District I 1625 N. French Dr., Phone: (575) 393-6 District II	, Hobbs, NM : 161 Fax: (575	2023 3:07 88240 5) 393-0720	:04 PM	Energy	State of N Minerals an	ew Mexico d Natural R	esources		Page - Form C- Revised July 18, 20
811 S. First St., Art Phone: (575) 748-12	esia, NM 882 283 Fax: (575	10 ) 748-9720		Oil Conservation Division				<b>\</b>	MENDED REPOR
District III 1000 Rio Brazos Ro	ad, Aztec, NI	M 87410			01 Consel (e 1220 South S	t Francis Di	r		
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Eax: (505) 476-3462					Santa Fe,	NM 87505	PI	B, RECOMP	LETE
APPLIC	CATIO	ON FOR	PERMIT T	<b>O DRILL</b> , and Address	, RE-ENTEI	R, DEEPEN	, PLUGBAC	K, OR AD	D A ZONE
CRO	DSS TI	MBERS	S ENERGY,	LLC				298299	
400	W 7TI	H ST, FO	ORT WORT	H, TX 761	.02			<sup>3.</sup> API Numbe 30-025-02122	er
<sup>4.</sup> Proper	ty Code 2507			B	<sup>2</sup> Property Name RIDGES STA	TE	1	6. V	Vell No. 027
511	2007			7. Si	urface Location	n			027
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
Н	26	17S	34E		1980	Ν	660	Е	LEA
				<sup>8.</sup> Propos	ed Bottom Hol	e Location			
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
				<sup>9.</sup> Po	 ool Informatio	n			
				Pool	Name VA	CUUM;GLC	DRIETA		Pool Code 62160
				Addition	nal Well Inforn	nation			
11. Work	Туре		12. Well Type		<sup>13.</sup> Cable/Rotary		<sup>14.</sup> Lease Type	<sup>15.</sup> Gr	ound Level Elevation
P,	A		0		19		<u>S</u>	<u>S</u> 4005	
' <sup>o.</sup> Mul	tiple		Proposed Depth		Formation		Contractor		Spud Date
Depth to Groun	nd water		Dista	ce from nearest fresh water well			Distance	Distance to nearest surface water	
We will be	using a c	losed-loop	system in lieu o	f lined pits					
			21.	Proposed Ca	using and Ceme	ent Program		I	
Туре	Hole	e Size	Casing Size	Casing Weight/ft Setting Depth		Sacks of C	Cement	Estimated TOC	
			Casin	g/Cement Pr	ogram: Additi	onal Commen	ts		

# Type Working Pressure Test Pressure Manufacturer

<sup>23.</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION		
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.	Approved By:		
Signature: Connis Blaulock	P Kautz		
Printed name: Connie Blaylock	Title:		
Title: Regulatory Analyst	Approved Date: 07/27/2023 Expiration Date: 07/27/2025		
E-mail Address: cblaylock@txoenergy.com			
Date: 07/24/2023 Phone: 817-334-7882	Conditions of Approval Attached		

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 Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

## State of New Mexico Energy, Minerals & Natural Resources Department **OIL CONSERVATION DIVISION** 1220 South St. Francis Dr. Santa Fe, NM 87505

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

X AMENDED REPORT

		WI	ELL LC	OCATIO	N AND ACR	EAGE DEDIC	ATION PLA	Т		
1 A	<sup>1</sup> API Number			<sup>2</sup> Pool Code		<sup>3</sup> Pool Name				
30-	025-0212	22	64	2160		VACUUM;	GLORIETA			
<sup>4</sup> Property C	Code 31	2507			<sup>5</sup> Property 1	Name			6 V	Vell Number
XOX5	X	2307		BRIDGES STATE				027		
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation
29829	99			(	CROSS TIMBE	ERS ENERGY, LI	LC			4005 GL
	<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	/West line	County
Н	26	17S	34E		1980	N	660		E	LEA
			<sup>11</sup> Во	ttom Hol	e Location If	Different Fron	n Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	/West line	County
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint o	r Infill <sup>14</sup> Co	nsolidation	Code <sup>15</sup> Or	der No.					

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.

16			<sup>17</sup> OPERATOR CERTIFICATION
			I hereby certify that the information contained 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 a mineral or working
			interest, or to a voluntary pooling agreement or a compulsory pooling
			order heretofore entered by the division.
		H -1980-	Connie Blaylock 07/19/2023 Signature Date
		600	<u>cblaylock@txoenergy.com</u> E-mail Address
			<b>*SURVEYOR CERTIFICATION</b>
			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
			sume is true and correct to the best of my benej.
			- Date of Survey
			Signature and Seal of Professional Surveyor:
			Certificate Number

Rece	vived by	• OCD:	7/24/2023	3:07:04 1	PM
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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: <u>CROSS TIMBERS ENERGY, LLC</u> OGRID: <u>298299</u>

**Date:** 07/24/2023

**II. Type:** XOriginal 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
BRIDGES STATE 27	30-025-02122	H-26-17S-34E	1980 FNL	20	5	30
			660 FEL			

IV. Central Delivery Point Name: BRIDGES STATE 95 BATTERY [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
BRIDGES STATE 27	30-025-0212	2		09/18/2023	09/21/2023	09/25/2023

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

VII. Operational Practices: X 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: X 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.

X 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.**  $\Box$  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  $\Box$  will  $\Box$  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  $\Box$  does  $\Box$  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:**  $\Box$  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.

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

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

 $\Box$  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

 $\Box$  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.**  $\Box$  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.**  $\Box$  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: Connis Blaylock
Printed Name: CONNIE BLAYLOCK
Title: REGULATORY ANALYST
E-mail Address: cblavlock@txopartners.com
Date: 07/24/2023
Phone: 817-334-7882
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

.

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

Surface facilities for the well are located at central batteries. Process equipment at the battery includes a separator, a heater treater, gas scrubber, water and oil tanks, and a flare stack. Vessels are sized based on historical and predicted well performance and provide adequate time for separation. Natural gas will be sold to the sales pipeline and vented/flared during emergency/non-scheduled issues.

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

- Drilling Operations: Any natural gas produced during drilling operations will be combusted with a flare line. A properly sized flare stack will be located a minimum of 100 feet from the nearest surface hole location. If flaring isn't possible or poses a risk, Operator will vent natural gas to avoid any safety or environmental risks and report natural gas.
- Completion Operations: Hydrocarbon production will be minimized during completion and flowback operations. No flowback will occur until the well is connected to a properly sized system. When feasible, natural gas will be flared rather than vented. When sustained producible volumes are obtained, operations will turn to separation facilities and gathering pipeline.
- Production Operations: Efforts will be made to minimize waste. Process equipment (separators, heater treaters, and tanks) is designed for efficient separation and routing produced gas to the sales pipeline. Flaring rather than venting will be the preferred method to handle emergencies and malfunctions. Equipment will be properly maintained with routine inspections and preventative maintenance. Weekly AVOs will be performed at facilities.

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

- Best management practices are used to minimize venting and flaring during downhole operations.
- Flaring will be used in lieu of venting when feasible.
- Adequate well control during completion operations will be employed to minimize oil and gas production.
- Tanks and vessels are isolated from their respective facilities prior to inspection, maintenance, and repairs.
- The preventive maintenance program includes weekly AVO inspections, identification of failures or malfunctions, and repairs as needed.
- Coordinate with third-party gathering and sales operators to minimize downtime and the need for venting/flaring during downstream pipeline and gas plant events.

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

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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

CONDITIONS

Operator:	OGRID:
CROSS TIMBERS ENERGY, LLC	298299
400 West 7th Street	Action Number:
Fort Worth, TX 76102	243810
	Action Type:
	[C-101] Drilling Non-Federal/Indian (APD)

#### CONDITIONS

Created By	Condition	Condition Date
pkautz	None	7/27/2023

CONDITIONS

Page 8 of 8

Action 243810