

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 Operating, LLC **OGRID:** 330396 **Date:** 12/5/2024

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

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Royal Oak 25 Fed Com 008H		O-24-T18S-R33E	603FSL/1770FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 009H		O-24-T18S-R33E	723FSL/1771FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 303H		O-24-T18S-R33E	603FSL/1710FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 304H		O-24-T18S-R33E	763FSL/1711FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 503H		O-24-T18S-R33E	603FSL/1750FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 504H		O-24-T18S-R33E	763FSL/1751FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 603H		O-24-T18S-R33E	603FSL/1730FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D
Royal Oak 25 Fed Com 604H		O-24-T18S-R33E	763FSL/1731FEL	1300 BBL/D	2100 MCF/D	4800 BBL/D

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

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

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Royal Oak 25 Fed Com 008H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 009H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 303H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 304H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 503H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 504H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 603H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025
Royal Oak 25 Fed Com 604H		10/11/2025	11/23/2025	11/27/2025	12/28/2025	12/28/2025

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
Royal Oak 25 Fed Com 008H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 009H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 303H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 304H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 503H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 504H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 603H		2100 MCF/D	213,000 MCF
Royal Oak 25 Fed Com 604H		2100 MCF/D	213,000 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
Northwind Midstream	Pronto Jumper	Sec 25, T18S, R33E	12/28/2025	15MMCFGD

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

XII. Line Capacity. The natural gas gathering system ☒ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

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

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

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

Section 3 - Certifications

Effective May 25, 2021

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

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

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

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

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

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

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

Section 4 - Notices


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

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

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

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

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

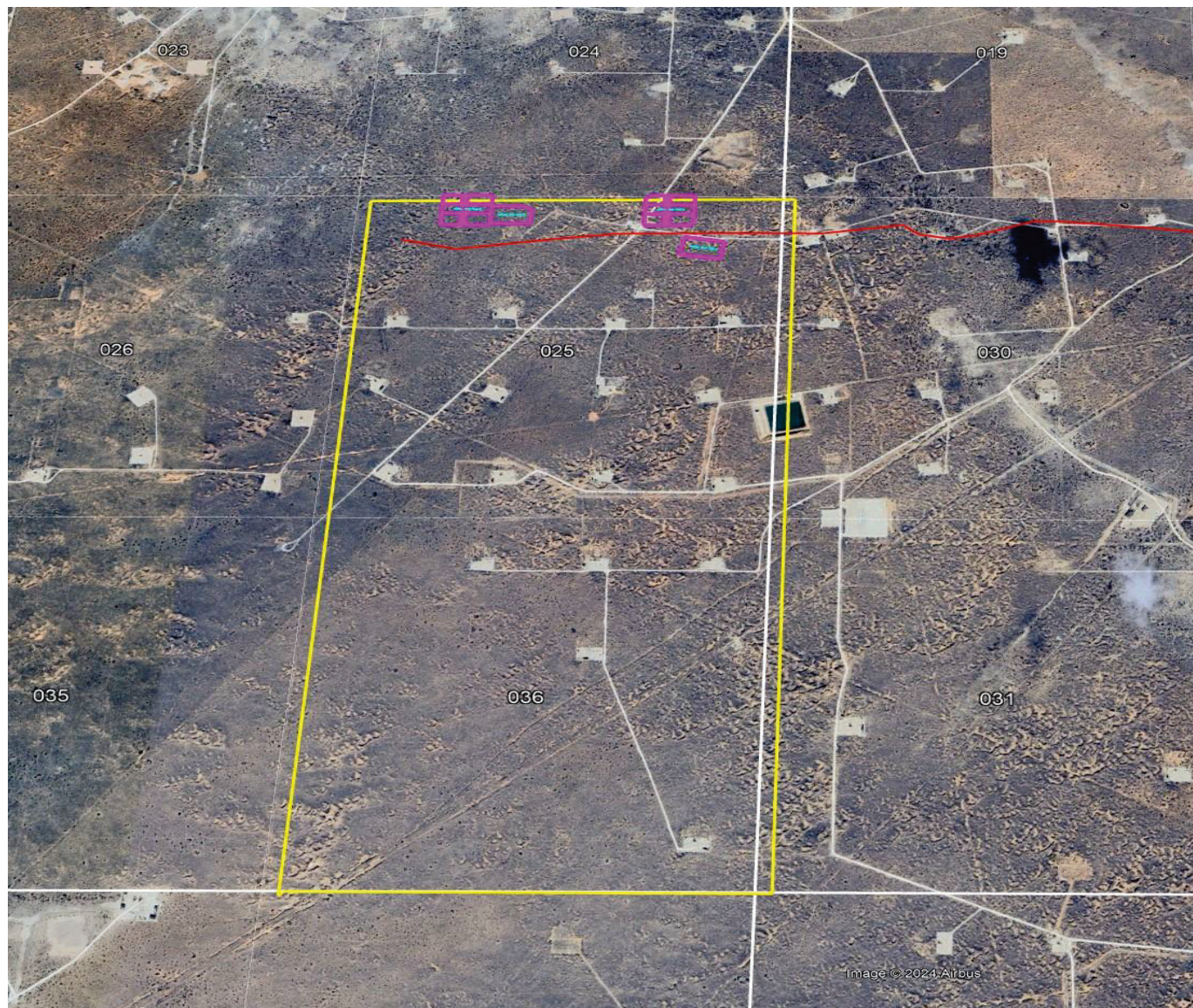
Signature:	
Printed Name:	John Harper
Title:	SVP Assets and Exploration
E-mail Address:	John@avantnr.com
Date:	07/15/24
Phone:	678-988-6644

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. 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. Avant will comply with the performance standards requirements and provisions listed in 19.15.27.8 (1) 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.
 - E. 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

Map**Line Pressure Plan**

When we start to see an increase in line pressure, we will communicate with our current Gas Midstream company to see how we can reduce the line pressure to ensure they can handle the production. We will monitor closely and make facility adjustments to keep line pressures down. If we continue to see downstream issues with high line pressures, we will look at alternative options to capture the excess gas the pipeline cannot handle to keep line pressures low. Building a relationship with the Gas Midstream company will be a priority to ensure both parties are on the same page when new wells are coming online in order to keep line pressures low for any upgrades that need to be in place before they come online.

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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QUESTIONS

Action 410411

QUESTIONS

Operator: Avant Operating, LLC 6001 Deauville Blvd Midland, CO 79706	OGRID: 330396
	Action Number: 410411
	Action Type: [UF-NGMP] NG Management Plan (NGMP)

QUESTIONS

II. Type:	
Original	Not answered.
Amendment due to 19.15.27.9.D(6)(a) NMAC	Not answered.
Amendment due to 19.15.27.9.D(6)(b) NMAC	Not answered.
Other	True
If other, please describe	Updating to reflect additional wells

III. Well(s)	
Number of wells identified above	6

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CONDITIONS

Created By	Condition	Condition Date
andrew.fordyce	None	3/31/2025