

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF AVANT OPERATING, LLC
FOR COMPULSORY POOLING AND
OVERLAPPING SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22895

**APPLICATION OF AVANT OPERATING, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22896

NOTICE OF SUPPLEMENTAL EXHIBITS

In accordance with the Division's request at the August 18, 2022 hearing in this matter, Avant Operating, LLC is providing the following supplemental exhibits: (1) Self-Affirmed Statement of Braden Harris (Exhibit D); and (2) Supplemental Self-Affirmed Statement of Shelly Albrecht (Exhibit E).

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for Avant Operating, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing pleading was sent by electronic mail to the following counsel of record on this 30th day of August, 2022.

Jennifer Bradfute
Marathon Oil Permian LLC
990 Town & Country Blvd.
Houston, TX 77024
Phone: (505) 264-8740
jbradfute@marathonoil.com

/s/ Dana S. Hardy

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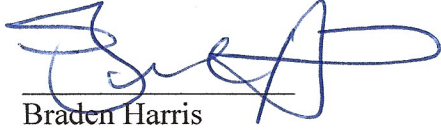
CASE NO. 22896

**SELF-AFFIRMED STATEMENT
OF BRADEN HARRIS**

1. I am the Senior Vice President of Operations at Avant Operating, LLC (“Avant”). I am over 18 years of age and have personal knowledge of the facts herein. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my qualifications as an expert in petroleum engineering were accepted as a matter of record.
2. At the August 18, 2022 hearing, the Division requested that Avant provide information regarding the well design for the Cutbow 36 1 Fed Com wells to address concerns regarding the Capitan Reef and the Potash Area. Accordingly, copies of the wellbore diagrams for the Cutbow 36 1 Fed Com #601H, #602H, and #603H wells are attached as Exhibit D-1. The same casing design will be used for the Cutbow 36 1 Fed Com #604H, #605H, and #606H wells.
3. In accordance with Bureau of Land Management requirements, the wellbore design includes four strings of casing to avoid impacts to potash. Potash and salt are isolated with the 1st intermediate casing, and the Capitan Reef is isolated by the 2nd intermediate casing.
4. Avant’s AFE’s for the wells have been previously submitted as Exhibit A-4 in each case, and they account for the additional strings of casing.

Avant Operating, LLC
Case Nos. 22895 and 22896
Exhibit D

5. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



Braden Harris

08-29-2022
Date

API:
REGULATORY: BLM
PERMIT #
RIG:
KB: 3602
GL: 3577



Cutbow 36 1 Federal Com 603H

Bone Springs

Lea County, NM

AFE:

Sec. 36, T-19S, R-32E; 300 FNL, 1455 FWL

SHL:

Lat: , Long: (NAD83)

HOLE SIZE	MD	FORMATION	TVD	MUD	CASING	CEMENT	SPECIAL INSTRUCTIONS
	120	30" Conductor	120				
24"				SPUD MW 8.4 PPG FRESH	20 " 94# J-55 BTC	Top of Lead: Surface 50% Excess Top of Tail: 1440' 20% Excess	Circ cmt to surface is a regulatory requirement Casing must be set 25' into the Rustler MUD: Fresh water only
	1,150	Rustler	1,150	TD MW 10.0 ppg	+/- 13.7 Bowsprings 1 joint shoe track		
	1,800	SURF CSG PT	1,800				
17.5"				DRLOUT MW 10.0 ppg BRINE	13 3/8 " 68# L-80 HC BTC	Top of Lead: Surface 50% OH Excess Top of Tail: 2880' 20% Excess	Circ cmt to surface is a regulatory requirement
	1,300	Top of Salt	1,300				
	2,900 3,000	Base of Salt Yates	2,900 3,000	TD MW 10.5 ppg	+/- 24.4 Bowsprings 1 joint shoe track		
	3,300	Capitan Reef	3,300				
	3,600	INTRM1 CSG PT	3,600				
12.25"				DRILLOUT MW 8.4 ppg FRESH	SPLIT STRING (GRADE) 9 5/8 " 0' - 4000' 40# J-55 LTC 4000' - 5600' 40# L-80 HC LTC	Top of Lead: Surface 50% OH Excess Top of Tail: 4480' 20% Excess	Circ cmt to surface is a regulatory requirement
	4,500	Base of Capitan Reef	4,500	TD MW 8.4 ppg	+/- 15 Bowsprings 1 joint shoe track		
	5,000	Cherry Canyon	5,000				
	5,600	INTRM2 CSG PT	5,600				
VERT				DRLOUT MW 9.2 ppg CUT BRINE	5 1/2 " 20# P-110 HC GBCD		
8.75"	6,251	Brushy Canyon	6,250				
	7,826	Bone Spring	7,800	KOP MW 9.5 ppg			
	8,895	1st Bone Spring	8,850				
	9,557	2nd Bone Spring	9,500	EOC MW 9.5 ppg CUT BRINE		TD MW 9.8 ppg	21,576 MD
CRV	10,566	3rd Bone Spring	10,500		OBM		10,191 VS
	10,888	KOP	10,823				11,300 TVD
LAT							
8.5"					FLOTATION COLLAR @ +/- KOP +/- 34 Singlebows 5,500 - 10,688 +/- 27 Doublebows 10,688 - 11,838 +/- 118 Solid bodies 11,838 - 21,576 TOE SLEEVE 1 joint shoe track	Top of Lead: Surface 50% OH Excess Top of Tail: 10888' (KOP) 20% Excess	
	11,638	EOC	11,300	VS: 279'	Lateral/VS Azimuth: 179.85° Est. BHST = 178°, Est. BHCT = 161°		BHL: 100' FSL, 2178' FWL

DIRECTIONS TO LOCALTON:

Avant Operating, LLC
Case Nos. 22895 and 22896
Exhibit D-1

API:
 REGULATORY: BLM
 PERMIT #
 RIG:
 KB: 3607
 GL: 3581



Cutbow 36 1 Federal Com 602H

Bone Springs

Lea County, NM

AFE:

SHL:

Sec. 36, T-19S, R-32E; 300 FNL, 1422 FWL

Lat: , Long: (NAD83)

HOLE SIZE	MD	FORMATION	TVD	MUD	CASING	CEMENT	SPECIAL INSTRUCTIONS	
24"	120	30" Conductor	120	SPUD MW	20 "	Top of Lead: Surface	Circ cmt to surface is a regulatory requirement	
	1,150	Rustler	1,150	8.4 PPG	94# J-55 BTC	50% Excess		
17.5"	1,800	SURF CSG PT	1,800	FRESH		Top of Tail: 1440'	Casing must be set 25' into the Rustler MUD: Fresh water only	
	1,300	Top of Salt	1,300	DRLOUT MW	13 3/8 "	50% OH Excess		
	2,900	Base of Salt	2,900	10.0 ppg	68# L-80 HC BTC	Top of Tail: 2880'		
	3,000	Yates	3,000	BRINE		20% Excess		
12.25"	3,300	Capitan Reef	3,300	TD MW	+/- 24.4 Bowsprings		Circ cmt to surface is a regulatory requirement	
	3,600	INTRM1 CSG PT	3,600	10.0 ppg	1 joint shoe track			
	4,500	Base of Capitan Reef	4,500	DRILLOUT MW	SPLIT STRING (GRADE)			
8.75"	5,000	Cherry Canyon	5,000	8.4 ppg	9 5/8 "	Top of Lead: Surface	Circ cmt to surface is a regulatory requirement	
	5,600	INTRM2 CSG PT	5,600	FRESH	0' - 4000'	50% OH Excess		
	5,000	Cherry Canyon	5,000	40# J-55 LTC	4000' - 5600'	Top of Tail: 4480'		
8.75"	8,856	1st Bone Spring	8,850	40# L-80 HC LTC		20% Excess	Circ cmt to surface is a regulatory requirement	
	9,507	2nd Bone Spring	9,500	TD MW	+/- 15 Bowsprings			
8.75"	10,509	3rd Bone Spring	10,500	8.4 ppg	1 joint shoe track		Circ cmt to surface is a regulatory requirement	
	10,832	KOP	10,823	CUT BRINE				
8.75"	6,251	Brushy Canyon	6,250	DRLOUT MW	5 1/2 "		Circ cmt to surface is a regulatory requirement	
	7,804	Bone Spring	7,800	9.2 ppg	20# P-110 HC GBCD			
8.75"	8,856	1st Bone Spring	8,850	KOP MW			Circ cmt to surface is a regulatory requirement	
	9,507	2nd Bone Spring	9,500	9.5 ppg				
8.75"	10,509	3rd Bone Spring	10,500	EOC MW			Circ cmt to surface is a regulatory requirement	
	10,832	KOP	10,823	9.5 ppg				
8.5"	11,582	EOC	11,300				Circ cmt to surface is a regulatory requirement	
	11,582	EOC	11,300					
VERT				Lateral/VS Azimuth: 179.85°				
CRV				Est. BHST = 178°, Est. BHCT = 161°				
LAT				BHL: 100' FSL, 1254' FWL				
12° / 100'				VS: 230'				
8.5"				FLOTATION COLLAR @ +/- KOP				
8.5"				+/- 34 Singlebows 5,500 - 10,632				Top of Lead: Surface 50% OH Excess
8.5"				+/- 27 Doublebows 10,632 - 11,782				Top of Tail: 10832' (KOP) 20% Excess
8.5"				+/- 118 Solid bodies 11,782 - 21,523				
8.5"				TOE SLEEVE				
8.5"				1 joint shoe track				

DIRECTIONS TO LOCAITON:

API:
REGULATORY: BLM
PERMIT #



Cutbow 36 1 Federal Com 601H

Bone Springs

Lea County, NM

RIG:
KB: 3607
GL: 3582

AFE:

SHL:

Sec. 36, T-19S, R-32E; 300 FNL, 1389 FWL

Lat: , Long: (NAD83)

HOLE SIZE	MD	FORMATION	TVD	MUD	CASING	CEMENT	SPECIAL INSTRUCTIONS
	120	30" Conductor	120				
24"				SPUD MW	20 "	Top of Lead: Surface 50% Excess	Circ cmt to surface is a regulatory requirement
				8.4 PPG	94# J-55 BTC	Top of Tail: 1440' 20% Excess	
		1,150	Rustler	1,150	FRESH		Casing must be set 25' into the Rustler
		1,800	SURF CSG PT	1,800	TD MW +/- 13.7 Bowsprings 10.0 ppg	1 joint shoe track	
17.5"				DRLOUT MW	13 3/8 "	Top of Lead: Surface 50% OH Excess	Circ cmt to surface is a regulatory requirement
		1,300	Top of Salt	1,300	10.0 ppg	Top of Tail: 2880' 20% Excess	
		2,900	Base of Salt	2,900	BRINE		
		3,000	Yates	3,000	TD MW +/- 24.4 Bowsprings 10.5 ppg	1 joint shoe track	
12.25"				DRILLOUT MW	SPLIT STRING (GRADE) 9 5/8 "	Top of Lead: Surface 50% OH Excess	Circ cmt to surface is a regulatory requirement
		4,500	Base of Capitan Reef	4,500	8.4 ppg	Top of Tail: 4480' 20% Excess	
		5,000	Cherry Canyon	5,000	FRESH		
		5,600	INTRM2 CSG PT	5,600	TD MW +/- 15 Bowsprings 8.4 ppg	1 joint shoe track	
VERT				DRLOUT MW	5 1/2 "		
		6,251	Brushy Canyon	6,250	9.2 ppg		
		7,852	Bone Spring	7,800	CUT BRINE	20# P-110 HC GBCD	
		8,961	1st Bone Spring	8,850	KOP MW		
CRV				EOC MW		TD MW	21,663 MD
		10,646	3rd Bone Spring	10,500	9.5 ppg	9.8 ppg	
8.75"				CUT BRINE		OBM	10,226 VS
		10,968	KOP	10,823			11,300 TVD
LAT							
		11,718	EOC	11,300	VS: 334.47'	Lateral/VS Azimuth: 179.85°	Est. BHST = 178°, Est. BHCT = 161°
8.5"					FLOTATION COLLAR @ +/- KOP	Top of Lead: Surface 50% OH Excess	BHL: 100' FSL, 330' FWL
				+/- 35 Singlebows	5,500 - 10,768	Top of Tail: 10968' (KOP) 20% Excess	
				+/- 27 Doublebows	10,768 - 11,918		
				+/- 118 Solid bodies	11,918 - 21,663		
				TOE SLEEVE			
					1 joint shoe track		

DIRECTIONS TO LOCAITON:

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LEA COUNTY, NEW MEXICO.**

CASE NO. 22896

**SUPPLEMENTAL SELF-AFFIRMED STATEMENT
OF SHELLY ALBRECHT**

1. I am the Vice President of Land at Avant Operating, LLC (“Avant”).
2. I previously submitted self-affirmed statements in these matters, which were marked in each case as Avant Exhibit A.
3. At the August 18, 2022 hearing, the New Mexico Oil Conservation Division requested that Avant explain the basis for its requested overhead rates of \$10,000 per month during drilling and \$1,000 per month during production. These requested overhead rates are based on the estimated overhead costs that Avant actually expects to incur. Costs have increased significantly over the past two years due to inflation, which has resulted in increased service company costs and increased labor costs. Service company costs have also increased due to demand in the Permian Basin. As a result, these amounts are the same as those included in the Joint Operating Agreement for these units. Based on these facts, it is my opinion that these rates are fair and are comparable to the rates charged by Avant and other operators in the vicinity.
4. I understand this Supplemental Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under

Avant Operating, LLC
Case Nos. 22895 and 22896
Exhibit E

penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date
handwritten next to my signature below.


Shelly Albrecht

8/29/2022
Date