterinary Clinic& Hospital (Hobbs)	(575) 392-5513

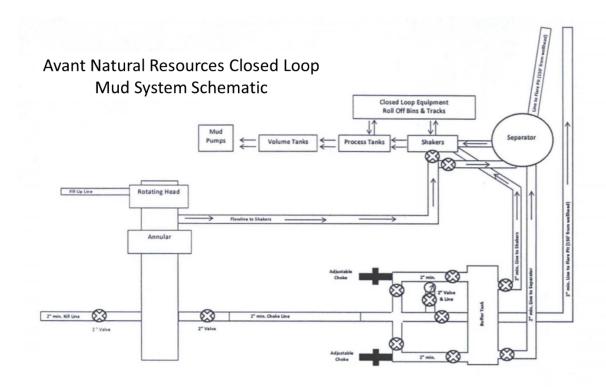
Residents within 2 miles:	None

Air Evacuation:

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







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

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

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

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

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

CONDITIONS

Action 230666

CONDITIONS

Operator:	OGRID:
Avant Operating, LLC	330396
1515 Wynkoop Street	Action Number:
Denver, CO 80202	230666
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	6/23/2023
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	6/23/2023
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	6/23/2023
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	6/23/2023