



Case No. 24119

May 28, 2024

Compulsory Pooling and Non-Standard
Unit Application
All of Section 13-T20S-R33E (Wolfcamp)

Margie Fed Com Wolfcamp Wells

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

**APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24119

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24119	APPLICANT'S RESPONSE
Date	May 28, 2024
Applicant	Avant Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	Avant Operating, LLC (OGRID No. 330396)
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	Application of Avant Operating, LLC for Approval of Non-Standard Unit and Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	PBEX, LLC; E.G.L. Resources, Inc.; COG Operating LLC, Concho Oil & Gas LLC; XTO Energy, Inc.
Well Family	Margie 13 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code (Only if NSP is requested):	Teas; Wolfcamp Pool (Code 58980)
Well Location Setback Rules (Only if NSP is Requested):	State-Wide Rules Apply
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No. Approval of non-standard unit is being requested in this application.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A: Applicant is seeking approval of a non-standard unit.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed



Well #1: Margie 13 Fed Com 751H	SHL: 275' FSL & 686' FWL, Section 12, T-20-S R-33-E FTP: 100' FNL & 330' FWL Section 13, T-20-S R-33-E BHL: 100' FSL & 330' FWL Section 13, T-20-S R-33-E Orientation: North/South Completion Target: Wolfcamp Completion Status: Standard TVD: 11,400', MVD: 16,723'
Well #2: Margie 13 Fed Com 752H	SHL: 275' FSL & 1932' FWL, Section 12, T-20-S R-33-E FTP: 100' FNL & 1716' FWL Section 13, T-20-S R-33-E BHL: 100' FSL & 1716' FWL Section 13, T-20-S R-33-E Orientation: North/South Completion Target: Wolfcamp Completion Status: Standard TVD: 11,400', MVD: 16,723'
Well #3: Margie 13 Fed Com 753H	SHL: 275' FSL & 2530' FEL, Section 12, T-20-S R-33-E FTP: 100' FNL & 2640' FEL Section 13, T-20-S R-33-E BHL: 100' FSL & 2640' FEL Section 13, T-20-S R-33-E Orientation: North South Completion Target: Wolfcamp Completion Status: Standard TVD: 11,400', MVD: 16,723'
Well #4: Margie 13 Fed Com 754H	SHL: 275' FSL & 2450' FEL, Section 12, T-20-S R-33-E FTP: 100' FNL & 1716' FEL Section 13, T-20-S R-33-E BHL: 100' FSL & 1716' FEL Section 13, T-20-S R-33-E Orientation: North South Completion Target: Wolfcamp Completion Status: Standard TVD: 11,400', MVD: 16,723'
Well #5: Margie 13 Fed Com 755H	SHL: 698' FSL & 1601' FEL, Section 12, T-20-S R-33-E FTP: 100' FNL & 330' FEL Section 13, T-20-S R-33-E BHL: 100' FSL & 330' FEL Section 13, T-20-S R-33-E Orientation: North South Completion Target: Wolfcamp Completion Status: Standard TVD: 11,400', MVD: 16,723'
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	Exhibit B.6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000.00
Production Supervision/Month \$	\$1,000.00
Justification for Supervision Costs	See Exhibit B, Paragraph 26
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit E.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E.2 and E.3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit E.4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3

Tract List (including lease numbers and owners)	Exhibit B.3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit B.8
Pooled Parties (including ownership type)	Exhibit B.5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.6
Cost Estimate to Drill and Complete	Exhibit B.7
Cost Estimate to Equip Well	Exhibit B.7
Cost Estimate for Production Facilities	Exhibit B.7
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.1
Well Orientation (with rationale)	Exhibit C.6
Target Formation	Exhibit C.3 to C.5
HSU Cross Section	Exhibit C.4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	See Exhibit B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibit C.2
Structure Contour Map - Subsea Depth	Exhibit C.3
Cross Section Location Map (including wells)	Exhibit C.4
Cross Section (including Landing Zone)	Exhibit C.5
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	5/23/2024

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO

CASE NO. 24119

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

AFFIDAVIT OF TIFFANY SARANTINOS

Tiffany Sarantinos, being duly sworn, deposes and states as follows:

1. I am over the age of 18, I am a senior landman for Avant Operating, LLC (“Avant”) and have personal knowledge of the matters stated herein.

2. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum landman were accepted as a matter of record.

3. My area of responsibility at Avant includes the area Lea County in New Mexico.

4. I am familiar with the application filed by Avant in this case, which is attached as **Exhibit B.1.**

5. I am familiar with the status of the lands that are subject to this application.

6. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced application.

7. In this case, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less,



Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico.

8. Avant respectfully requests an expedited order in this case because the Margie wells are on Avant's near term drilling schedule. Avant intends to commence drilling the initial wells under the order on or before August 1, 2024, or sooner depending on permit approval.

9. Avant seeks approval of a 640-acre spacing unit for several reasons.

10. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the proposed and future wells in the proposed non-standard spacing unit. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.167(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

11. Second, Avant requires approval of a non-standard spacing unit to allow the wells to be dedicated to a federal Communitization Agreement that Avant desires to obtain from the Bureau of Land Management ("BLM"). If the non-standard unit is not approved, it is my understanding that BLM will not issue a Communitization Agreement and Avant will not be authorized to commingle production.

12. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells to be horizontally drilled.

13. Attached as **Exhibit B.2** are the proposed C-102s for the wells.

14. The C-102s identify the proposed surface hole locations and the bottom hole locations, and the first take points. The C-102s also identify the pool and pool code.

15. The wells will develop the Teas; Wolfcamp pool, pool code 58980.

16. This pool is an oil pool with 40-acre building blocks.
17. This pool is governed by the state-wide horizontal well rules.
18. The producing areas for the wells is expected to be orthodox.
19. There are no depth severances within the proposed spacing unit.
20. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests. Exhibit B.3 also includes a tract map comparing what a standard unit would be to Avant's proposed non-standard unit, a tract map showing the general location of the wells within the proposed non-standard unit, and a list of the wells with the pool code identified.

21. I have conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.

22. In my opinion, Avant has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

23. **Exhibit B.4** is a summary of my contacts with the working interest owners.

24. **Exhibit B.5** is a list of the parties to be pooled.

25. **Exhibit B.6** is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed surface hole and bottom hole locations and approximate TVD/MD for the wells.

26. **Exhibit B.7** contains the Authorization for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

27. Avant requests overhead and administrative rates of \$10,000.00/month for drilling a well and \$1,000.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Avant requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

28. Avant requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

29. Avant requests that it be designated operator of the wells.

30. The parties Avant is seeking to pool were notified of this hearing.

31. Avant seeks to pool overriding royalty interest owners, and they were also provided notice of this hearing.

32. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.

33. Avant also provided notice to offset affected parties for purposes of the non-standard unit application.

34. Avant also provided notice to offset affected parties for purposes of the non-standard unit application. **Exhibit B.8** is a tract map and list of affected parties to whom notice was provided for purposes of the non-standard unit portion of this application.

35. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.

36. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

37. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Tiffany Sarantinos
Tiffany Sarantinos

State of Colorado

County of Denver

This record was acknowledged before me on May 22nd, 2024, by Tiffany Sarantinos.

[Stamp]



[Signature]
Notary Public in and for the
State of Colorado
Commission Number: 20194020815

My Commission Expires: 9/14/27

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24119

APPLICATION

Avant Operating, LLC ("Avant"), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Wolfcamp horizontal spacing unit ("Unit").
3. Avant plans to drill the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells, to a depth sufficient to test the Wolfcamp formation. The wells will be horizontally drilled, and the producing areas for all of the wells are expected to be orthodox.



4. Avant seeks approval of the non-standard spacing unit for several reasons.
5. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
6. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Wolfcamp formation.
8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
9. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.
10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);
- B. Pooling all uncommitted interests in the Unit;

- C. Designating Avant as operator of the Unit and the wells to be drilled thereon;
- D. Authorizing Avant to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett
 Earl E. DeBrine, Jr.
 Deana M. Bennett
 Yarithza Peña
 Post Office Box 2168
 500 Fourth Street NW, Suite 1000
 Albuquerque, New Mexico 87103-2168
 Telephone: 505.848.1800
edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com
 Attorneys for Avant Operating, LLC

CASE NO. 24119: Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H,** and the **Margie 13 Fed Com 755H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

District I
1621 N. Foothill Dr., Hobbs, NM 88240
Phone: (575) 943-6300 Fax: (575) 943-6300
District II
411 S. First St., Artesia, NM 88218
Phone: (575) 748-1283 Fax: (575) 748-8750
District III
1000 Rio Rancho Blvd., Aztec, NM 87410
Phone: (505) 334-4178 Fax: (505) 334-6120
District IV
1200 N. Alameda St., Lordsburg, NM 87801
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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	58980	TEAS: WOLFCAMP
Property Code	Property Name	Well Number
	MARGIE 13 FED COM	#751H
OGRID No.	Operator Name	Elevation
330396	AVANT OPERATING, LLC	3595'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	12	20 S	33 E		275	SOUTH	686	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	20 S	33 E		100	SOUTH	330	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640.00			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

OPERATOR CERTIFICATION

I hereby certify that the information 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 under heretofore enacted by the division.

Signature: *Sarah Ferreyros* Date: 2/28/24

Printed Name: Sarah Ferreyros

E-mail Address: sarah@avantnr.com

SURVEYOR CERTIFICATION

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

DECEMBER 12, 2023
Date of Survey

Signature and Seal of Matthew B. Tomerlin, N.M.P.L.S.

Job No.: 23-09-3580
MATTHEW B. TOMERLIN, N.M.P.L.S.
Certificate Number 23203

NAD 83 (SHL) 275' FSL & 686' FWL LATITUDE = 32.581165° LONGITUDE = -103.623117° NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32.581042° LONGITUDE = -103.623624° STATE PLANE NAD 83 (N.M. EAST) N: 373888.70 E: 760098.58 STATE PLANE NAD 27 (N.M. EAST) N: 575826.18 E: 718917.91	NAD 83 (FTP/PPP#1) 100' FSL & 330' FWL LATITUDE = 32.580137° LONGITUDE = -103.624272° NAD 27 (FTP/PPP#1) LATITUDE = 32.580014° LONGITUDE = -103.623779° STATE PLANE NAD 83 (N.M. EAST) N: 375512.43 E: 759748.04 STATE PLANE NAD 27 (N.M. EAST) N: 575449.93 E: 718564.36
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NAD 83 (PPP#2) 1321' FSL & 330' FWL LATITUDE = 32.576782° LONGITUDE = -103.624273° NAD 27 (PPP#2) LATITUDE = 32.576659° LONGITUDE = -103.623780° STATE PLANE NAD 83 (N.M. EAST) N: 374291.87 E: 759753.12 STATE PLANE NAD 27 (N.M. EAST) N: 574229.10 E: 718572.40	NAD 83 (LTP/BHL) 100' FSL & 330' FWL LATITUDE = 32.566170° LONGITUDE = -103.624273° NAD 27 (LTP/BHL) LATITUDE = 32.566047° LONGITUDE = -103.623781° STATE PLANE NAD 83 (N.M. EAST) N: 570430.88 E: 759778.67 STATE PLANE NAD 27 (N.M. EAST) N: 570368.53 E: 718597.85
---	--

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
LC 0054975	1220.89'
LC 0070311	2540.83'
NM 111243	1219.84'
TOTAL	5001.55'

- NOTES**
- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001), NAVD 83.
 - THIS DOCUMENT IS BASED UPON AN ON-THE-GROUND SURVEY PERFORMED DURING OCTOBER, 2023. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
 - ELEVATIONS MSL DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

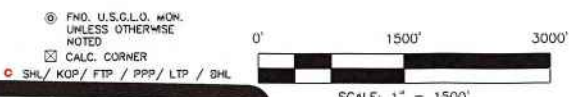


EXHIBIT B2

OCD Examiner Hearing: 5-28-24
Avant No. 24119
13

District I
8223 N. Foothill Dr., Hobbs, NM 88240
Phone: (575) 783-6161 Fax: (575) 783-6720
District II
411 S. First St., Artesia, NM 88218
Phone: (575) 748-1283 Fax: (575) 748-8720
District III
1000 West Branch Road, Artesia, NM 88210
Phone: (505) 334-6170 Fax: (505) 334-6170
District IV
1226 S. St. Francis Dr., Santa Fe, NM 87501
Phone: (505) 476-5460 Fax: (505) 476-5462

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	58980	TEAS; WOLFCAMP
Property Code	Property Name	Well Number
	MARGIE 13 FED COM	#752H
OGRID No.	Operator Name	Elevation
330396	AVANT OPERATING, LLC	3600'

Surface Location									
UL or lot no.	Section	Township	Range	Lot Ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	12	20 S	33 E		275	SOUTH	1932	WEST	LEA

Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	20 S	33 E		100	SOUTH	1716	WEST	LEA
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
640.00									

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

OPERATOR CERTIFICATION
I hereby certify that the information 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.

Signature: *Sarah Ferrevros* Date: 2/28/24
Printed Name: Sarah Ferrevros
E-mail Address: Sarah@avantnr.com

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was pointed 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.

DECEMBER 12, 2023
Date of Survey
Signature and Seal of Matthew B. Tomerlin, N.M.P.L.S. (Seal visible)

Job No.: 23-09-3580
MATTHEW B. TOMERLIN, N.M.P.L.S.
Certificate Number 23203

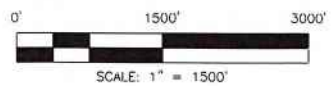
NAD 83 (SHL) 275' FSL & 1932' FWL LATITUDE = 32.581155° LONGITUDE = -103.619073°	NAD 83 (FTP/PPP#1) 100' FSL & 1716' FWL LATITUDE = 32.580126° LONGITUDE = -103.619773°
NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32.581032° LONGITUDE = -103.618580°	NAD 27 (FTP/PPP#1) LATITUDE = 32.580003° LONGITUDE = -103.619280°
STATE PLANE NAD 83 (N.M. EAST) N: 575893.24' E: 761344.28'	STATE PLANE NAD 83 (N.M. EAST) N: 575517.48' E: 761311.04'
STATE PLANE NAD 27 (N.M. EAST) N: 575830.71' E: 720163.59'	STATE PLANE NAD 27 (N.M. EAST) N: 575454.97' E: 719950.34'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
LC 0064975	3859.03'
SE/4 OF SW/4 OF SEC. 13	1215.65'
TOTAL	5075.52'

- NOTES**
- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001), NAVD 83.
 - THIS DOCUMENT IS BASED UPON AN ON-THE-GROUND SURVEY PERFORMED DURING NOVEMBER, 2023. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
 - ELEVATIONS MSL DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

NAD 83 (LTP/BHL) 100' FSL & 1716' FWL LATITUDE = 32.566164° LONGITUDE = -103.619774°
NAD 27 (LTP/BHL) LATITUDE = 32.566091° LONGITUDE = -103.619282°
STATE PLANE NAD 83 (N.M. EAST) N: 570458.07' E: 761164.65'
STATE PLANE NAD 27 (N.M. EAST) N: 570375.71' E: 719983.81'

- ⊙ F.M.D. U.S.G.C.L.O. MON. UNLESS OTHERWISE NOTED
- ⊠ CALC. CORNER
- SHL / KQP / FTP / PPP / LTP / BHL
- ▭ OIL & GAS LEASE
- ▭ HORIZONTAL SPACING UNIT



OCD Examiner Hearing 5-28-24

Avant No. 24119

District I
1823 N. French Dr., Hobbs, NM 88240
Phone (505) 393-4161 Fax (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87415
Phone (505) 354-8178 Fax (505) 354-4170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax (505) 476-3482

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, Order 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.

Main plat diagram showing well location, acreage, and operator/surveyor certifications. Includes coordinates, bearings, and distances for various points (SHL, FTP/PPP, LTP/BHL).

Table with 2 columns: Description (e.g., NAD 83 (SHL) 275' FSL & 2530' FEL), Latitude, Longitude, State Plane coordinates.

Table with 2 columns: Description (e.g., NAD 83 (FTP/PPP#1) 100' FNL & 2640' FEL), Latitude, Longitude, State Plane coordinates.

Table with 2 columns: Description (e.g., NAD 83 (PPP #2) 1320' FNL & 2640' FEL), Latitude, Longitude, State Plane coordinates.

Table with 2 columns: Description (e.g., NAD 83 (PPP #3) 2639' FNL & 2639' FEL), Latitude, Longitude, State Plane coordinates.

Table with 2 columns: Description (e.g., NAD 83 (LTP/BHL) 100' FSL & 2640' FEL), Latitude, Longitude, State Plane coordinates.

Table with 2 columns: Description (e.g., APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP), Value.

OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief...

Sarah Ferreyros
Signature and Date
Printed Name
E-mail Address

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision...

DECEMBER 12, 2023
Date of Survey
Signature and Seal of Professional Surveyor
Job No.: 23-09-3580
MATTHEW B. TOMERLIN, N.M.P.L.S.
Certificate Number 23203

NOTES
1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM...
2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2023...
3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.
Scale: 1" = 1500'

District I
1425 N. French Dr., Hobbs, NM 88240
Phone: (505) 993-8161 Fax: (505) 993-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1800 Red Branch Road, Arroyo, NM 87419
Phone: (505) 334-8178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87503
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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	58980	TEAS; WOLFCAMP
Property Code	Property Name	Well Number
	MARGIE 13 FED COM	#754H
OGRID No.	Operator Name	Elevation
330396	AVANT OPERATING, LLC	3604'

Surface Location

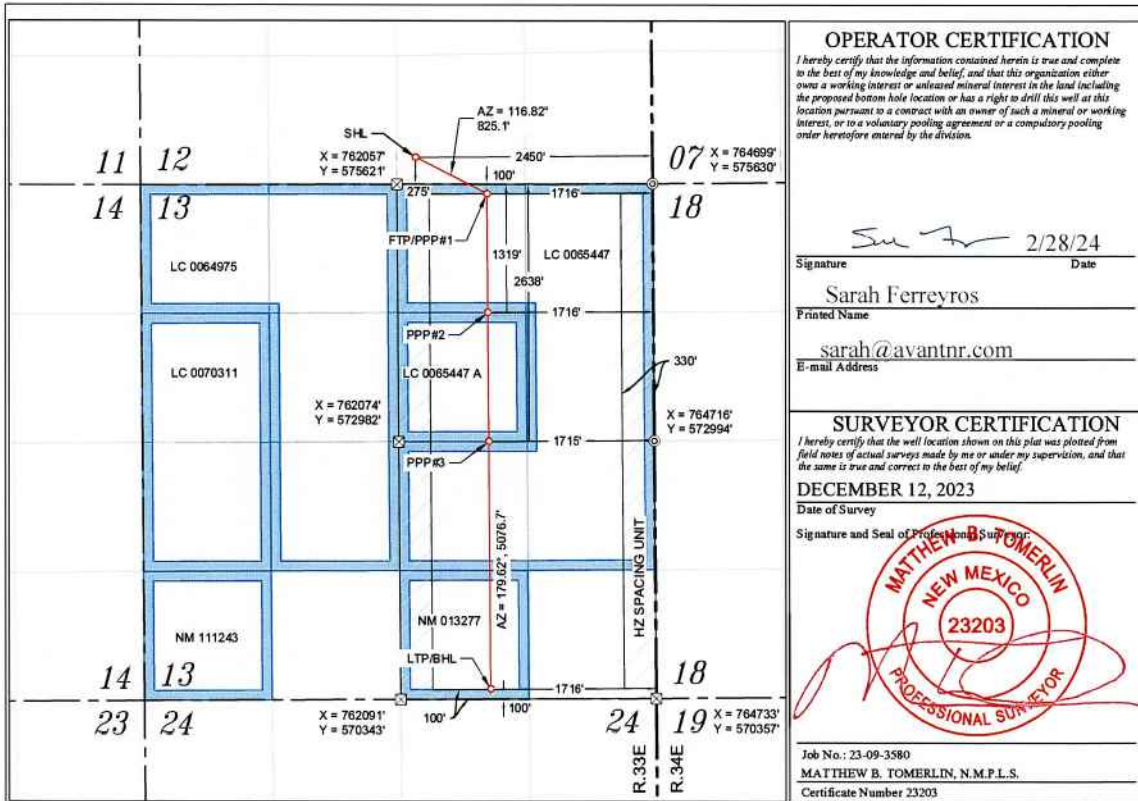
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	12	20 S	33 E		275	SOUTH	2450	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	13	20 S	33 E		100	SOUTH	1716	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640.00			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information 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.

Sarah Ferreyros 2/28/24
Signature Date

Sarah Ferreyros
Printed Name

sarah@avantnr.com
E-mail Address

SURVEYOR CERTIFICATION

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

DECEMBER 12, 2023
Date of Survey

Matthew B. Tomerlin
Signature and Seal of Professional Surveyor



Job No.: 23-09-3580
MATTHEW B. TOMERLIN, N.M.P.L.S.
Certificate Number 23203

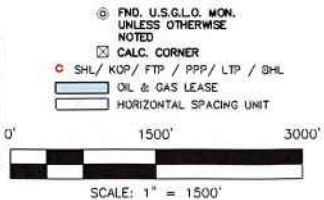
NOTES

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- THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2023. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

NAD 83 (SHL) 275' FSL & 2450' FEL LATITUDE = 32.581147° LONGITUDE = -103.616142° NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32.581024° LONGITUDE = -103.615649° STATE PLANE NAD 83 (N.M. EAST) N: 575896.53' E: 762247.01' STATE PLANE NAD 27 (N.M. EAST) N: 575834.00' E: 721066.31'	NAD 83 (FTP/PPP#1) 100' FNL & 1716' FEL LATITUDE = 32.580110° LONGITUDE = -103.613760° NAD 27 (FTP/PPP#1) LATITUDE = 32.579987° LONGITUDE = -103.613268° STATE PLANE NAD 83 (N.M. EAST) N: 575524.23' E: 762983.33' STATE PLANE NAD 27 (N.M. EAST) N: 575461.70' E: 721802.61'	NAD 83 (PPP #2) 1319' FNL & 1716' FEL LATITUDE = 32.576759° LONGITUDE = -103.613760° NAD 27 (PPP #2) LATITUDE = 32.576636° LONGITUDE = -103.613268° STATE PLANE NAD 83 (N.M. EAST) N: 574305.21' E: 762991.37' STATE PLANE NAD 27 (N.M. EAST) N: 574242.72' E: 721810.62'
---	---	--

NAD 83 (PPP #3) 2638' FNL & 1715' FEL LATITUDE = 32.573134° LONGITUDE = -103.613761° NAD 27 (PPP #3) LATITUDE = 32.573011° LONGITUDE = -103.613269° STATE PLANE NAD 83 (N.M. EAST) N: 572986.20' E: 763000.06° STATE PLANE NAD 27 (N.M. EAST) N: 572923.75' E: 721819.27°	NAD 83 (LTP/BHL) 100' FSL & 1716' FEL LATITUDE = 32.566156° LONGITUDE = -103.613763° NAD 27 (LTP/BHL) LATITUDE = 32.566033° LONGITUDE = -103.613271° STATE PLANE NAD 83 (N.M. EAST) N: 570447.68' E: 763016.81° STATE PLANE NAD 27 (N.M. EAST) N: 570385.31' E: 721835.95°
--	---

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
LC 0055447	2530.33'
LC 0055447 A	1315.04'
NM 013277	1215.29'
TOTAL	5078.56'



OCD Examiner Hearing 5-28-24

Avant No. 24119

District I
1021 N. French Dr., Hobbs, NM 88240
Phone: (505) 283-8100 Fax: (505) 283-9728
District II
811 S. First St., Azusa, NM 88202
Phone: (505) 546-1200 Fax: (505) 546-5720
District III
1000 New Mexico Blvd., Artes, NM 87213
Phone: (505) 234-6178 Fax: (505) 234-4176
District IV
2200 S. W. 10th St., Lordsburg, NM 87603
Phone: (505) 476-3460 Fax: (505) 476-3162

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
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	58980	TEAS; WOLFCAMP
Property Code	Property Name	Well Number
	MARGIE 13 FED COM	#755H
OGRID No.	Operator Name	Elevation
330396	AVANT OPERATING, LLC	3608'

Surface Location

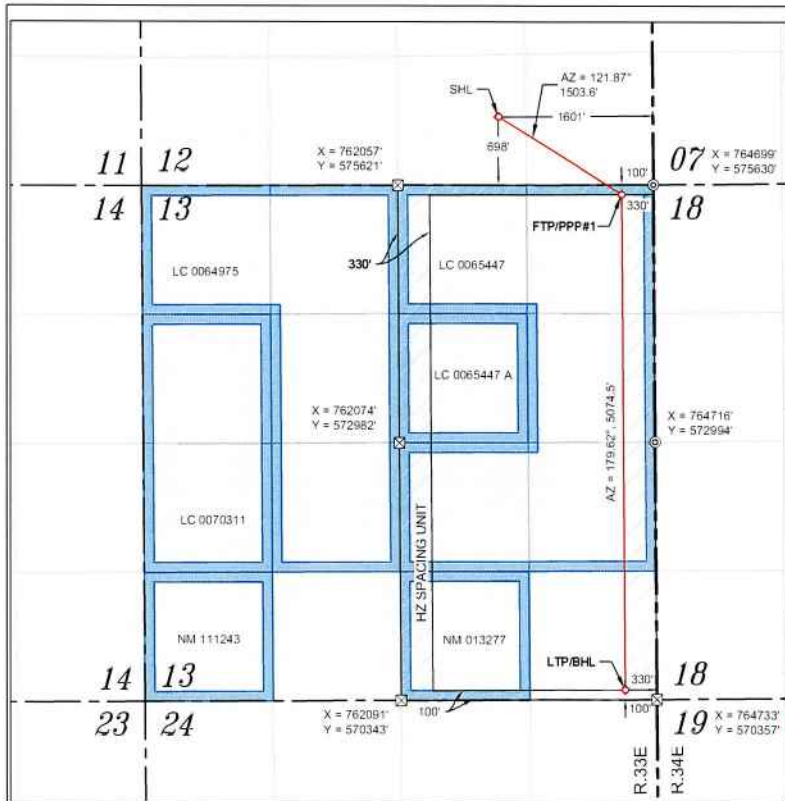
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	12	20 S	33 E		698	SOUTH	1601	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	13	20 S	33 E		100	SOUTH	330	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640.00			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION
I hereby certify that the information 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.

Signature: Sarah Ferreyros Date: 2/28/24
Printed Name: Sarah Ferreyros
E-mail Address: sarah@avantnr.com

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

Date of Survey: DECEMBER 12, 2023
Signature and Seal of Professional Surveyor: MATTHEW B. TOMERLIN
Job No.: 23-09-3580
MATTHEW B. TOMERLIN, N.M.P.L.S.
Certificate Number 23203

NAD 83 (SHL) 698' FSL & 1601' FEL LATITUDE = 32.582304° LONGITUDE = -103.613388°	NAD 83 (FTP/PPP#1) 100' FNL & 330' FEL LATITUDE = 32.566150° LONGITUDE = -103.609264°	NAD 83 (LTP/BHL) 100' FSL & 330' FEL LATITUDE = 32.566150° LONGITUDE = -103.609264°
NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32.582181° LONGITUDE = -103.612896°	NAD 27 (FTP/PPP#1) LATITUDE = 32.579975° LONGITUDE = -103.608768°	NAD 27 (LTP/BHL) LATITUDE = 32.566027° LONGITUDE = -103.608772°
STATE PLANE NAD 83 (N.M. EAST) N: 576323.10' E: 763092.33'	STATE PLANE NAD 83 (N.M. EAST) N: 570454.87' E: 764402.79'	STATE PLANE NAD 83 (N.M. EAST) N: 570454.87' E: 764402.79'
STATE PLANE NAD 27 (N.M. EAST) N: 576260.55' E: 721911.64'	STATE PLANE NAD 27 (N.M. EAST) N: 575466.74' E: 723188.59'	STATE PLANE NAD 27 (N.M. EAST) N: 570392.49' E: 723221.92'

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
LC 0055447	3855.50'
SE4/SE4	1218.94'
TOTAL	5074.52'

NOTES

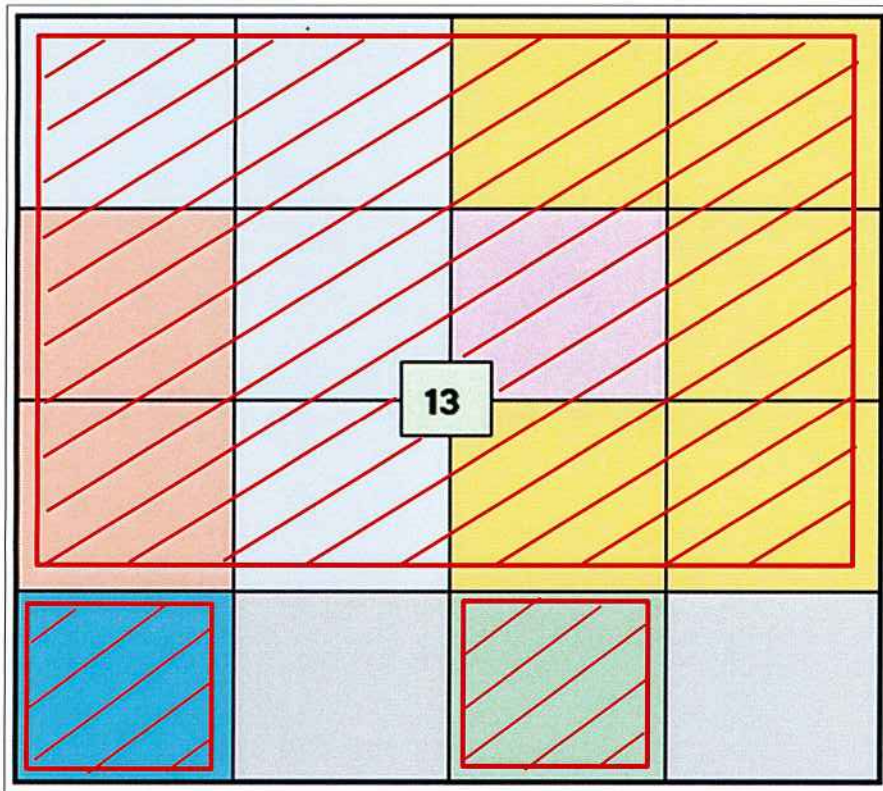
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- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

FND, U.S.G.L.O. MGH, UNLESS OTHERWISE NOTED
 CALC. CORNER
 SHL/ KOP/ FTP / PPP/ LTP / BHL
 OIL & GAS LEASE
 HORIZONTAL SPACING UNIT

0' 1500' 3000'
SCALE: 1" = 1500'



Avant holds majority working interest in the unit and owns an interest across the entire section



Tracts to which Avant owns an interest.

Tract 1	NMLC 064975
Tract 2	NMLC 065447
Tract 3	NMLC 065447A
Tract 4	NMLC 013277
Tract 5	NMNM 134876
Tract 6	NMLC 070311
Tract 7	NMNM 111243



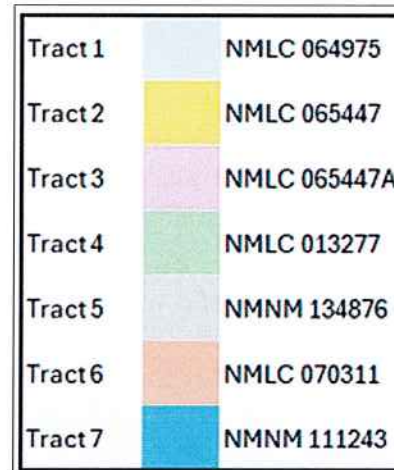
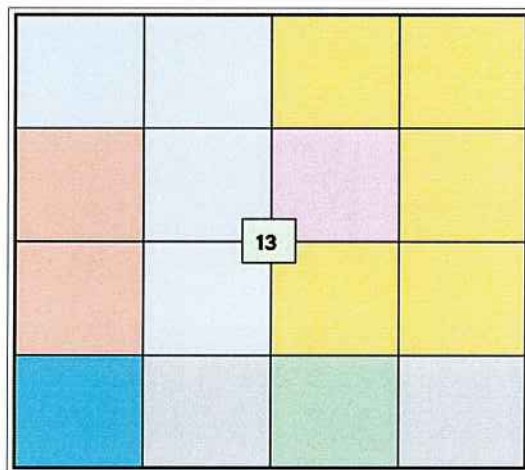


ALL of Sections 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Summary of Interests and Working Interest Owners Committed:

COMMITTED INTEREST

WI OWNER	NET ACRES	WI	TRACT NO.	STATUS
Legion Production Partners, LLC	72.2521	11.29%	1, 2, 3, 4, 6, 7	Committed
Avant Operating, LLC	53.6749	8.39%	1, 2, 3, 4, 6, 7,	OPERATOR
Double Cabin Minerals, LLC	22.2039	3.47%	1, 2, 3, 4, 6,	Committed
Durango Production Corp	81.1863	12.69%	1, 2, 3	Committed
Chief Capital (O&G) II, LLC	37.2090	5.81%	1, 2, 3, 4	Committed
TOTAL:	266.5262	41.64%		



**Avant Operating, LLC, Legion Production Partners, LLC and Double Cabin Minerals, LLC are all Avant-controlled entities*



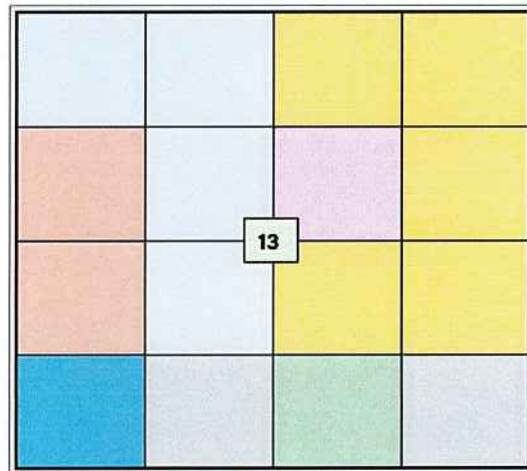


ALL of Sections 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Summary of Interests and Working Interest Owners to be Pooled:

UNCOMMITTED INTEREST

WI OWNER	NET ACRES	WI	TRACT NO.	STATUS
PBEX	205.0000	32.03%	1, 2, 3,	Uncommitted
EGL	10.0958	1.58%	6	Uncommitted
WPX Energy Permian LLC	35.4203	5.53%	7	Uncommitted
COG Operating, LLC	91.7850	14.34%	5	Uncommitted
ConocoPhillips Company	9.4900	1.48%	6	Uncommitted
Manta II, LLC	1.5829	0.25%	6	Uncommitted
Nortex Corporation	7.4242	1.16%	6	Uncommitted
Roger T. and Holly L. Elliott Family Limited Partnership, L.P.	0.2273	0.04%	6	Uncommitted
Todd M. Wilson	0.2273	0.04%	6	Uncommitted
TOTAL:	361.2528	56.45%		



Tract 1	NMLC 064975
Tract 2	NMLC 065447
Tract 3	NMLC 065447A
Tract 4	NMLC 013277
Tract 5	NMNM 134876
Tract 6	NMLC 070311
Tract 7	NMNM 111243



Lease Tract Map

Margie 13 Federal Com

Avant Operating, LLC

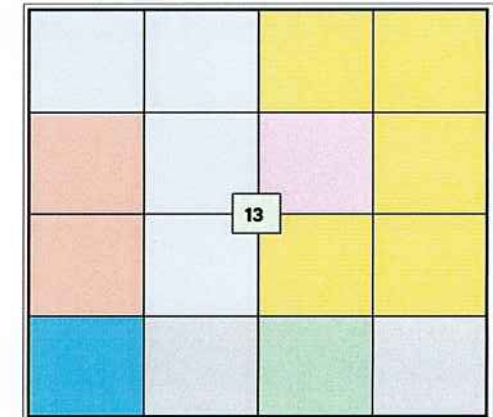


ALL of Sections 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Summary of ORRI Owners to be Pooled:

ORRI OWNERS	TRACT NO.
Anadarko Petroleum Corporation	2, 4
Black Horse Resources, LLC	6
Blue Star Royalty, LLC	1, 2, 3, 4
BRR OK I LLC	6
Chief Capital (O&G) II, LLC	1, 2, 6
COG Operating, LLC	6
Curtis A. Anderson and Edna I. Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dated 8/31/2021	7
Desert Rainbow, LLC	6
Devon Energy Operating Company, LP	7
Dorchester Minerals LP	6
Durango Production Corporation	6
Grady H. Vaughn III, Individually	6
GWV Interests, Inc.	6
Marathon Oil Permian, LLC	7
Mrs. Thelma Bauerdorf and Mrs. Constance Cartwright, Executrices and Trustees under the LWOT of George F. Bauerdorf	1
Penroc Oil Coporation	1, 2, 3, 4

ORRI OWNERS	TRACT NO.
Republic Royalty Company	2, 4
Roger T. and Holly L. Elliott Family Limited Partnership, L.P.	6
Roy G. Barton	2, 3, 4
Sabre Exploration, Inc.	1, 2, 3, 6
Saints Energy Enterprise, LLC	6
Shoreline Energy, LLC	6
TD Minerals, LLC	1, 2, 3, 4
The Estate of Rachel Lyman, Deceased c/o Nationsbank, National Association, dba Bank of America, National Association	6
The Kathleen I. Schuster Trust	1, 2, 3, 4
Todd M. Wilson	6
Tumbler Operating Partners, LLC	7
Vaughn Petroleum, Inc.	2, 4
Wallace W. Irwin Properties, LLC	1, 2, 3, 4



Tract 1		NMLC 064975
Tract 2		NMLC 065447
Tract 3		NMLC 065447A
Tract 4		NMLC 013277
Tract 5		NMNM 134876
Tract 6		NMLC 070311
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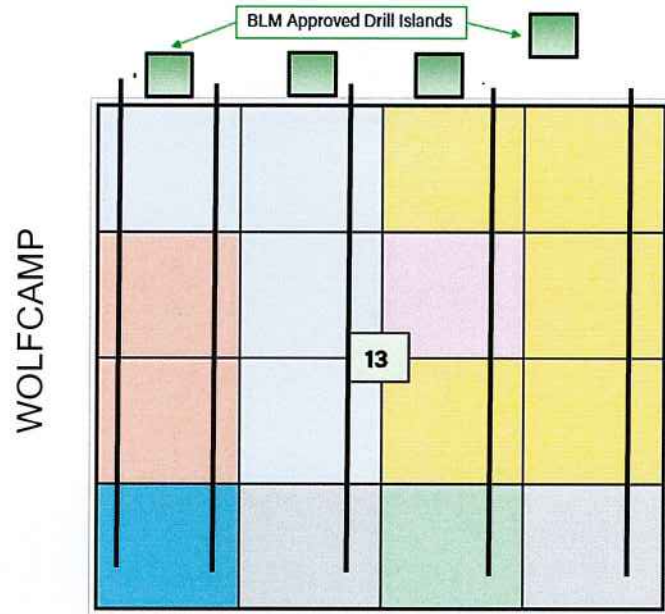
AVANT OPERATING, LLC | 4

Lease Tract Map Margie 13 Federal Com

Avant Operating, LLC
Case No. 24118
Exhibit X-X



Tract Map with approx. well locations



Well Name	Pool Code
Margie 13 Fed Com 751H	58980 / Teas; Wolfcamp
Margie 13 Fed Com 752H	58960 / Teas; Wolfcamp
Margie 13 Fed Com 753H	58960 / Teas; Wolfcamp
Margie 13 Fed Com 754H	58960 / Teas; Wolfcamp
Margie 13 Fed Com 755H	58960 / Teas; Wolfcamp

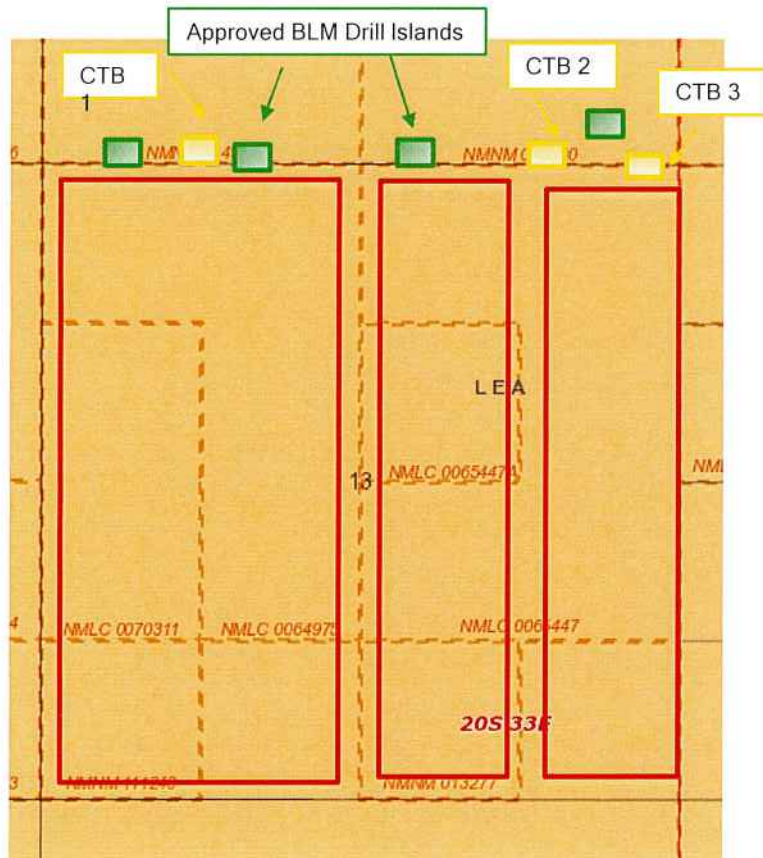




NSU reduces surface facilities and surface impacts

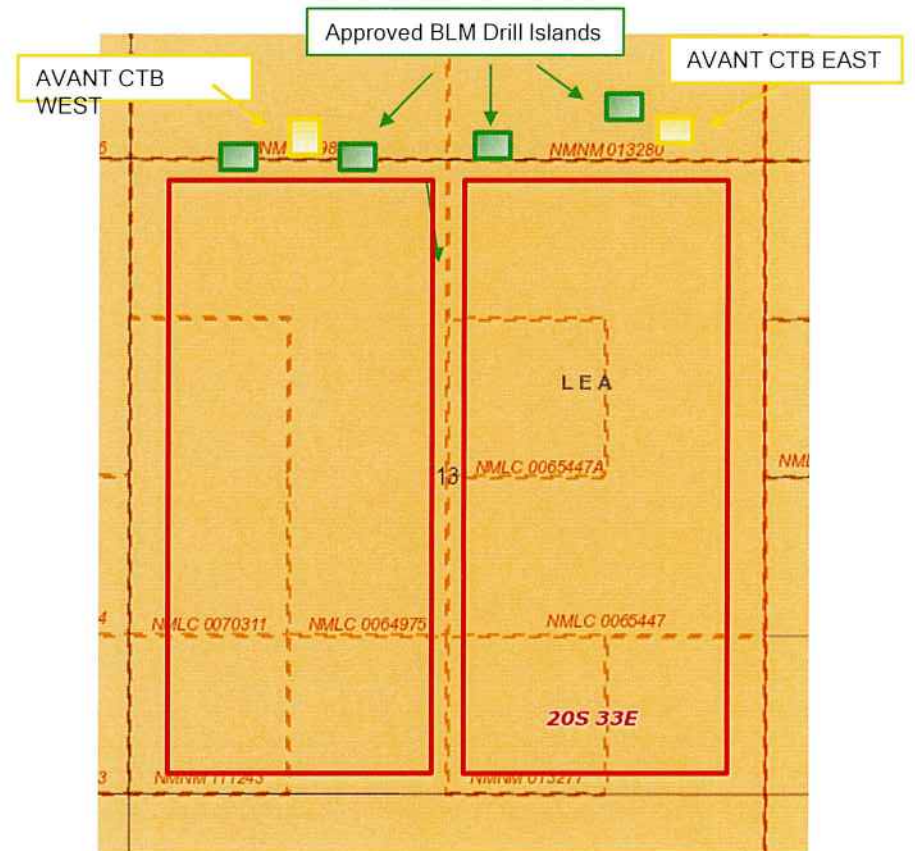
STANDARD UNIT DEVELOPMENT

3 CTBs



NON-STANDARD UNIT DEVELOPMENT

2 CTBs



Summary of Contacts

Margie 13 Federal Com

Avant Operating, LLC



Summary of Contacts

Owner Name	Sent Proposal	Tracking	Follow-up / Comments
Todd M. Wilson and Carol I. Wilson	10/9/23	9405 5036 9930 0613 0953 17	Well proposal package received, No further inquiries
XTO Holdings, LLC	10/9/23	9405 5036 9930 0613 0953 24	5/7/24: Email from Avant's Chris Leyendecker ("CL"), Sr. Landman, to Bryan Cifuentes ("BC"), XTO Landman about XTO inquiring about XTO title subject to a payout under a 1991 farmout agreement. 5/8/24: Email from BC to CL stating BC was looking into it. 5/20/24: Email from BC expressing interest in a commercial deal with Avant in Margie Unit (a transaction to get them out), suggests a term assignment as an option. CL told BC it looks like they have an unfavorably low Net Revenue Interest. Expressed tentative interest in exploring commercial options with XTO. Avant still needed Net Revenue Interest confirmation from XTO subject to 1991 farmout agreement. 5/20/24: Email from Avant VP of Land, Shelly Albrecht ("SA") to XTO's BC regarding potential protest. Call between SA and BC where SA expressed concern in working commercial option given XTO's unfavorable Net Revenue Interest. 5/21/24: Email from Avant's SA to XTO's BC with proposed Letter Agreement to address future billing concerns and supporting Avant as operator under Margie poolings. BC confirmed receipt to review and revert.
PBEX / EGL Resources, LLC	10/12/23	9405 5036 9930 0614 6854 01	6/12/2023: Avant and E.G.L./PBEX teams had dinner in Denver, 10/8/2023: Avant and E.G.L./PBEX teams met at NMOGA Annual Meeting in Santa Fe; 11/2/2023: Avant CEOs met with E.G.L./PBEX CEO and President met in Midland; 11/16/2023: Avant and E.G.L./PBEX executives met in Denver; 2/8/2024: Avant and E.G.L./PBEX executives met in Houston, 3/6/2024: Avant and E.G.L./PBEX executives met in Denver; 4/1/24: Avant and E.G.L./PBEX executives had dinner in Denver; 4/2/2024: Avant and E.G.L./PBEX teams held a full day meeting in Denver; 5/2/2024: Avant CEOs and E.G.L./PBEX's CEO and President met in Denver; 10/2023-5/2024: Frequent phone calls (at least bi-weekly) between Avant and E.G.L./PBEX executives
Manta II, LLC	10/18/23	9405 5036 9930 0617 1355 14	Well proposal package received, No further inquiries
Nortex Corporation	10/18/23	9405 5036 9930 0617 1354 91	Well proposal package received, No further inquiries
Roger T. and Holly L. Elliott Family Ltd. Partners	10/30/23	9410 8036 9930 0163 9623 22	Phone call w/Holly, updated address and confirmed receipt of AFEs; No further inquiries

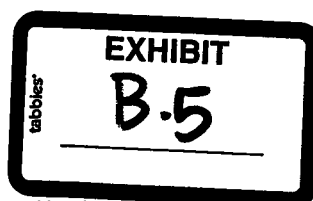


Working Interest Owners To Be Pooled

PBEX
EGL
WPX Energy Permian LLC
COG Operating, LLC
ConocoPhillips Company
Manta II, LLC
Nortex Corporation
Roger T. and Holly L. Elliott Family Limited Partnership, L.P.
Todd M. Wilson

ORRs To Be Pooled

Anadarko Petroleum Corporation
Black Horse Resources, LLC
Blue Star Royalty, LLC
BRR OK I LLC
Chief Capital (O&G) II, LLC
COG Operating, LLC
Curtis A. Anderson and Edna I. Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dated 8/31/2021
Desert Rainbow, LLC
Devon Energy Operating Company, LP
Dorchester Minerals LP
Durango Production Corporation
Grady H. Vaughn III, Individually
GWV Interests, Inc.
Marathon Oil Permian, LLC
Mrs. Thelma Bauerdorf and Mrs. Constance Cartwright, Executrices and Trustees under the LWOT of George F. Bauerdorf Penroc Oil Coporation
Republic Royalty Company
Roger T. and Holly L. Elliott Family Limited Partnership, L.P.
Roy G. Barton
Sabre Exploration, Inc.
Saints Energy Enterprise, LLC
Shoreline Energy, LLC
TD Minerals, LLC
The Estate of Rachel Lyman, De-ceased c/o Nationsbank, National Association, dba Bank of America, National Association
The Kathleen I. Schuster Trust
Todd M. Wilson
Tumbler Operating Partners, LLC
Vaughn Petroleum, Inc.
Wallace W. Irwin Properties, LLC





October 9, 2023

Sent Via USPS Overnight Mail

XTO Holdings, LLC
Attention: Permian Basin Unit
810 Houston Street
Fort Worth, TX 76102-6203

RE: Margie 13 Fed Com 201H, 202H, 203H, 204H, 205H, 206H
301H, 302H, 303H, 304H, 305H, 501H, 502H, 503H, 504H 505H, 506H,
601H, 602H, 603H, 604H, 605H, 606H, 651H, 652H, 653H, 654H, 655H
751H, 752H, 753H, 754H, 755H
Sections 13, Township 20 South, Range 33 East
Lea County, New Mexico

Ladies and Gentlemen:

Avant Operating, LLC ("Avant") hereby proposes to drill and complete the Margie 13 Fed Com 201H, 202H, 203H, 204H, 205H, 206H, 301H, 302H, 303H, 304H, 305H, 501H, 502H, 503H, 504H 505H, 506H, 601H, 602H, 603H, 604H, 605H, 606H, 651H, 652H, 653H, 654H, 655H, 751H, 752H, 753H, 754H, 755H wells in Section 13, Township 20 South, Range 33 East, Lea County, New Mexico. Avant is finalizing reports and preliminary title shows you may have an interest in the referenced lands.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each proposed well is itemized on the enclosed Authority for Expenditures ("AFE").
Margie 13 Fed Com #201H: to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,850 TVD and will be drilled horizontally to a Measured Depth of approximately 14,173'.
Margie 13 Fed Com #202H: to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,850 TVD and will be drilled horizontally to a Measured Depth of approximately 14,173'.
Margie 13 Fed Com #203H: to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,850 TVD and will be drilled horizontally to a Measured Depth of approximately 14,173'.
Margie 13 Fed Com #204H: to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,850 TVD and will be drilled horizontally to a Measured Depth of approximately 14,173'.





- **Margie 13 Fed Com #205H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,850' TVD and will be drilled horizontally to a Measured Depth of approximately 14,173'.
- **Margie 13 Fed Com #206H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 8,850' TVD and will be drilled horizontally to a Measured Depth of approximately 14,173'.
- **Margie 13 Fed Com #301H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,400' TVD and will be drilled horizontally to a Measured Depth of approximately 14,723'.
- **Margie 13 Fed Com #302H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,400' TVD and will be drilled horizontally to a Measured Depth of approximately 14,723'.
- **Margie 13 Fed Com #303H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,400' TVD and will be drilled horizontally to a Measured Depth of approximately 14,723'.
- **Margie 13 Fed Com #304H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,400' TVD and will be drilled horizontally to a Measured Depth of approximately 14,723'.
- **Margie 13 Fed Com #305H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,400' TVD and will be drilled horizontally to a Measured Depth of approximately 14,723'.
- **Margie 13 Fed Com #501H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,300' TVD and will be drilled horizontally to a Measured Depth of approximately 15,623'.
- **Margie 13 Fed Com #502H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,300' TVD and will be drilled horizontally to a Measured Depth of approximately 15,623'.
- **Margie 13 Fed Com #503H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,300' TVD and will be drilled horizontally to a Measured Depth of approximately 15,623'.
- **Margie 13 Fed Com #504H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,300' TVD and will be drilled horizontally to a Measured Depth of approximately 15,623'.



- **Margie 13 Fed Com #505H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,300' TVD and will be drilled horizontally to a Measured Depth of approximately 15,623'.
- **Margie 13 Fed Com #506H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,300' TVD and will be drilled horizontally to a Measured Depth of approximately 15,623'.
- **Margie 13 Fed Com #601H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,223'.
- **Margie 13 Fed Com #602H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,223'.
- **Margie 13 Fed Com #603H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,223'.
- **Margie 13 Fed Com #604H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,223'.
- **Margie 13 Fed Com #605H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,223'.
- **Margie 13 Fed Com #606H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,900' TVD and will be drilled horizontally to a Measured Depth of approximately 16,223'.
- **Margie 13 Fed Com #651H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,550' TVD and will be drilled horizontally to a Measured Depth of approximately 15,873'.
- **Margie 13 Fed Com #651H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,550' TVD and will be drilled horizontally to a Measured Depth of approximately 15,873'.
- **Margie 13 Fed Com #652H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,550' TVD and will be drilled horizontally to a Measured Depth of approximately 15,873'.



- **Margie 13 Fed Com #653H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,550' TVD and will be drilled horizontally to a Measured Depth of approximately 15,873'.
- **Margie 13 Fed Com #654H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,550' TVD and will be drilled horizontally to a Measured Depth of approximately 15,873'.
- **Margie 13 Fed Com #751H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 16,723'.
- **Margie 13 Fed Com #752H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 16,723'.
- **Margie 13 Fed Com #753H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 16,723'.
- **Margie 13 Fed Com #754H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 16,723'.
- **Margie 13 Fed Com #755H:** to be drilled from a legal location of Section 13-20S-33E. The Well will have a targeted interval within the Wolfcamp formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 16,723'.

Avant reserves the right to modify the locations and drilling plans described above to address topography, cultural or environmental concerns, among other reasons.

Avant is proposing to drill the proposed wells under the terms of a modified 1989 AAPL form of Operating Agreements ("JOAs"). The JOA will be sent to you following this proposal with the following general provisions:

- 100%/300%/300% non-consent penalty
- \$10,000/\$1000 drilling and producing monthly overhead rates
- Contract Area of ALL of Section 13-T20S-R33E
- This proposed Operating Agreements will supersede any and all existing Operating Agreements as to all depths on all horizontal wells drilled after the effective date of the JOA.

If we do not reach an agreement within thirty (30) days of receipt of these well proposals, Avant will file an application(s) with the New Mexico Oil Conservation Division to compulsory pool your interest into a spacing unit(s) for the proposed wells to promote the development of these lands.



Please indicate your elections in the spaces provided on the following pages. If you elect to participate in the drilling and completion of the wells proposed herein, please sign, and return a copy of this letter along with the enclosed AFEs within thirty (30) days of receipt of this proposal.

Avant respectfully requests your elections as soon as possible. Please indicate your elections in the spaces provided on the following pages. In the event you elect to participate in the drilling and completion of the wells proposed herein, please sign and return a copy of this letter along with the enclosed AFEs.

In the event you do not wish to participate in this proposed development and would be interested in selling your interest, please let us know. Should you have any questions, please contact the undersigned at tiffany@avantnr.com or (720) 746-5048.

Sincerely,

Tiffany Sarantinos
Senior Landman
Enclosures

Durango Production Company, elects as follows:

Margie 13 Fed Com #201H:

- I/We hereby elect to participate in the **Margie 13 Fed Com #201H** well.
- I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #201H** well.

Margie 13 Fed Com #202H:

- I/We hereby elect to participate in the **Margie 13 Fed Com #202H** well.
- I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #202H** well.

Margie 13 Fed Com #203H:

- I/We hereby elect to participate in the **Margie 13 Fed Com #203H** well.
- I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #203H** well.

Margie 13 Fed Com #204H:

- I/We hereby elect to participate in the **Margie 13 Fed Com #204H** well.
- I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #204H** well.

Margie 13 Fed Com #205H:

- I/We hereby elect to participate in the **Margie 13 Fed Com #205H** well.
- I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #205H** well.

Margie 13 Fed Com #206H:

- I/We hereby elect to participate in the **Margie 13 Fed Com #206H** well.
- I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #206H** well.



Margie 13 Fed Com #301H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #301H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #301H** well.

Margie 13 Fed Com #302H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #302H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #302H** well.

Margie 13 Fed Com #303H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #303H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #303H** well.

Margie 13 Fed Com #304H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #304H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #304H** well.

Margie 13 Fed Com #305H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #305H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #305H** well.

Margie 13 Fed Com #501H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #501H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #501H** well.

Margie 13 Fed Com #502H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #502H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #502H** well.

Margie 13 Fed Com #503H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #503H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #503H** well.

Margie 13 Fed Com #504H:

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_____ I/We hereby elect **NOT** to participate in **Margie 13 Fed Com #504H** well.

Margie 13 Fed Com #505H:

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_____ I/We hereby elect **NOT** to participate in **Margie 13 Fed Com #505H** well.

Margie 13 Fed Com #506H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #506H** well.
_____ I/We hereby elect **NOT** to participate in **Margie 13 Fed Com #506H** well.



Margie 13 Fed Com #601H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #601H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #601H** well.

Margie 13 Fed Com #602H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #602H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #602H** well.

Margie 13 Fed Com #603H:

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_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #603H** well.

Margie 13 Fed Com #604H:

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_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #604H** well.

Margie 13 Fed Com #605H:

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_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #605H** well.

Margie 13 Fed Com #606H:

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_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #606H** well.

Margie 13 Fed Com #651H:

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Margie 13 Fed Com #652H:

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Margie 13 Fed Com #653H:

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Margie 13 Fed Com #654H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #654H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #654H** well.

Margie 13 Fed Com #655H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #655H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #655H** well.



Margie 13 Fed Com #751H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #751H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #751H** well.

Margie 13 Fed Com #752H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #752H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #752H** well.

Margie 13 Fed Com #753H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #753H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #753H** well.

Margie 13 Fed Com #754H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #754H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #754H** well.

Margie 13 Fed Com #755H:

_____ I/We hereby elect to participate in the **Margie 13 Fed Com #755H** well.
_____ I/We hereby elect **NOT** to participate in the **Margie 13 Fed Com #755H** well.

XTO HOLDINGS, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____



Authority for Expenditure

AFE: NM0241

Date: September 28, 2023

Well Name: Margie 13 Fed Com #751H
Target: Wolfcamp
County: Lea
State: NM
SHL: Sec: 13, T-20S, R-33E; FNL, FWL
BHL: Sec: , T-S, R-E; FSL, 330 FWL

Projected MD/TVD: 16723 / 11400
Spud to TD: 13 days
Lateral Length: 5,000
Stages: 32
Total Proppant (ppf): 2,500
Total Fluid (gal/ft): 3,000

PROJECT DESCRIPTION:

The proposed AFE is for the Margie 13 Fed Com #751H, a 1 section Wolfcamp horizontal well to be drilled in Lea County, NM. The well is a 4 string casing design consisting of the following: 24" surface hole drilled on Fresh to 1350' and 20" 94# J-55 BTC casing will be set and cemented in place; 17.5" hole will then be drilled on Brine to 5200' and a string of 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Fresh to 10200' and a string of 9.625" 40# P-110 HC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 16723' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 5000' of treatable lateral and the completions design will consist of +/-32 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

Table with 2 columns: Category (DRILLING, COMPLETIONS, FACILITIES, COMPLETED WELL COST) and Amount (\$4,384,788, \$4,067,127, \$1,329,704, \$9,781,619). Includes a TOTAL header.

OPERATOR APPROVAL:

Signature: _____
Name: Jacob Nagy

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Skyler Gary

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Pete Williams

Date: _____
Title: C.F.O.

Signature: _____
Name: Braden Harris

Date: _____
Title: S.V.P. Operations



AFE # NM0241 - Margie 13 Fed Com #751H

TANGIBLE COSTS			Drilling	Completion	Facilities	Total
Tangible Drilling			\$ 1,624,365	\$ -	\$ -	\$ 1,624,365
8400.301	Surface Casing:		\$ 167,821	\$ -	\$ -	\$ 167,821
8400.302	Intermediate1 Casing:		\$ 278,071	\$ -	\$ -	\$ 278,071
8400.302	Intermediate2 Casing:		\$ 590,453	\$ -	\$ -	\$ 590,453
8400.303	Production Casing:		\$ 531,186	\$ -	\$ -	\$ 531,186
8400.340	Wellhead Equipment:		\$ 56,835	\$ -	\$ -	\$ 56,835
			\$ -	\$ -	\$ -	\$ -
Tangible Completion			\$ -	\$ 314,131	\$ -	\$ 314,131
8400.308	Tubing:		\$ -	\$ 165,371	\$ -	\$ 165,371
8400.340	Wellhead Equip:		\$ -	\$ 107,713	\$ -	\$ 107,713
8400.312	Artificial Lift: Gas Lift		\$ -	\$ 41,048	\$ -	\$ 41,048
			\$ -	\$ -	\$ -	\$ -
Tangible Facility			\$ -	\$ -	\$ 1,018,354	\$ 1,018,354
8400.341	Vessels:		\$ -	\$ -	\$ 193,996	\$ 193,996
8400.342	Tanks:		\$ -	\$ -	\$ 89,027	\$ 89,027
8400.343	Flare:		\$ -	\$ -	\$ 24,925	\$ 24,925
8400.344	Compressors:		\$ -	\$ -	\$ 17,369	\$ 17,369
8400.316	Pipe/Valves/Fittings:		\$ -	\$ -	\$ 146,723	\$ 146,723
8400.328	Instrumentation/Meters:		\$ -	\$ -	\$ 45,198	\$ 45,198
8400.345	LACT Unit:		\$ -	\$ -	\$ -	\$ -
8400.346	Electrical Facility:		\$ -	\$ -	\$ -	\$ -
8400.347	Containment:		\$ -	\$ -	\$ 24,011	\$ 24,011
8400.348	Pump/Supplies:		\$ -	\$ -	\$ 36,515	\$ 36,515
8400.349	Pipelines:		\$ -	\$ -	\$ -	\$ -
8400.315	Flowlines:		\$ -	\$ -	\$ -	\$ -
8400.350	Instrument/Electrical Panel:		\$ -	\$ -	\$ 440,591	\$ 440,591
			\$ -	\$ -	\$ -	\$ -
TOTAL TANGIBLE COSTS >>>			\$ 1,624,365	\$ 314,131	\$ 1,018,354	\$ 2,956,851

INTANGIBLE COSTS			Drilling	Completion	Facilities	Total
Intangible Drilling			\$ 2,760,423	\$ -	\$ -	\$ 2,760,423
8200.111	Survey, Stake/Permit:		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.113	Damages/ROW:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.149	Legal, Title, Etc.		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.152	Well Control Insurance:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.112	Location:		\$ 115,644	\$ -	\$ -	\$ 115,644
8200.103	Rig Move:		\$ 79,727	\$ -	\$ -	\$ 79,727
8200.102	Drilling Daywork:		\$ 651,586	\$ -	\$ -	\$ 651,586
8200.104	Fuel/Power:		\$ 127,185	\$ -	\$ -	\$ 127,185
8200.116	Bits & BHA:		\$ 90,491	\$ -	\$ -	\$ 90,491
8200.128	Directional:		\$ 197,679	\$ -	\$ -	\$ 197,679
8200.117	Mud & Chemicals:		\$ 160,557	\$ -	\$ -	\$ 160,557
8200.115	Mud - Drill Water:		\$ 5,422	\$ -	\$ -	\$ 5,422
8200.169	Mud Brine:		\$ 21,483	\$ -	\$ -	\$ 21,483
8200.170	Mud - Diesel:		\$ 53,447	\$ -	\$ -	\$ 53,447
8200.119	Mud - Auxiliary:		\$ 28,105	\$ -	\$ -	\$ 28,105
8200.164	Solids Control/Closed Loop:		\$ 87,705	\$ -	\$ -	\$ 87,705
8200.158	Disposal:		\$ 200,058	\$ -	\$ -	\$ 200,058
8200.124	Equipment Rental:		\$ 91,397	\$ -	\$ -	\$ 91,397
8200.146	Mancamp:		\$ 39,460	\$ -	\$ -	\$ 39,460
8200.137	Casing Services:		\$ 102,959	\$ -	\$ -	\$ 102,959
8200.138	Cementing:		\$ 247,338	\$ -	\$ -	\$ 247,338
8200.106	Transportation:		\$ 135,161	\$ -	\$ -	\$ 135,161
8200.125	Inspection/Testing:		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.144	Company Supervision:		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.107	Consulting Services:		\$ 198,603	\$ -	\$ -	\$ 198,603
8200.127	Contract Labor:		\$ 33,570	\$ -	\$ -	\$ 33,570
8200.168	Roustabout Services:		\$ 2,092	\$ -	\$ -	\$ 2,092
8200.136	Mudlogging:		\$ -	\$ -	\$ -	\$ -
8200.143	Geo-Steering:		\$ 5,519	\$ -	\$ -	\$ 5,519
8200.134	Open Hole Logging:		\$ -	\$ -	\$ -	\$ -
8200.135	Coring & Analysis:		\$ -	\$ -	\$ -	\$ -
8200.165	Safety & Environmental:		\$ 2,018	\$ -	\$ -	\$ 2,018
8200.147	Drilling Overhead:		\$ 3,985	\$ -	\$ -	\$ 3,985
8200.148	Miscellaneous:		\$ -	\$ -	\$ -	\$ -
8200.153	Contingency:		\$ -	\$ -	\$ -	\$ -

OCD Examiner Hearing 5-28-24

AFE # NM0241 - Margie 13 Fed Com #751H

Intangible Completion			\$	-	\$ 3,752,995	\$	-	\$ 3,752,995
8300.205	Location & Roads:		\$	-	\$ 5,288	\$	-	\$ 5,288
8300.216	Cased Hole Logs & Surveys		\$	-	\$ -	\$	-	\$ -
8300.243	Analysis		\$	-	\$ 12,630	\$	-	\$ 12,630
8300.270	Stimulation:		\$	-	\$ 968,160	\$	-	\$ 968,160
8300.275	Proppant:		\$	-	\$ 596,001	\$	-	\$ 596,001
8300.207	Water:		\$	-	\$ 465,626	\$	-	\$ 465,626
8300.274	Water Transfer:		\$	-	\$ 61,756	\$	-	\$ 61,756
8300.266	Chemicals:		\$	-	\$ 221,375	\$	-	\$ 221,375
8300.209	Pump Down Services:		\$	-	\$ 67,886	\$	-	\$ 67,886
8300.214	Wireline/Perforating:		\$	-	\$ 201,212	\$	-	\$ 201,212
8300.203	Fuel, Power:		\$	-	\$ 390,688	\$	-	\$ 390,688
8300.210	Rental Equipment (Surface):		\$	-	\$ 296,847	\$	-	\$ 296,847
8300.277	Mancamp:		\$	-	\$ 16,635	\$	-	\$ 16,635
8300.250	Rental Equipment (Downhole):		\$	-	\$ 33,891	\$	-	\$ 33,891
8300.232	Disposal:		\$	-	\$ 28,670	\$	-	\$ 28,670
8300.276	Safety & Environmental:		\$	-	\$ 6,394	\$	-	\$ 6,394
8300.277	Consulting Services:		\$	-	\$ 142,614	\$	-	\$ 142,614
8300.212	Contract Labor:		\$	-	\$ 30,470	\$	-	\$ 30,470
8300.278	Roustabout Services:		\$	-	\$ 1,579	\$	-	\$ 1,579
8300.220	Company Supervision:		\$	-	\$ 5,052	\$	-	\$ 5,052
8300.230	Completions Rig:		\$	-	\$ 39,469	\$	-	\$ 39,469
8300.271	Coil Tubing Unit		\$	-	\$ 94,234	\$	-	\$ 94,234
8300.273	Flowback:		\$	-	\$ 50,034	\$	-	\$ 50,034
8300.229	Transportation:		\$	-	\$ 16,486	\$	-	\$ 16,486
8300.225	Contingency:		\$	-	\$ -	\$	-	\$ -
Intangible Facilities			\$	-	\$ -	\$	311,350	\$ 311,350
8350.401	Title Work/Permit Fees:		\$	-	\$ -	\$	-	\$ -
8350.402	Damages/ROW:		\$	-	\$ -	\$	-	\$ -
8350.403	Location, Roads:		\$	-	\$ -	\$	624	\$ 624
8350.405	Pipeline/Flowline Labor:		\$	-	\$ -	\$	-	\$ -
8350.406	Automation/Electrical Labor:		\$	-	\$ -	\$	-	\$ -
8350.407	Engineering/Technical Labor:		\$	-	\$ -	\$	70,945	\$ 70,945
8350.408	Civil/Mechanical Labor:		\$	-	\$ -	\$	144,475	\$ 144,475
8350.409	Commissioning Labor:		\$	-	\$ -	\$	-	\$ -
8350.410	Transportation:		\$	-	\$ -	\$	19,524	\$ 19,524
8350.404	Equipment Rentals:		\$	-	\$ -	\$	12,462	\$ 12,462
8350.411	Safety & Environmental:		\$	-	\$ -	\$	-	\$ -
8350.413	Contingency:		\$	-	\$ -	\$	63,319	\$ 63,319
TOTAL INTANGIBLE COSTS >>>			\$	2,760,423	\$ 3,752,995	\$	311,350	\$ 6,824,768

TOTAL D&C&F COSTS >>>	\$ 4,384,788	\$ 4,067,127	\$ 1,329,704	\$ 9,781,619
	Drilling	Completion	Facilities	Total

This Authority For Expenditure is based on cost estimates only. Billing will reflect your proportionate share of the actual invoice costs.

JOINT INTEREST APPROVAL:

Company: _____ Working Interest: _____

Signature: _____ Date: _____

By: _____



Authority for Expenditure

AFE: NM0242

Date: September 28, 2023

Well Name: Margie 13 Fed Com #752H

Target: Wolfcamp

County: Lea

State: NM

SHL: Sec: 13, T-20S, R-33E; FNL, FWL

BHL: Sec: , T-S, R-E; FSL, 1716 FWL

Projected MD/TVD: 16723 / 11400

Spud to TD: 13 days

Lateral Length: 5,000

Stages: 32

Total Proppant (ppf): 2,500

Total Fluid (gal/ft): 3,000

PROJECT DESCRIPTION:

The proposed AFE is for the Margie 13 Fed Com #752H, a 1 section Wolfcamp horizontal well to be drilled in Lea County, NM. The well is a 4 string casing design consisting of the following: 24" surface hole drilled on Fresh to 1350' and 20" 94# J-55 BTC casing will be set and cemented in place; 17.5" hole will then be drilled on Brine to 5200' and a string of 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Fresh to 10200' and a string of 9.625" 40# P-110 HC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 16723' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 5000' of treatable lateral and the completions design will consist of +/-32 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

Table with 2 columns: Category (DRILLING, COMPLETIONS, FACILITIES, COMPLETED WELL COST) and Amount (\$4,384,788, \$4,067,127, \$1,329,704, \$9,781,619)

OPERATOR APPROVAL:

Signature: _____
Name: Jacob Nagy

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Skyler Gary

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Pete Williams

Date: _____
Title: C.F.O.

Signature: _____
Name: Braden Harris

Date: _____
Title: S.V.P. Operations

AFE # NM0242 - Margie 13 Fed Com #752H

TANGIBLE COSTS			Drilling	Completion	Facilities	Total
Tangible Drilling			\$ 1,624,365	\$ -	\$ -	\$ 1,624,365
8400.301	Surface Casing:		\$ 167,821	\$ -	\$ -	\$ 167,821
8400.302	Intermediate1 Casing:		\$ 278,071	\$ -	\$ -	\$ 278,071
8400.302	Intermediate2 Casing:		\$ 590,453	\$ -	\$ -	\$ 590,453
8400.303	Production Casing:		\$ 531,186	\$ -	\$ -	\$ 531,186
8400.340	Wellhead Equipment:		\$ 56,835	\$ -	\$ -	\$ 56,835
			\$ -	\$ -	\$ -	\$ -
Tangible Completion			\$ -	\$ 314,131	\$ -	\$ 314,131
8400.308	Tubing:		\$ -	\$ 165,371	\$ -	\$ 165,371
8400.340	Wellhead Equip:		\$ -	\$ 107,713	\$ -	\$ 107,713
8400.312	Artificial Lift: Gas Lift		\$ -	\$ 41,048	\$ -	\$ 41,048
			\$ -	\$ -	\$ -	\$ -
Tangible Facility			\$ -	\$ -	\$ 1,018,354	\$ 1,018,354
8400.341	Vessels:		\$ -	\$ -	\$ 193,996	\$ 193,996
8400.342	Tanks:		\$ -	\$ -	\$ 89,027	\$ 89,027
8400.343	Flare:		\$ -	\$ -	\$ 24,925	\$ 24,925
8400.344	Compressors:		\$ -	\$ -	\$ 17,369	\$ 17,369
8400.316	Pipe/Valves/Fittings:		\$ -	\$ -	\$ 146,723	\$ 146,723
8400.328	Instrumentation/Meters:		\$ -	\$ -	\$ 45,198	\$ 45,198
8400.345	LACT Unit:		\$ -	\$ -	\$ -	\$ -
8400.346	Electrical Facility:		\$ -	\$ -	\$ -	\$ -
8400.347	Containment:		\$ -	\$ -	\$ 24,011	\$ 24,011
8400.348	Pump/Supplies:		\$ -	\$ -	\$ 36,515	\$ 36,515
8400.349	Pipelines:		\$ -	\$ -	\$ -	\$ -
8400.315	Flowlines:		\$ -	\$ -	\$ -	\$ -
8400.350	Instrument/Electrical Panel:		\$ -	\$ -	\$ 440,591	\$ 440,591
			\$ -	\$ -	\$ -	\$ -
TOTAL TANGIBLE COSTS >>>			\$ 1,624,365	\$ 314,131	\$ 1,018,354	\$ 2,956,851

INTANGIBLE COSTS			Drilling	Completion	Facilities	Total
Intangible Drilling			\$ 2,760,423	\$ -	\$ -	\$ 2,760,423
8200.111	Survey, Stake/Permit:		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.113	Damages/ROW:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.149	Legal, Title, Etc.		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.152	Well Control Insurance:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.112	Location:		\$ 115,644	\$ -	\$ -	\$ 115,644
8200.103	Rig Move:		\$ 79,727	\$ -	\$ -	\$ 79,727
8200.102	Drilling Daywork:		\$ 651,586	\$ -	\$ -	\$ 651,586
8200.104	Fuel/Power:		\$ 127,185	\$ -	\$ -	\$ 127,185
8200.116	Bits & BHA:		\$ 90,491	\$ -	\$ -	\$ 90,491
8200.128	Directional:		\$ 197,679	\$ -	\$ -	\$ 197,679
8200.117	Mud & Chemicals:		\$ 160,557	\$ -	\$ -	\$ 160,557
8200.115	Mud - Drill Water:		\$ 5,422	\$ -	\$ -	\$ 5,422
8200.169	Mud Brine:		\$ 21,483	\$ -	\$ -	\$ 21,483
8200.170	Mud - Diesel:		\$ 53,447	\$ -	\$ -	\$ 53,447
8200.119	Mud - Auxiliary:		\$ 28,105	\$ -	\$ -	\$ 28,105
8200.164	Solids Control/Closed Loop:		\$ 87,705	\$ -	\$ -	\$ 87,705
8200.158	Disposal:		\$ 200,058	\$ -	\$ -	\$ 200,058
8200.124	Equipment Rental:		\$ 91,397	\$ -	\$ -	\$ 91,397
8200.146	Mancamp:		\$ 39,460	\$ -	\$ -	\$ 39,460
8200.137	Casing Services:		\$ 102,959	\$ -	\$ -	\$ 102,959
8200.138	Cementing:		\$ 247,338	\$ -	\$ -	\$ 247,338
8200.106	Transportation:		\$ 135,161	\$ -	\$ -	\$ 135,161
8200.125	Inspection/Testing:		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.144	Company Supervision:		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.107	Consulting Services:		\$ 198,603	\$ -	\$ -	\$ 198,603
8200.127	Contract Labor:		\$ 33,570	\$ -	\$ -	\$ 33,570
8200.168	Roustabout Services:		\$ 2,092	\$ -	\$ -	\$ 2,092
8200.136	Mudlogging:		\$ -	\$ -	\$ -	\$ -
8200.143	Geo-Steering:		\$ 5,519	\$ -	\$ -	\$ 5,519
8200.134	Open Hole Logging:		\$ -	\$ -	\$ -	\$ -
8200.135	Coring & Analysis:		\$ -	\$ -	\$ -	\$ -
8200.165	Safety & Environmental:		\$ 2,018	\$ -	\$ -	\$ 2,018
8200.147	Drilling Overhead:		\$ 3,985	\$ -	\$ -	\$ 3,985
8200.148	Miscellaneous:		\$ -	\$ -	\$ -	\$ -
8200.153	Contingency:		\$ -	\$ -	\$ -	\$ -

OCD Examiner Hearing 5-28-24

AFE # NM0242 - Margie 13 Fed Com #752H

Intangible Completion			\$	-	\$ 3,752,995	\$	-	\$ 3,752,995
8300.205	Location & Roads:		\$	-	\$ 5,288	\$	-	\$ 5,288
8300.216	Cased Hole Logs & Surveys		\$	-	\$ -	\$	-	\$ -
8300.243	Analysis		\$	-	\$ 12,630	\$	-	\$ 12,630
8300.270	Stimulation:		\$	-	\$ 968,160	\$	-	\$ 968,160
8300.275	Proppant:		\$	-	\$ 596,001	\$	-	\$ 596,001
8300.207	Water:		\$	-	\$ 465,626	\$	-	\$ 465,626
8300.274	Water Transfer:		\$	-	\$ 61,756	\$	-	\$ 61,756
8300.266	Chemicals:		\$	-	\$ 221,375	\$	-	\$ 221,375
8300.209	Pump Down Services:		\$	-	\$ 67,886	\$	-	\$ 67,886
8300.214	Wireline/Perforating:		\$	-	\$ 201,212	\$	-	\$ 201,212
8300.203	Fuel, Power:		\$	-	\$ 390,688	\$	-	\$ 390,688
8300.210	Rental Equipment (Surface):		\$	-	\$ 296,847	\$	-	\$ 296,847
8300.277	Mancamp:		\$	-	\$ 16,635	\$	-	\$ 16,635
8300.250	Rental Equipment (Downhole):		\$	-	\$ 33,891	\$	-	\$ 33,891
8300.232	Disposal:		\$	-	\$ 28,670	\$	-	\$ 28,670
8300.276	Safety & Environmental:		\$	-	\$ 6,394	\$	-	\$ 6,394
8300.277	Consulting Services:		\$	-	\$ 142,614	\$	-	\$ 142,614
8300.212	Contract Labor:		\$	-	\$ 30,470	\$	-	\$ 30,470
8300.278	Roustabout Services:		\$	-	\$ 1,579	\$	-	\$ 1,579
8300.220	Company Supervision:		\$	-	\$ 5,052	\$	-	\$ 5,052
8300.230	Completions Rig:		\$	-	\$ 39,469	\$	-	\$ 39,469
8300.271	Coil Tubing Unit		\$	-	\$ 94,234	\$	-	\$ 94,234
8300.273	Flowback:		\$	-	\$ 50,034	\$	-	\$ 50,034
8300.229	Transportation:		\$	-	\$ 16,486	\$	-	\$ 16,486
8300.225	Contingency:		\$	-	\$ -	\$	-	\$ -
Intangible Facilities			\$	-	\$ -	\$ 311,350	\$	311,350
8350.401	Title Work/Permit Fees:		\$	-	\$ -	\$	-	\$ -
8350.402	Damages/ROW:		\$	-	\$ -	\$	-	\$ -
8350.403	Location, Roads:		\$	-	\$ -	\$ 624	\$	624
8350.405	Pipeline/Flowline Labor:		\$	-	\$ -	\$	-	\$ -
8350.406	Automation/Electrical Labor:		\$	-	\$ -	\$	-	\$ -
8350.407	Engineering/Technical Labor:		\$	-	\$ -	\$ 70,945	\$	70,945
8350.408	Civil/Mechanical Labor:		\$	-	\$ -	\$ 144,475	\$	144,475
8350.409	Commissioning Labor:		\$	-	\$ -	\$ -	\$	-
8350.410	Transportation:		\$	-	\$ -	\$ 19,524	\$	19,524
8350.404	Equipment Rentals:		\$	-	\$ -	\$ 12,462	\$	12,462
8350.411	Safety & Environmental:		\$	-	\$ -	\$ -	\$	-
8350.413	Contingency:		\$	-	\$ -	\$ 63,319	\$	63,319
TOTAL INTANGIBLE COSTS >>>			\$	2,760,423	\$ 3,752,995	\$ 311,350	\$	6,824,768

TOTAL D&C&F COSTS >>>		\$ 4,384,788	\$ 4,067,127	\$ 1,329,704	\$ 9,781,619
		Drilling	Completion	Facilities	Total

This Authority For Expenditure is based on cost estimates only. Billing will reflect your proportionate share of the actual invoice costs.

JOINT INTEREST APPROVAL:

Company: _____ Working Interest: _____

Signature: _____ Date: _____

By: _____



Authority for Expenditure

AFE: NM0295

Date: September 28, 2023

Well Name: Margie 13 Fed Com #753H
Target: Wolfcamp
County: Lea
State: NM
SHL: Sec: 13, T-20S, R-33E; FNL, FWL
BHL: Sec: , T-S, R-E; FSL, 2640 FWL

Projected MD/TVD: 16723 / 11400
Spud to TD: 13 days
Lateral Length: 5,000
Stages: 32
Total Proppant (ppf): 2,500
Total Fluid (gal/ft): 3,000

PROJECT DESCRIPTION:

The proposed AFE is for the Margie 13 Fed Com #753H, a 1 section Wolfcamp horizontal well to be drilled in Lea County, NM. The well is a 4 string casing design consisting of the following: 24" surface hole drilled on Fresh to 1350' and 20" 94# J-55 BTC casing will be set and cemented in place; 17.5" hole will then be drilled on Brine to 5200' and a string of 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Fresh to 10200' and a string of 9.625" 40# P-110 HC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 16723' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 5000' of treatable lateral and the completions design will consist of +/-32 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

Table with 2 columns: Category (DRILLING, COMPLETIONS, FACILITIES, COMPLETED WELL COST) and Amount (\$4,384,788, \$4,067,127, \$1,329,704, \$9,781,619). Includes a TOTAL header.

OPERATOR APPROVAL:

Signature: _____
Name: Jacob Nagy

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Skyler Gary

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Pete Williams

Date: _____
Title: C.F.O.

Signature: _____
Name: Braden Harris

Date: _____
Title: S.V.P. Operations

AFE # NM0295 - Margie 13 Fed Com #753H

TANGIBLE COSTS			Drilling	Completion	Facilities	Total
Tangible Drilling			\$ 1,624,365	\$ -	\$ -	\$ 1,624,365
8400.301	Surface Casing:		\$ 167,821	\$ -	\$ -	\$ 167,821
8400.302	Intermediate1 Casing:		\$ 278,071	\$ -	\$ -	\$ 278,071
8400.302	Intermediate2 Casing:		\$ 590,453	\$ -	\$ -	\$ 590,453
8400.303	Production Casing:		\$ 531,186	\$ -	\$ -	\$ 531,186
8400.340	Wellhead Equipment:		\$ 56,835	\$ -	\$ -	\$ 56,835
			\$ -	\$ -	\$ -	\$ -
Tangible Completion			\$ -	\$ 314,131	\$ -	\$ 314,131
8400.308	Tubing:		\$ -	\$ 165,371	\$ -	\$ 165,371
8400.340	Wellhead Equip:		\$ -	\$ 107,713	\$ -	\$ 107,713
8400.312	Artificial Lift: Gas Lift		\$ -	\$ 41,048	\$ -	\$ 41,048
			\$ -	\$ -	\$ -	\$ -
Tangible Facility			\$ -	\$ -	\$ 1,018,354	\$ 1,018,354
8400.341	Vessels:		\$ -	\$ -	\$ 193,996	\$ 193,996
8400.342	Tanks:		\$ -	\$ -	\$ 89,027	\$ 89,027
8400.343	Flare:		\$ -	\$ -	\$ 24,925	\$ 24,925
8400.344	Compressors:		\$ -	\$ -	\$ 17,369	\$ 17,369
8400.316	Pipe/Valves/Fittings:		\$ -	\$ -	\$ 146,723	\$ 146,723
8400.328	Instrumentation/Meters:		\$ -	\$ -	\$ 45,198	\$ 45,198
8400.345	LACT Unit:		\$ -	\$ -	\$ -	\$ -
8400.346	Electrical Facility:		\$ -	\$ -	\$ -	\$ -
8400.347	Containment:		\$ -	\$ -	\$ 24,011	\$ 24,011
8400.348	Pump/Supplies:		\$ -	\$ -	\$ 36,515	\$ 36,515
8400.349	Pipelines:		\$ -	\$ -	\$ -	\$ -
8400.315	Flowlines:		\$ -	\$ -	\$ -	\$ -
8400.350	Instrument/Electrical Panel:		\$ -	\$ -	\$ 440,591	\$ 440,591
			\$ -	\$ -	\$ -	\$ -
TOTAL TANGIBLE COSTS >>>			\$ 1,624,365	\$ 314,131	\$ 1,018,354	\$ 2,956,851

INTANGIBLE COSTS			Drilling	Completion	Facilities	Total
Intangible Drilling			\$ 2,760,423	\$ -	\$ -	\$ 2,760,423
8200.111	Survey, Stake/Permit:		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.113	Damages/ROW:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.149	Legal, Title, Etc.		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.152	Well Control Insurance:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.112	Location:		\$ 115,644	\$ -	\$ -	\$ 115,644
8200.103	Rig Move:		\$ 79,727	\$ -	\$ -	\$ 79,727
8200.102	Drilling Daywork:		\$ 651,586	\$ -	\$ -	\$ 651,586
8200.104	Fuel/Power:		\$ 127,185	\$ -	\$ -	\$ 127,185
8200.116	Bits & BHA:		\$ 90,491	\$ -	\$ -	\$ 90,491
8200.128	Directional:		\$ 197,679	\$ -	\$ -	\$ 197,679
8200.117	Mud & Chemicals:		\$ 160,557	\$ -	\$ -	\$ 160,557
8200.115	Mud - Drill Water:		\$ 5,422	\$ -	\$ -	\$ 5,422
8200.169	Mud Brine:		\$ 21,483	\$ -	\$ -	\$ 21,483
8200.170	Mud - Diesel:		\$ 53,447	\$ -	\$ -	\$ 53,447
8200.119	Mud - Auxiliary:		\$ 28,105	\$ -	\$ -	\$ 28,105
8200.164	Solids Control/Closed Loop:		\$ 87,705	\$ -	\$ -	\$ 87,705
8200.158	Disposal:		\$ 200,058	\$ -	\$ -	\$ 200,058
8200.124	Equipment Rental:		\$ 91,397	\$ -	\$ -	\$ 91,397
8200.146	Mancamp:		\$ 39,460	\$ -	\$ -	\$ 39,460
8200.137	Casing Services:		\$ 102,959	\$ -	\$ -	\$ 102,959
8200.138	Cementing:		\$ 247,338	\$ -	\$ -	\$ 247,338
8200.106	Transportation:		\$ 135,161	\$ -	\$ -	\$ 135,161
8200.125	Inspection/Testing:		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.144	Company Supervision:		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.107	Consulting Services:		\$ 198,603	\$ -	\$ -	\$ 198,603
8200.127	Contract Labor:		\$ 33,570	\$ -	\$ -	\$ 33,570
8200.168	Roustabout Services:		\$ 2,092	\$ -	\$ -	\$ 2,092
8200.136	Mudlogging:		\$ -	\$ -	\$ -	\$ -
8200.143	Geo-Steering:		\$ 5,519	\$ -	\$ -	\$ 5,519
8200.134	Open Hole Logging:		\$ -	\$ -	\$ -	\$ -
8200.135	Coring & Analysis:		\$ -	\$ -	\$ -	\$ -
8200.165	Safety & Environmental:		\$ 2,018	\$ -	\$ -	\$ 2,018
8200.147	Drilling Overhead:		\$ 3,985	\$ -	\$ -	\$ 3,985
8200.148	Miscellaneous:		\$ -	\$ -	\$ -	\$ -
8200.153	Contingency:		\$ -	\$ -	\$ -	\$ -

OCD Examiner Hearing 5-28-24

AFE # NM0295 - Margie 13 Fed Com #753H

Intangible Completion			\$	-	\$ 3,752,995	\$	-	\$ 3,752,995
8300.205	Location & Roads:		\$	-	\$ 5,288	\$	-	\$ 5,288
8300.216	Cased Hole Logs & Surveys		\$	-	\$ -	\$	-	\$ -
8300.243	Analysis		\$	-	\$ 12,630	\$	-	\$ 12,630
8300.270	Stimulation:		\$	-	\$ 968,160	\$	-	\$ 968,160
8300.275	Proppant:		\$	-	\$ 596,001	\$	-	\$ 596,001
8300.207	Water:		\$	-	\$ 465,626	\$	-	\$ 465,626
8300.274	Water Transfer:		\$	-	\$ 61,756	\$	-	\$ 61,756
8300.266	Chemicals:		\$	-	\$ 221,375	\$	-	\$ 221,375
8300.209	Pump Down Services:		\$	-	\$ 67,886	\$	-	\$ 67,886
8300.214	Wireline/Perforating:		\$	-	\$ 201,212	\$	-	\$ 201,212
8300.203	Fuel, Power:		\$	-	\$ 390,688	\$	-	\$ 390,688
8300.210	Rental Equipment (Surface):		\$	-	\$ 296,847	\$	-	\$ 296,847
8300.277	Mancamp:		\$	-	\$ 16,635	\$	-	\$ 16,635
8300.250	Rental Equipment (Downhole):		\$	-	\$ 33,891	\$	-	\$ 33,891
8300.232	Disposal:		\$	-	\$ 28,670	\$	-	\$ 28,670
8300.276	Safety & Environmental:		\$	-	\$ 6,394	\$	-	\$ 6,394
8300.277	Consulting Services:		\$	-	\$ 142,614	\$	-	\$ 142,614
8300.212	Contract Labor:		\$	-	\$ 30,470	\$	-	\$ 30,470
8300.278	Roustabout Services:		\$	-	\$ 1,579	\$	-	\$ 1,579
8300.220	Company Supervision:		\$	-	\$ 5,052	\$	-	\$ 5,052
8300.230	Completions Rig:		\$	-	\$ 39,469	\$	-	\$ 39,469
8300.271	Coil Tubing Unit		\$	-	\$ 94,234	\$	-	\$ 94,234
8300.273	Flowback:		\$	-	\$ 50,034	\$	-	\$ 50,034
8300.229	Transportation:		\$	-	\$ 16,486	\$	-	\$ 16,486
8300.225	Contingency:		\$	-	\$ -	\$	-	\$ -
Intangible Facilities			\$	-	\$ -	\$	311,350	\$ 311,350
8350.401	Title Work/Permit Fees:		\$	-	\$ -	\$	-	\$ -
8350.402	Damages/ROW:		\$	-	\$ -	\$	-	\$ -
8350.403	Location, Roads:		\$	-	\$ -	\$	624	\$ 624
8350.405	Pipeline/Flowline Labor:		\$	-	\$ -	\$	-	\$ -
8350.406	Automation/Electrical Labor:		\$	-	\$ -	\$	-	\$ -
8350.407	Engineering/Technical Labor:		\$	-	\$ -	\$	70,945	\$ 70,945
8350.408	Civil/Mechanical Labor:		\$	-	\$ -	\$	144,475	\$ 144,475
8350.409	Commissioning Labor:		\$	-	\$ -	\$	-	\$ -
8350.410	Transportation:		\$	-	\$ -	\$	19,524	\$ 19,524
8350.404	Equipment Rentals:		\$	-	\$ -	\$	12,462	\$ 12,462
8350.411	Safety & Environmental:		\$	-	\$ -	\$	-	\$ -
8350.413	Contingency:		\$	-	\$ -	\$	63,319	\$ 63,319
TOTAL INTANGIBLE COSTS >>>			\$	2,760,423	\$ 3,752,995	\$	311,350	\$ 6,824,768

TOTAL D&C&F COSTS >>>		\$ 4,384,788	\$ 4,067,127	\$ 1,329,704	\$ 9,781,619
		Drilling	Completion	Facilities	Total

This Authority For Expenditure is based on cost estimates only. Billing will reflect your proportionate share of the actual invoice costs.

JOINT INTEREST APPROVAL:

Company: _____ Working Interest: _____

Signature: _____ Date: _____

By: _____



Authority for Expenditure

AFE: NM0296

Date: September 28, 2023

Well Name: Margie 13 Fed Com #754H

Target: Wolfcamp

County: Lea

State: NM

SHL: Sec: 13, T-20S, R-33E; FNL, FEL

BHL: Sec: , T-S, R-E; FSL, 1716 FEL

Projected MD/TVD: 16723 / 11400

Spud to TD: 13 days

Lateral Length: 5,000

Stages: 32

Total Proppant (ppf): 2,500

Total Fluid (gal/ft): 3,000

PROJECT DESCRIPTION:

The proposed AFE is for the Margie 13 Fed Com #754H, a 1 section Wolfcamp horizontal well to be drilled in Lea County, NM. The well is a 4 string casing design consisting of the following: 24" surface hole drilled on Fresh to 1350' and 20" 94# J-55 BTC casing will be set and cemented in place; 17.5" hole will then be drilled on Brine to 5200' and a string of 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Fresh to 10200' and a string of 9.625" 40# P-110 HC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 16723' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 5000' of treatable lateral and the completions design will consist of +/-32 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$4,384,788
COMPLETIONS:	\$4,067,127
FACILITIES:	\$1,329,704
COMPLETED WELL COST:	\$9,781,619

OPERATOR APPROVAL:

Signature: _____
Name: Jacob Nagy

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Skyler Gary

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Pete Williams

Date: _____
Title: C.F.O.

Signature: _____
Name: Braden Harris

Date: _____
Title: S.V.P. Operations

AFE # NM0296 - Margie 13 Fed Com #754H

TANGIBLE COSTS			Drilling	Completion	Facilities	Total
Tangible Drilling			\$ 1,624,365	\$ -	\$ -	\$ 1,624,365
8400.301	Surface Casing:		\$ 167,821	\$ -	\$ -	\$ 167,821
8400.302	Intermediate1 Casing:		\$ 278,071	\$ -	\$ -	\$ 278,071
8400.302	Intermediate2 Casing:		\$ 590,453	\$ -	\$ -	\$ 590,453
8400.303	Production Casing:		\$ 531,186	\$ -	\$ -	\$ 531,186
8400.340	Wellhead Equipment:		\$ 56,835	\$ -	\$ -	\$ 56,835
			\$ -	\$ -	\$ -	\$ -
Tangible Completion			\$ -	\$ 314,131	\$ -	\$ 314,131
8400.308	Tubing:		\$ -	\$ 165,371	\$ -	\$ 165,371
8400.340	Wellhead Equip:		\$ -	\$ 107,713	\$ -	\$ 107,713
8400.312	Artificial Lift: Gas Lift		\$ -	\$ 41,048	\$ -	\$ 41,048
			\$ -	\$ -	\$ -	\$ -
Tangible Facility			\$ -	\$ -	\$ 1,018,354	\$ 1,018,354
8400.341	Vessels:		\$ -	\$ -	\$ 193,996	\$ 193,996
8400.342	Tanks:		\$ -	\$ -	\$ 89,027	\$ 89,027
8400.343	Flare:		\$ -	\$ -	\$ 24,925	\$ 24,925
8400.344	Compressors:		\$ -	\$ -	\$ 17,369	\$ 17,369
8400.316	Pipe/Valves/Fittings:		\$ -	\$ -	\$ 146,723	\$ 146,723
8400.328	Instrumentation/Meters:		\$ -	\$ -	\$ 45,198	\$ 45,198
8400.345	LACT Unit:		\$ -	\$ -	\$ -	\$ -
8400.346	Electrical Facility:		\$ -	\$ -	\$ -	\$ -
8400.347	Containment:		\$ -	\$ -	\$ 24,011	\$ 24,011
8400.348	Pump/Supplies:		\$ -	\$ -	\$ 36,515	\$ 36,515
8400.349	Pipelines:		\$ -	\$ -	\$ -	\$ -
8400.315	Flowlines:		\$ -	\$ -	\$ -	\$ -
8400.350	Instrument/Electrical Panel:		\$ -	\$ -	\$ 440,591	\$ 440,591
			\$ -	\$ -	\$ -	\$ -
TOTAL TANGIBLE COSTS >>>			\$ 1,624,365	\$ 314,131	\$ 1,018,354	\$ 2,956,851

INTANGIBLE COSTS			Drilling	Completion	Facilities	Total
Intangible Drilling			\$ 2,760,423	\$ -	\$ -	\$ 2,760,423
8200.111	Survey, Stake/Permit:		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.113	Damages/ROW:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.149	Legal, Title, Etc.		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.152	Well Control Insurance:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.112	Location:		\$ 115,644	\$ -	\$ -	\$ 115,644
8200.103	Rig Move:		\$ 79,727	\$ -	\$ -	\$ 79,727
8200.102	Drilling Daywork:		\$ 651,586	\$ -	\$ -	\$ 651,586
8200.104	Fuel/Power:		\$ 127,185	\$ -	\$ -	\$ 127,185
8200.116	Bits & BHA:		\$ 90,491	\$ -	\$ -	\$ 90,491
8200.128	Directional:		\$ 197,679	\$ -	\$ -	\$ 197,679
8200.117	Mud & Chemicals:		\$ 160,557	\$ -	\$ -	\$ 160,557
8200.115	Mud - Drill Water:		\$ 5,422	\$ -	\$ -	\$ 5,422
8200.169	Mud Brine:		\$ 21,483	\$ -	\$ -	\$ 21,483
8200.170	Mud - Diesel:		\$ 53,447	\$ -	\$ -	\$ 53,447
8200.119	Mud - Auxiliary:		\$ 28,105	\$ -	\$ -	\$ 28,105
8200.164	Solids Control/Closed Loop:		\$ 87,705	\$ -	\$ -	\$ 87,705
8200.158	Disposal:		\$ 200,058	\$ -	\$ -	\$ 200,058
8200.124	Equipment Rental:		\$ 91,397	\$ -	\$ -	\$ 91,397
8200.146	Mancamp:		\$ 39,460	\$ -	\$ -	\$ 39,460
8200.137	Casing Services:		\$ 102,959	\$ -	\$ -	\$ 102,959
8200.138	Cementing:		\$ 247,338	\$ -	\$ -	\$ 247,338
8200.106	Transportation:		\$ 135,161	\$ -	\$ -	\$ 135,161
8200.125	Inspection/Testing:		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.144	Company Supervision:		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.107	Consulting Services:		\$ 198,603	\$ -	\$ -	\$ 198,603
8200.127	Contract Labor:		\$ 33,570	\$ -	\$ -	\$ 33,570
8200.168	Roustabout Services:		\$ 2,092	\$ -	\$ -	\$ 2,092
8200.136	Mudlogging:		\$ -	\$ -	\$ -	\$ -
8200.143	Geo-Steering:		\$ 5,519	\$ -	\$ -	\$ 5,519
8200.134	Open Hole Logging:		\$ -	\$ -	\$ -	\$ -
8200.135	Coring & Analysis:		\$ -	\$ -	\$ -	\$ -
8200.165	Safety & Environmental:		\$ 2,018	\$ -	\$ -	\$ 2,018
8200.147	Drilling Overhead:		\$ 3,985	\$ -	\$ -	\$ 3,985
8200.148	Miscellaneous:		\$ -	\$ -	\$ -	\$ -
8200.153	Contingency:		\$ -	\$ -	\$ -	\$ -

OCD Examiner Hearing 5-28-24

Avant No. 24119

AFE # NM0296 - Margie 13 Fed Com #754H

Intangible Completion			\$	-	\$ 3,752,995	\$	-	\$ 3,752,995
8300.205	Location & Roads:		\$	-	\$ 5,288	\$	-	\$ 5,288
8300.216	Cased Hole Logs & Surveys		\$	-	\$ -	\$	-	\$ -
8300.243	Analysis		\$	-	\$ 12,630	\$	-	\$ 12,630
8300.270	Stimulation:		\$	-	\$ 968,160	\$	-	\$ 968,160
8300.275	Proppant:		\$	-	\$ 596,001	\$	-	\$ 596,001
8300.207	Water:		\$	-	\$ 465,626	\$	-	\$ 465,626
8300.274	Water Transfer:		\$	-	\$ 61,756	\$	-	\$ 61,756
8300.266	Chemicals:		\$	-	\$ 221,375	\$	-	\$ 221,375
8300.209	Pump Down Services:		\$	-	\$ 67,886	\$	-	\$ 67,886
8300.214	Wireline/Perforating:		\$	-	\$ 201,212	\$	-	\$ 201,212
8300.203	Fuel, Power:		\$	-	\$ 390,688	\$	-	\$ 390,688
8300.210	Rental Equipment (Surface):		\$	-	\$ 296,847	\$	-	\$ 296,847
8300.277	Mancamp:		\$	-	\$ 16,635	\$	-	\$ 16,635
8300.250	Rental Equipment (Downhole):		\$	-	\$ 33,891	\$	-	\$ 33,891
8300.232	Disposal:		\$	-	\$ 28,670	\$	-	\$ 28,670
8300.276	Safety & Environmental:		\$	-	\$ 6,394	\$	-	\$ 6,394
8300.277	Consulting Services:		\$	-	\$ 142,614	\$	-	\$ 142,614
8300.212	Contract Labor:		\$	-	\$ 30,470	\$	-	\$ 30,470
8300.278	Roustabout Services:		\$	-	\$ 1,579	\$	-	\$ 1,579
8300.220	Company Supervision:		\$	-	\$ 5,052	\$	-	\$ 5,052
8300.230	Completions Rig:		\$	-	\$ 39,469	\$	-	\$ 39,469
8300.271	Coil Tubing Unit		\$	-	\$ 94,234	\$	-	\$ 94,234
8300.273	Flowback:		\$	-	\$ 50,034	\$	-	\$ 50,034
8300.229	Transportation:		\$	-	\$ 16,486	\$	-	\$ 16,486
8300.225	Contingency:		\$	-	\$ -	\$	-	\$ -
Intangible Facilities			\$	-	\$ -	\$ 311,350	\$	311,350
8350.401	Title Work/Permit Fees:		\$	-	\$ -	\$	-	\$ -
8350.402	Damages/ROW:		\$	-	\$ -	\$	-	\$ -
8350.403	Location, Roads:		\$	-	\$ -	\$ 624	\$	624
8350.405	Pipeline/Flowline Labor:		\$	-	\$ -	\$	-	\$ -
8350.406	Automation/Electrical Labor:		\$	-	\$ -	\$	-	\$ -
8350.407	Engineering/Technical Labor:		\$	-	\$ -	\$ 70,945	\$	70,945
8350.408	Civil/Mechanical Labor:		\$	-	\$ -	\$ 144,475	\$	144,475
8350.409	Commissioning Labor:		\$	-	\$ -	\$	-	\$ -
8350.410	Transportation:		\$	-	\$ -	\$ 19,524	\$	19,524
8350.404	Equipment Rentals:		\$	-	\$ -	\$ 12,462	\$	12,462
8350.411	Safety & Environmental:		\$	-	\$ -	\$	-	\$ -
8350.413	Contingency:		\$	-	\$ -	\$ 63,319	\$	63,319
TOTAL INTANGIBLE COSTS >>>			\$	2,760,423	\$ 3,752,995	\$ 311,350	\$	6,824,768

TOTAL D&C&F COSTS >>>		\$ 4,384,788	\$ 4,067,127	\$ 1,329,704	\$ 9,781,619
		Drilling	Completion	Facilities	Total

This Authority For Expenditure is based on cost estimates only. Billing will reflect your proportionate share of the actual invoice costs.

JOINT INTEREST APPROVAL:

Company: _____ Working Interest: _____

Signature: _____ Date: _____

By: _____



Authority for Expenditure

AFE: NM0297

Date: September 28, 2023

Well Name: Margie 13 Fed Com #755H
Target: Wolfcamp
County: Lea
State: NM
SHL: Sec: 13, T-20S, R-33E; FNL, FEL
BHL: Sec: , T-S, R-E; FSL, 330 FEL

Projected MD/TVD: 16723 / 11400
Spud to TD: 13 days
Lateral Length: 5,000
Stages: 32
Total Proppant (ppf): 2,500
Total Fluid (gal/ft): 3,000

PROJECT DESCRIPTION:

The proposed AFE is for the Margie 13 Fed Com #755H, a 1 section Wolfcamp horizontal well to be drilled in Lea County, NM. The well is a 4 string casing design consisting of the following: 24" surface hole drilled on Fresh to 1350' and 20" 94# J-55 BTC casing will be set and cemented in place; 17.5" hole will then be drilled on Brine to 5200' and a string of 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Fresh to 10200' and a string of 9.625" 40# P-110 HC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 16723' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 5000' of treatable lateral and the completions design will consist of +/-32 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

Table with 2 columns: Category and Amount. Categories include DRILLING, COMPLETIONS, FACILITIES, and COMPLETED WELL COST. Amounts range from \$1,329,704 to \$9,781,619.

OPERATOR APPROVAL:

Signature: _____
Name: Jacob Nagy

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Skyler Gary

Date: _____
Title: Co-C.E.O.

Signature: _____
Name: Pete Williams

Date: _____
Title: C.F.O.

Signature: _____
Name: Braden Harris

Date: _____
Title: S.V.P. Operations

AFE # NM0297 - Margie 13 Fed Com #755H

TANGIBLE COSTS			Drilling	Completion	Facilities	Total
Tangible Drilling			\$ 1,624,365	\$ -	\$ -	\$ 1,624,365
8400.301	Surface Casing:		\$ 167,821	\$ -	\$ -	\$ 167,821
8400.302	Intermediate1 Casing:		\$ 278,071	\$ -	\$ -	\$ 278,071
8400.302	Intermediate2 Casing:		\$ 590,453	\$ -	\$ -	\$ 590,453
8400.303	Production Casing:		\$ 531,186	\$ -	\$ -	\$ 531,186
8400.340	Wellhead Equipment:		\$ 56,835	\$ -	\$ -	\$ 56,835
			\$ -	\$ -	\$ -	\$ -
Tangible Completion			\$ -	\$ 314,131	\$ -	\$ 314,131
8400.308	Tubing:		\$ -	\$ 165,371	\$ -	\$ 165,371
8400.340	Wellhead Equip:		\$ -	\$ 107,713	\$ -	\$ 107,713
8400.312	Artificial Lift: Gas Lift		\$ -	\$ 41,048	\$ -	\$ 41,048
			\$ -	\$ -	\$ -	\$ -
Tangible Facility			\$ -	\$ -	\$ 1,018,354	\$ 1,018,354
8400.341	Vessels:		\$ -	\$ -	\$ 193,996	\$ 193,996
8400.342	Tanks:		\$ -	\$ -	\$ 89,027	\$ 89,027
8400.343	Flare:		\$ -	\$ -	\$ 24,925	\$ 24,925
8400.344	Compressors:		\$ -	\$ -	\$ 17,369	\$ 17,369
8400.316	Pipe/Valves/Fittings:		\$ -	\$ -	\$ 146,723	\$ 146,723
8400.328	Instrumentation/Meters:		\$ -	\$ -	\$ 45,198	\$ 45,198
8400.345	LACT Unit:		\$ -	\$ -	\$ -	\$ -
8400.346	Electrical Facility:		\$ -	\$ -	\$ -	\$ -
8400.347	Containment:		\$ -	\$ -	\$ 24,011	\$ 24,011
8400.348	Pump/Supplies:		\$ -	\$ -	\$ 36,515	\$ 36,515
8400.349	Pipelines:		\$ -	\$ -	\$ -	\$ -
8400.315	Flowlines:		\$ -	\$ -	\$ -	\$ -
8400.350	Instrument/Electrical Panel:		\$ -	\$ -	\$ 440,591	\$ 440,591
			\$ -	\$ -	\$ -	\$ -
TOTAL TANGIBLE COSTS >>>			\$ 1,624,365	\$ 314,131	\$ 1,018,354	\$ 2,956,851

INTANGIBLE COSTS			Drilling	Completion	Facilities	Total
Intangible Drilling			\$ 2,760,423	\$ -	\$ -	\$ 2,760,423
8200.111	Survey, Stake/Permit:		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.113	Damages/ROW:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.149	Legal, Title, Etc.		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.152	Well Control Insurance:		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.112	Location:		\$ 115,644	\$ -	\$ -	\$ 115,644
8200.103	Rig Move:		\$ 79,727	\$ -	\$ -	\$ 79,727
8200.102	Drilling Daywork:		\$ 651,586	\$ -	\$ -	\$ 651,586
8200.104	Fuel/Power:		\$ 127,185	\$ -	\$ -	\$ 127,185
8200.116	Bits & BHA:		\$ 90,491	\$ -	\$ -	\$ 90,491
8200.128	Directional:		\$ 197,679	\$ -	\$ -	\$ 197,679
8200.117	Mud & Chemicals:		\$ 160,557	\$ -	\$ -	\$ 160,557
8200.115	Mud - Drill Water:		\$ 5,422	\$ -	\$ -	\$ 5,422
8200.169	Mud Brine:		\$ 21,483	\$ -	\$ -	\$ 21,483
8200.170	Mud - Diesel:		\$ 53,447	\$ -	\$ -	\$ 53,447
8200.119	Mud - Auxiliary:		\$ 28,105	\$ -	\$ -	\$ 28,105
8200.164	Solids Control/Closed Loop:		\$ 87,705	\$ -	\$ -	\$ 87,705
8200.158	Disposal:		\$ 200,058	\$ -	\$ -	\$ 200,058
8200.124	Equipment Rental:		\$ 91,397	\$ -	\$ -	\$ 91,397
8200.146	Mancamp:		\$ 39,460	\$ -	\$ -	\$ 39,460
8200.137	Casing Services:		\$ 102,959	\$ -	\$ -	\$ 102,959
8200.138	Cementing:		\$ 247,338	\$ -	\$ -	\$ 247,338
8200.106	Transportation:		\$ 135,161	\$ -	\$ -	\$ 135,161
8200.125	Inspection/Testing:		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.144	Company Supervision:		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.107	Consulting Services:		\$ 198,603	\$ -	\$ -	\$ 198,603
8200.127	Contract Labor:		\$ 33,570	\$ -	\$ -	\$ 33,570
8200.168	Roustabout Services:		\$ 2,092	\$ -	\$ -	\$ 2,092
8200.136	Mudlogging:		\$ -	\$ -	\$ -	\$ -
8200.143	Geo-Steering:		\$ 5,519	\$ -	\$ -	\$ 5,519
8200.134	Open Hole Logging:		\$ -	\$ -	\$ -	\$ -
8200.135	Coring & Analysis:		\$ -	\$ -	\$ -	\$ -
8200.165	Safety & Environmental:		\$ 2,018	\$ -	\$ -	\$ 2,018
8200.147	Drilling Overhead:		\$ 3,985	\$ -	\$ -	\$ 3,985
8200.148	Miscellaneous:		\$ -	\$ -	\$ -	\$ -
8200.153	Contingency:		\$ -	\$ -	\$ -	\$ -

OCD Examiner Hearing 5-28-24

Avant No. 24119

AFE # NM0297 - Margie 13 Fed Com #755H

Intangible Completion			\$	-	\$ 3,752,995	\$	-	\$ 3,752,995
8300.205	Location & Roads:		\$	-	\$ 5,288	\$	-	\$ 5,288
8300.216	Cased Hole Logs & Surveys		\$	-	\$ -	\$	-	\$ -
8300.243	Analysis		\$	-	\$ 12,630	\$	-	\$ 12,630
8300.270	Stimulation:		\$	-	\$ 968,160	\$	-	\$ 968,160
8300.275	Proppant:		\$	-	\$ 596,001	\$	-	\$ 596,001
8300.207	Water:		\$	-	\$ 465,626	\$	-	\$ 465,626
8300.274	Water Transfer:		\$	-	\$ 61,756	\$	-	\$ 61,756
8300.266	Chemicals:		\$	-	\$ 221,375	\$	-	\$ 221,375
8300.209	Pump Down Services:		\$	-	\$ 67,886	\$	-	\$ 67,886
8300.214	Wireline/Perforating:		\$	-	\$ 201,212	\$	-	\$ 201,212
8300.203	Fuel, Power:		\$	-	\$ 390,688	\$	-	\$ 390,688
8300.210	Rental Equipment (Surface):		\$	-	\$ 296,847	\$	-	\$ 296,847
8300.277	Mancamp:		\$	-	\$ 16,635	\$	-	\$ 16,635
8300.250	Rental Equipment (Downhole):		\$	-	\$ 33,891	\$	-	\$ 33,891
8300.232	Disposal:		\$	-	\$ 28,670	\$	-	\$ 28,670
8300.276	Safety & Environmental:		\$	-	\$ 6,394	\$	-	\$ 6,394
8300.277	Consulting Services:		\$	-	\$ 142,614	\$	-	\$ 142,614
8300.212	Contract Labor:		\$	-	\$ 30,470	\$	-	\$ 30,470
8300.278	Roustabout Services:		\$	-	\$ 1,579	\$	-	\$ 1,579
8300.220	Company Supervision:		\$	-	\$ 5,052	\$	-	\$ 5,052
8300.230	Completions Rig:		\$	-	\$ 39,469	\$	-	\$ 39,469
8300.271	Coil Tubing Unit		\$	-	\$ 94,234	\$	-	\$ 94,234
8300.273	Flowback:		\$	-	\$ 50,034	\$	-	\$ 50,034
8300.229	Transportation:		\$	-	\$ 16,486	\$	-	\$ 16,486
8300.225	Contingency:		\$	-	\$ -	\$	-	\$ -
Intangible Facilities			\$	-	\$ -	\$	311,350	\$ 311,350
8350.401	Title Work/Permit Fees:		\$	-	\$ -	\$	-	\$ -
8350.402	Damages/ROW:		\$	-	\$ -	\$	-	\$ -
8350.403	Location, Roads:		\$	-	\$ -	\$	624	\$ 624
8350.405	Pipeline/Flowline Labor:		\$	-	\$ -	\$	-	\$ -
8350.406	Automation/Electrical Labor:		\$	-	\$ -	\$	-	\$ -
8350.407	Engineering/Technical Labor:		\$	-	\$ -	\$	70,945	\$ 70,945
8350.408	Civil/Mechanical Labor:		\$	-	\$ -	\$	144,475	\$ 144,475
8350.409	Commissioning Labor:		\$	-	\$ -	\$	-	\$ -
8350.410	Transportation:		\$	-	\$ -	\$	19,524	\$ 19,524
8350.404	Equipment Rentals:		\$	-	\$ -	\$	12,462	\$ 12,462
8350.411	Safety & Environmental:		\$	-	\$ -	\$	-	\$ -
8350.413	Contingency:		\$	-	\$ -	\$	63,319	\$ 63,319
TOTAL INTANGIBLE COSTS >>>			\$	2,760,423	\$ 3,752,995	\$	311,350	\$ 6,824,768

TOTAL D&C&F COSTS >>>		\$ 4,384,788	\$ 4,067,127	\$ 1,329,704	\$ 9,781,619
		Drilling	Completion	Facilities	Total

This Authority For Expenditure is based on cost estimates only. Billing will reflect your proportionate share of the actual invoice costs.

JOINT INTEREST APPROVAL:

Company: _____ Working Interest: _____

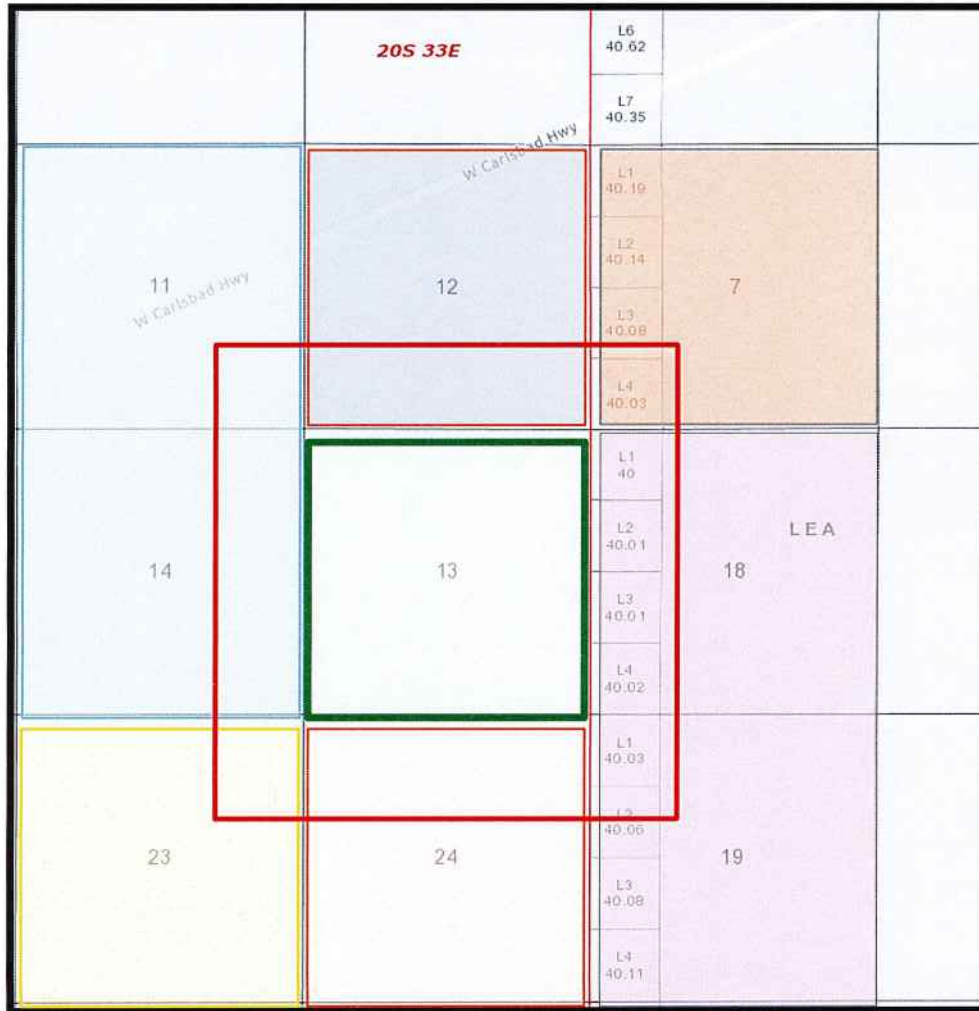
Signature: _____ Date: _____

By: _____

Non-Standard Unit Notice

Margie 13 Federal Com

Avant Operating, LLC



Notice List Outline

Lands	Owner
T20S-R33E Sec 11 and 14	Permian Resources
T20S-R33E Sec 23	Avant Operating, LLC
T20S-R33E Sec 23	COG Operating, LLC
T20S-R33E Sec 18	Permian Resources
T20S-R33E Sec 24	EOG Resources
T20S-R34E Sec 07	Advance Energy Partners Hat Mesa LLC
T20S-R34E Sec 07	Legacy Reserves Operating LP
T20S-R34E Sec 07	Jupiter JV LP
T20S-R33E Sec 12	ConocoPhillips Company



Margie NSU Notice Information

Tract	Operator	WIO if Avant is Operator	Date Notice Sent
S/2S/2 Section 12	COG Operating	N/A	February 9, 2024
SE/4SE/4 Section 11	Permian Resources	N/A	December 15, 2023
E/2E/2 Section 14	Permian Resources	N/A	December 15, 2023
NE/4NE/4 Section 23	Avant	COG	February 9, 2024
N/2N/2 Section 24	EOG	N/A	December 15, 2023
Lot 1 Section 19	Permian Resources	N/A	December 15, 2023
W/2E/2 Section 18	Permian Resources	N/A	December 15, 2023
Lot 4 Section 7	Avant	Advance Energy Partners Hat Mesa Legacy Reserves Operating Jupiter JV LP	December 15, 2023

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO

CASE NO. 24119

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

AFFIDAVIT OF JOHN HARPER

John Harper being duly sworn, deposes and states as follows:

1. I am over the age of 18, I am a geologist for Avant Operating, LLC (“Avant”), and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.

2. My area of responsibility at Avant includes the area of Lea County in New Mexico.

3. I am familiar with the application filed by Avant in this case.

4. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.

5. **Exhibit C.2** is a wellbore schematic showing Avant’s Margie development plan.

6. **Exhibits C.3 through C.5** are the geology study I prepared for **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H,** and the **Margie 13 Fed Com 755H** wells, which will target the Wolfcamp Lower (Wolfcamp D) formation.



OCD Examiner Hearing 5-28-24

Avant No. 24119

7. **Exhibit C.3** is a structure map of the Wolfcamp formation. The proposed spacing unit is identified by a black box. The proposed wells are identified by the black-dashed lines. The contour interval used in this exhibit is 50 feet. This exhibit shows that the structure dips gently to the southwest.

8. **Exhibit C.4** is a cross-section reference map that identifies two wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.

9. **Exhibit C.5** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Wolfcamp Lower formation in the area. The target zone is identified by a red-dashed line and a box identifying the wells. In my opinion, the Wolfcamp Lower is relatively consistent across the unit.

10. I conclude from the geology studies referenced above that:

- a. The horizontal spacing unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the proposed unit will contribute more or less equally to production.

11. **Exhibit C.6** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper. The preferred well orientation in this area is north/south because the stress orientation is approximately east-northeast.

12. In my opinion, the granting of Avant's application is in the interests of conservation and the prevention of waste.

13. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.

14. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.



John Harper


State of Colorado

County of Denver

This record was acknowledged before me on May 21 2024, by John Harper.

[Stamp]

Sophia Guerra
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20194020815
MY COMMISSION EXPIRES 9/14/2027

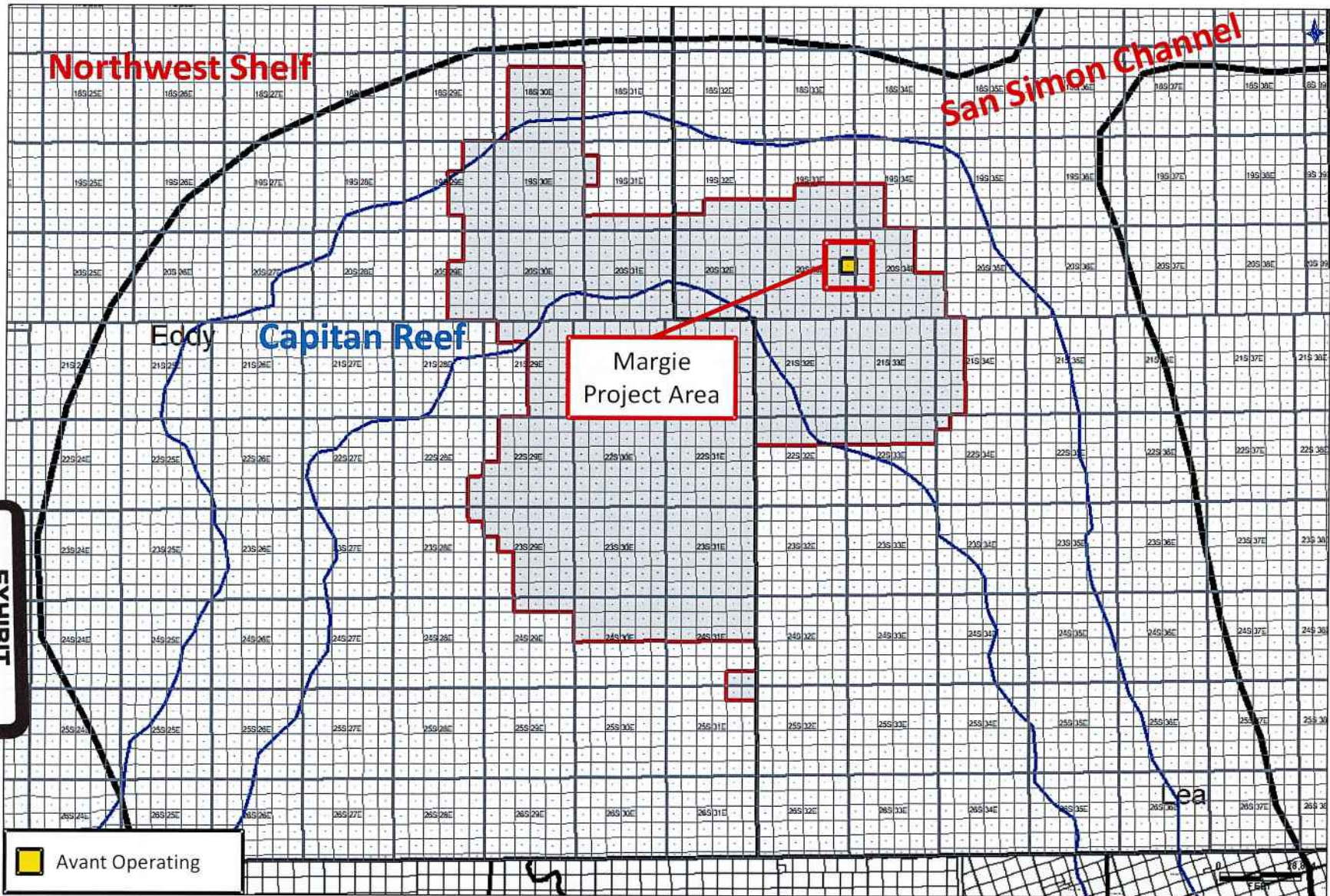


Notary Public in and for the
State of Colorado
Commission Number: 20194020815

My Commission Expires: 9/14/27

Regional Locator Map
Margie 13 Federal Com
#751H-#755H

Avant Operating, LLC
Case Nos. 24119



tabbles
EXHIBIT
6.1

Avant Operating



Gun Barrel Development Plan
Margie 13 Federal Com
#751H-#755H

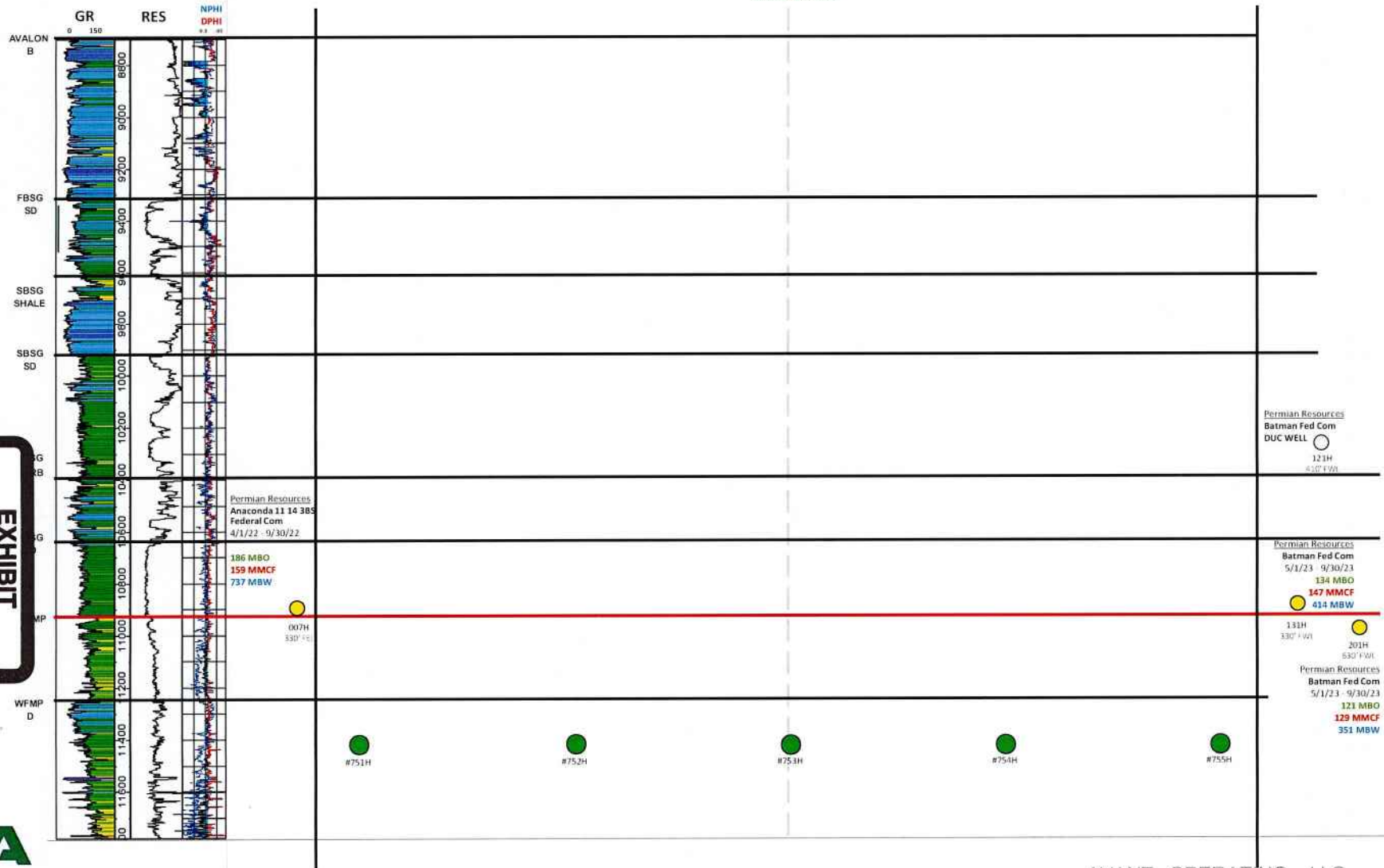
Avant Operating, LLC
Case Nos. 24119



SIX SHOOTER "13" FEDERAL
30025312740000

AVANT OPERATING

MARGIE 13 FED COM
20S 33E sec. 13
1mile laterals



tabbles
EXHIBIT
C-2



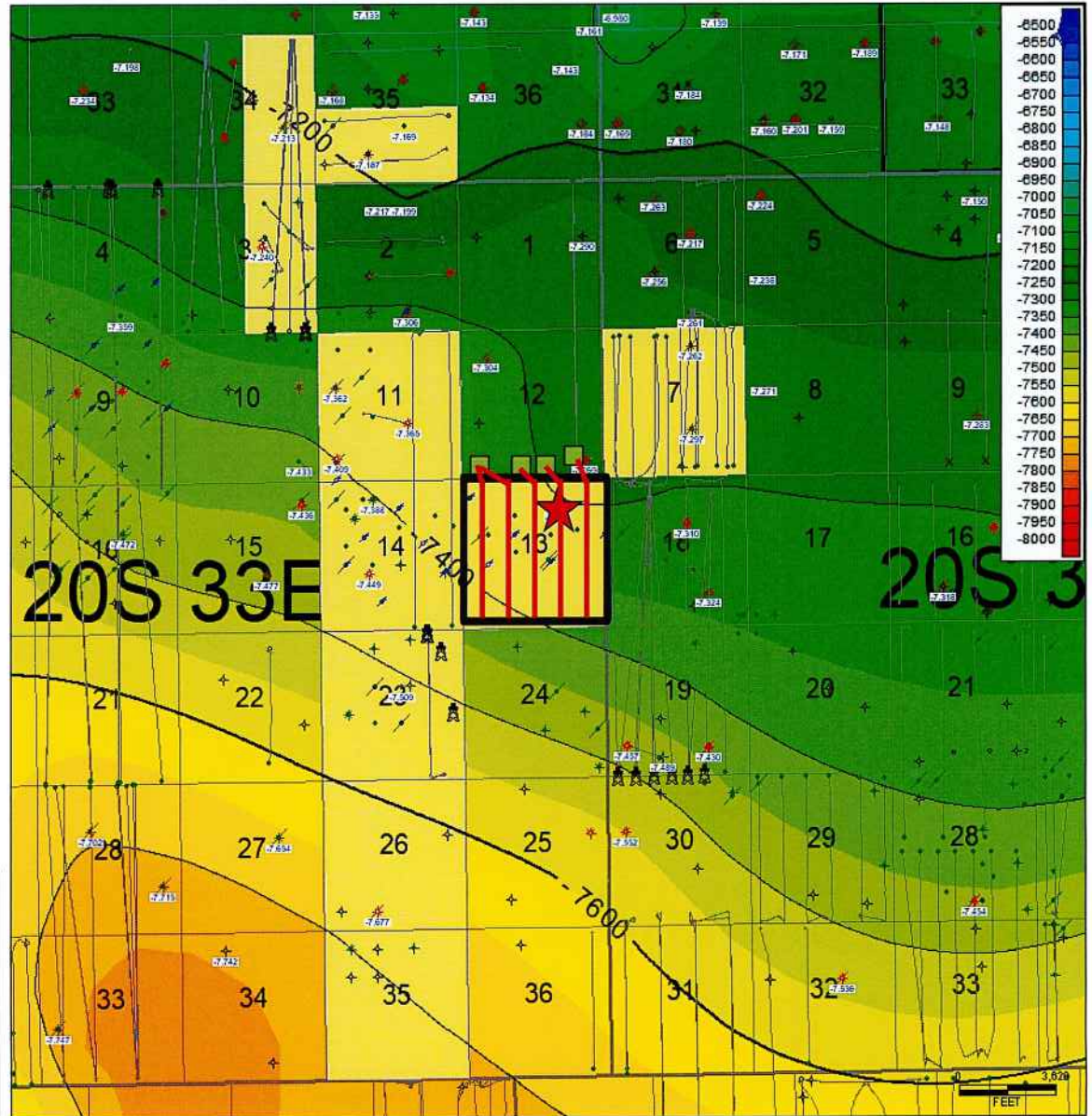
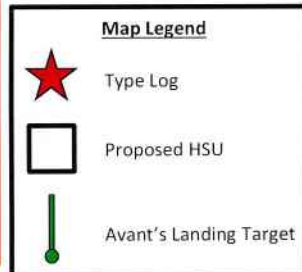
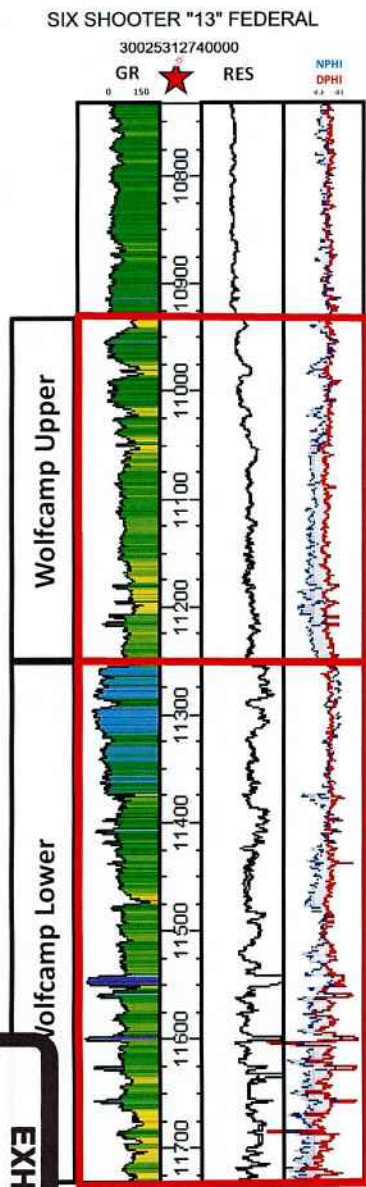
AVANT OPERATING, LLC

2

Wolfcamp Structure Map (TVDss)

Margie 13 Federal Com
#751H-#755H

Avant Operating, LLC
Case Nos. 24119

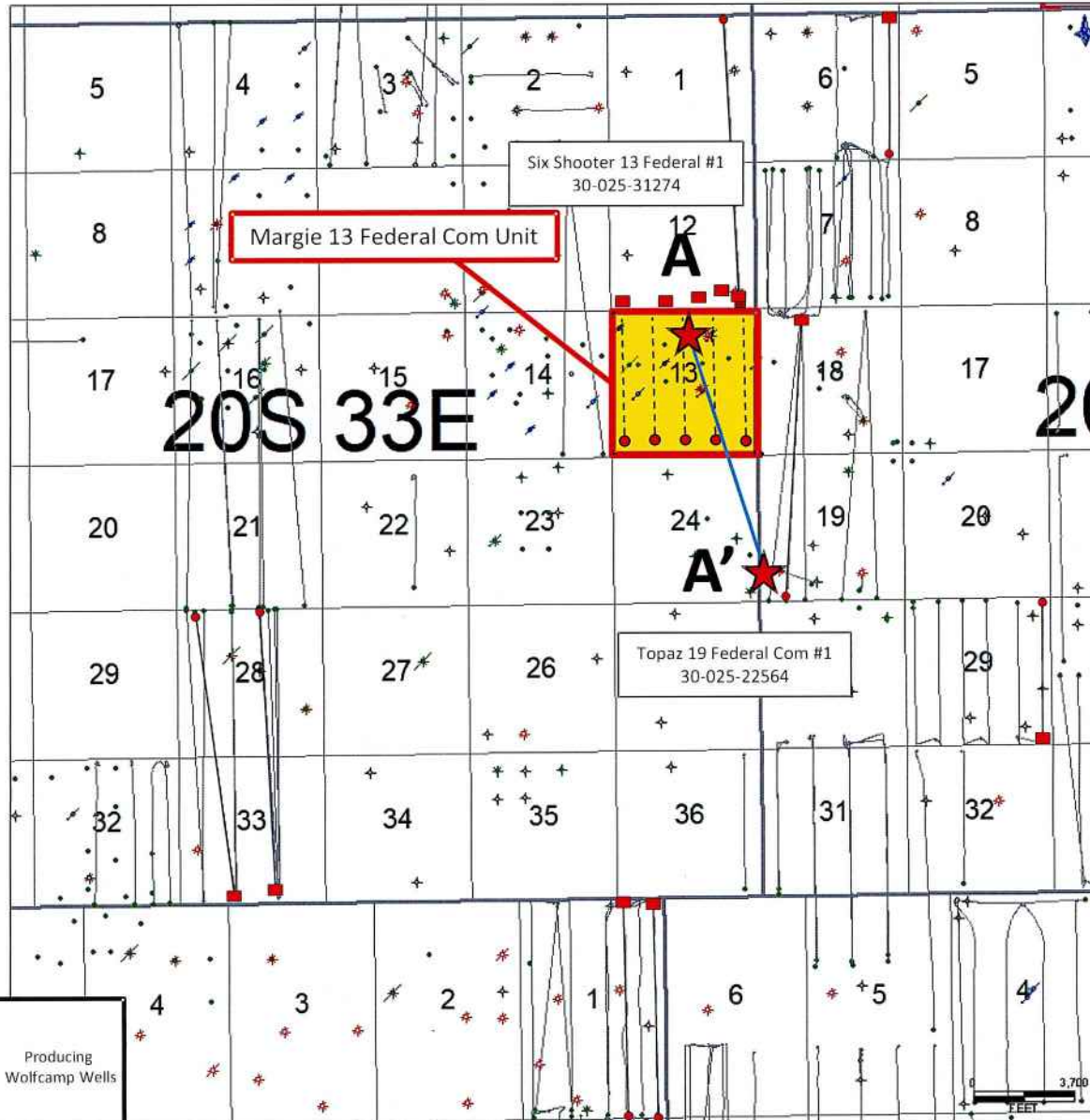


Wolfcamp Top Structure (SS)

EXHIBIT
C-3

Cross-Section Locator Map
Margie 13 Federal Com
#751H-#755H

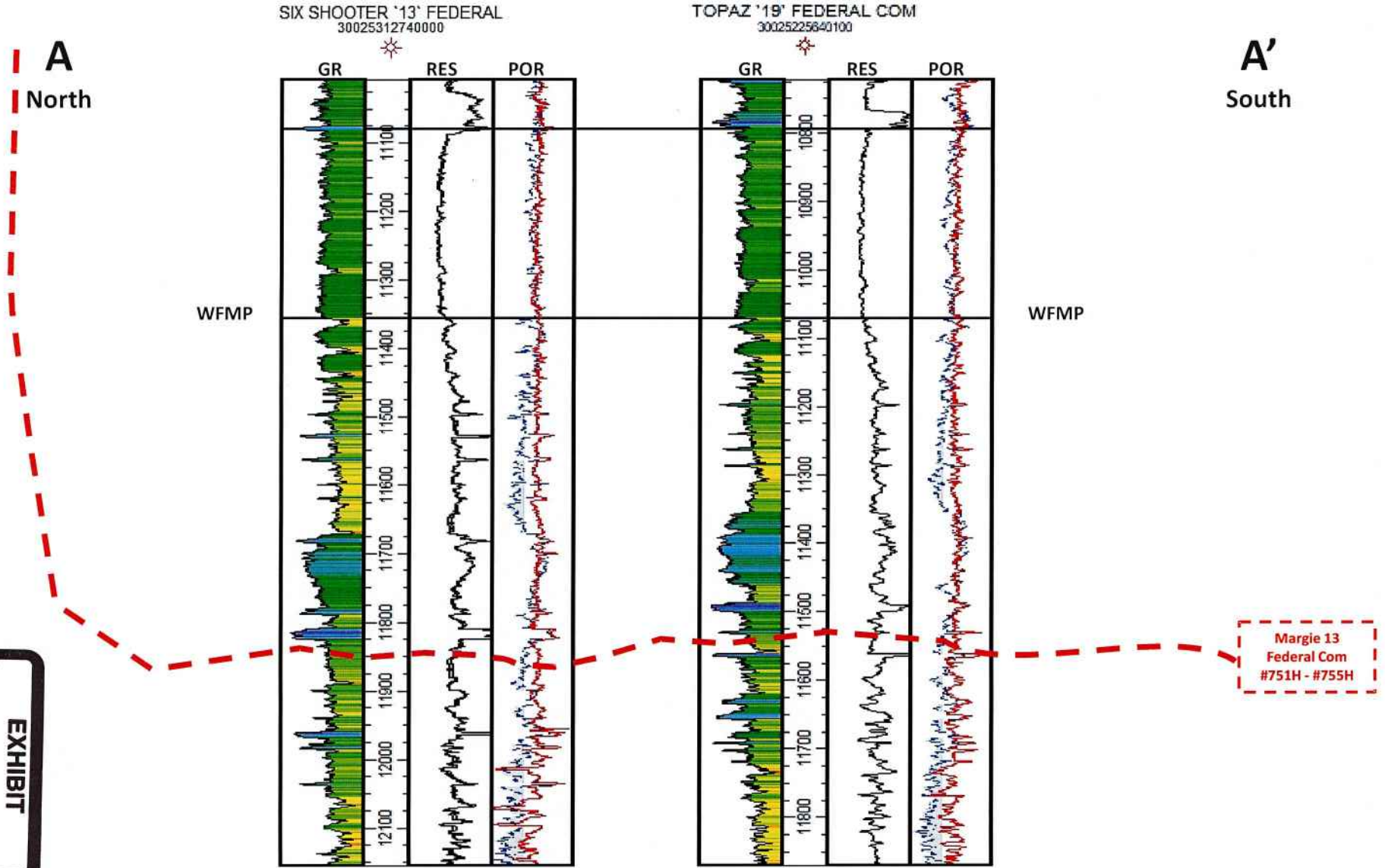
Avant Operating, LLC
Case Nos. 24119



Stratigraphic Cross-Section A-A'

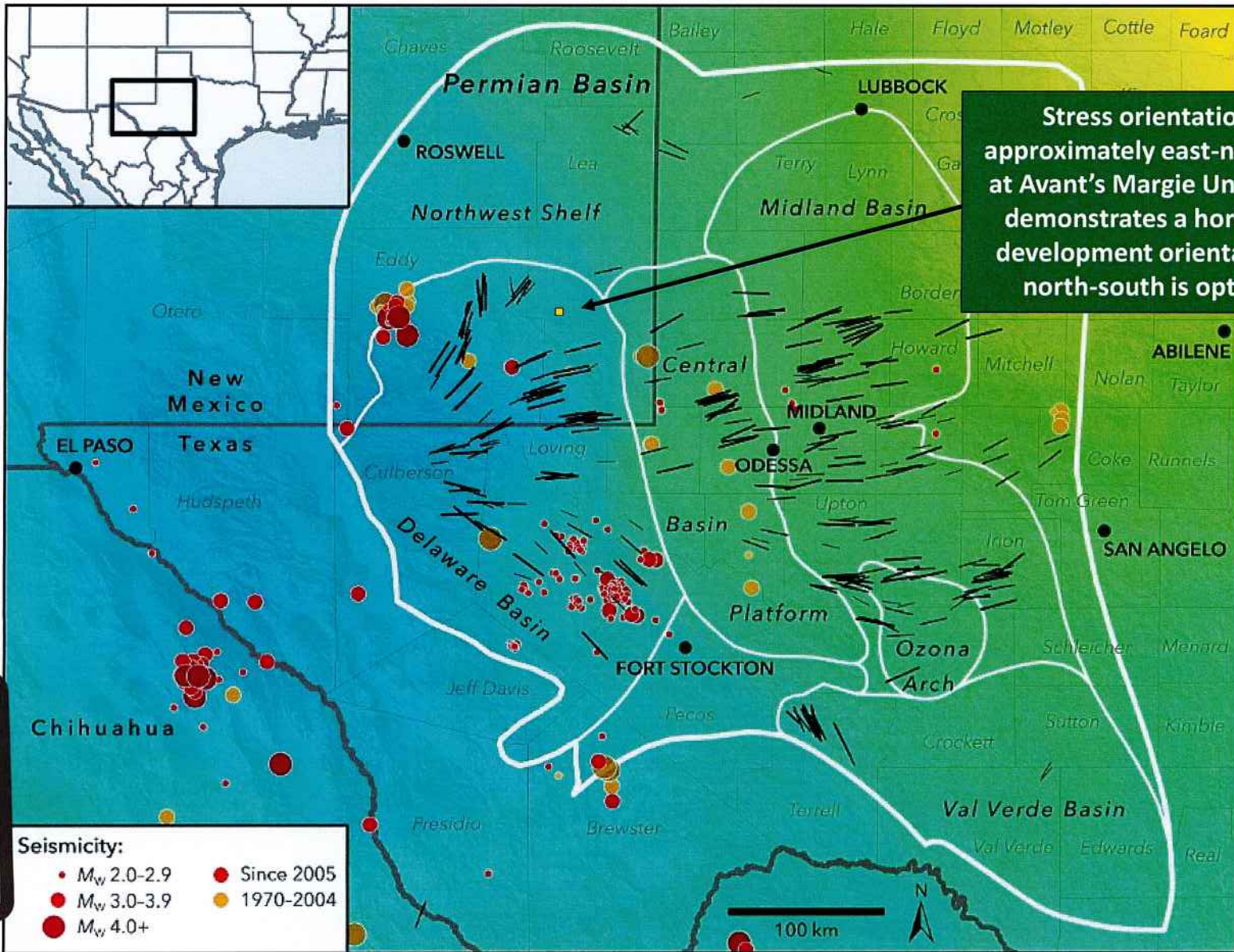
Margie 13 Federal Com
#751H-#755H

Avant Operating, LLC
Case Nos. 24119



Stress Orientation Map
Margie 13 Federal Com
#751H-#755H

Avant Operating, LLC
Case Nos. 24119



tabbles
EXHIBIT
C.6

Seismicity:

- M_w 2.0-2.9
- M_w 3.0-3.9
- M_w 4.0+
- Since 2005
- 1970-2004

(Snee and Zoback, 2018)

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

**APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO**

CASE NO. 24118-24119

AFFIDAVIT OF SHANE KELLY

Shane Kelly hereby states and declares as follows:

1. I am over the age of 18, I am a reservoir engineer for Avant Operating, LLC (“Avant”) and have personal knowledge of the matters stated herein. My area of responsibility includes the area of Lea County in New Mexico.

2. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum engineer were accepted as a matter of record.

3. I am familiar with the applications filed by Avant in these cases and the surface production facilities required to develop the oil underlying the subject acreage.

4. In these cases, Avant seeks approval of two 640-acre non-standard units—one Bone Spring unit and one Wolfcamp unit.

5. Avant seeks to minimize surface disturbance and costs by consolidating facilities and commingling production from the wells and future wells in the proposed non-standard spacing units.

6. To allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of non-standard spacing units.



7. Exhibits **D.1 and D.2** illustrate the benefit of the non-standard units Avant is requesting.

8. If Avant has to develop the acreage using standard horizontal spacing units, Avant will need a total of 3 units. Under Avant's requested non-standard unit applications, however, Avant would only need a total of two units.

9. Exhibit D.1 compares the tank batteries and related surface production facilities that would be required if Avant had to develop this acreage using standard horizontal spacing units with the tank batteries and related surface production facilities that will be needed to develop the acreage using non-standard units.

10. As these exhibits show, if Avant has to develop the acreage using standard spacing units, one additional tank batteries will be required at a cost of approximately \$4,800,000 and require an additional surface disturbance of 3.44 acres. If the non-standard spacing units are approved, the additional cost and surface disturbance required for the tank batteries will be avoided.

11. Approval of the non-standard units will allow for commingling of production, which would not be possible if Avant has to move forward with standard units. Eliminating the additional tank batteries will also lower the operating cost for this acreage.

12. Exhibit D.2 identifies the reduced cost savings and surface disturbance that will occur if the non-standard spacing units are not approved.

13. In my opinion, approval of Avant's non-standard unit applications will allow Avant to efficiently locate surface facilities, reduce surface disturbance, and promote effective well spacing.

14. In my opinion, the granting of these applications is in the interests of conservation and the prevention of waste.

15. The attachments to this declaration were prepared by me, compiled from company business records, or were prepared at my direction.

16. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

[Signature page follows]

Shane Kelly
Shane Kelly

State of Colorado

County of Denver

This record was acknowledged before me on May 20th 2024, by Shane Kelly.

[Signature]
Notary Public in and for the
State of Colorado
Commission Number: 20194020815

My Commission Expires: 9/14/27

Sophia Guerra
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20194020815
MY COMMISSION EXPIRES 9/14/2027

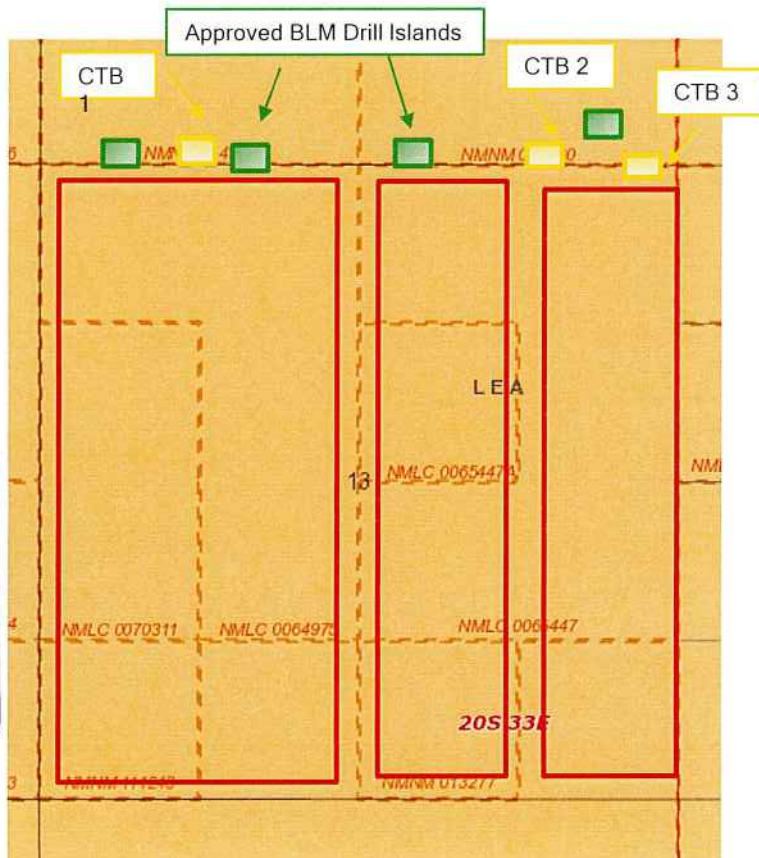


Standard vs NSU
Margie 13 Federal Com

NSU reduces surface facilities and surface impacts

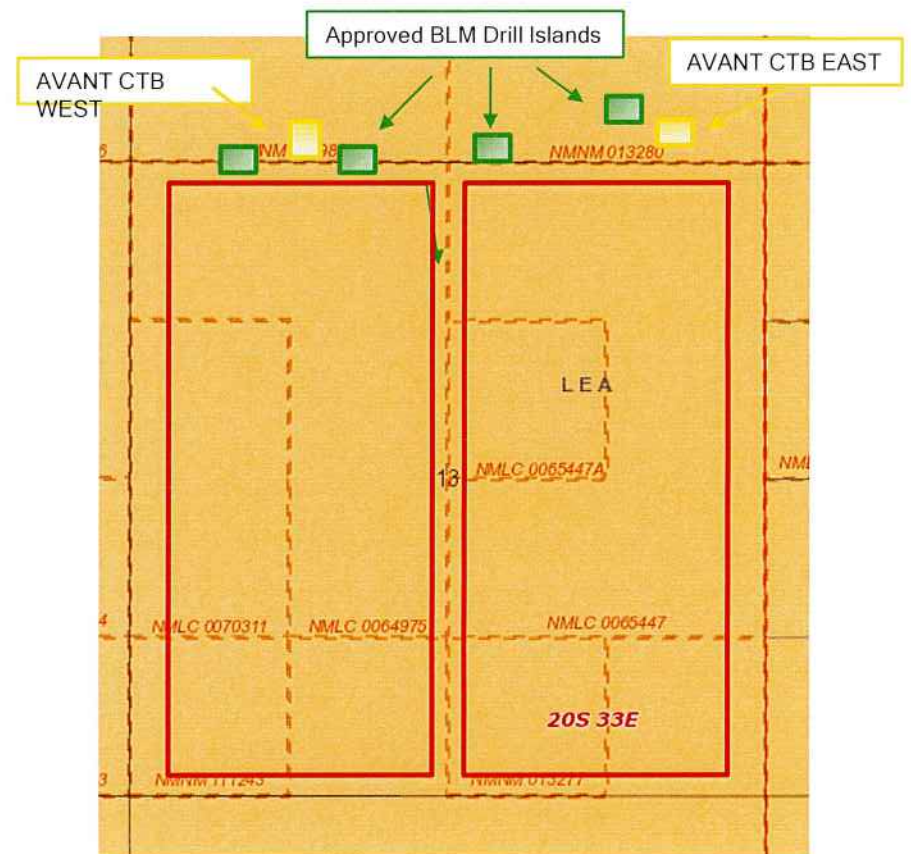
STANDARD UNIT DEVELOPMENT

3 CTBs



NON-STANDARD UNIT DEVELOPMENT

2 CTBs



tabbles
EXHIBIT
D.1



Scenario	Design Basis Per CTB (BPOD)	CTB Cost (\$M)	Pipeline/Utilities Cost (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Three Separate Facilities	10,000	\$25,400	\$2,000	\$27,400	10.32
Two Separate Facilities	15,000	\$20,800	\$1,800	\$22,600	6.88
SAVINGS		\$4,600	\$200	\$4,800	3.44



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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24118

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24119

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Avant Operating, LLC, the Applicant herein, declares as follows:

- 1) The above-referenced Application was provided under notice letter, dated December 15, 2023, notice letter dated February 9, 2024 sent to additional names, and notice letter dated February 20, 2024 sent to an additional name, attached hereto, as Exhibit E.1.
- 2) Exhibit E.2 is the mailing list, which show the notice letters were delivered to the USPS for mailing on December 15, 2023, February 09, 2024, and February 20, 2024.
- 3) Exhibit E.3 is the certified mailing tracking information, which is automatically compiled by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit E.4 is the Affidavit of Publication from the Hobbs News Sun confirming that notice was published on December 19, 2023, and the Affidavit of Publication from the Hobbs News-Sun confirming that notice was published February 15, 2024.



COB 2024 Hearing 5-28-24

Avant No. 24119

5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: May 20, 2024

A handwritten signature in black ink that reads "Deana M. Bennett". The signature is written in a cursive style with a clear, legible font.

Deana M. Bennett

W5073688.DOCX



MODRALL SPERLING

L A W Y E R S

December 15, 2023

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 24118

APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 24119

TO: AFFECTED PARTIES

This letter is to advise you that Avant Operating, LLC (“Avant”) has filed the enclosed applications.

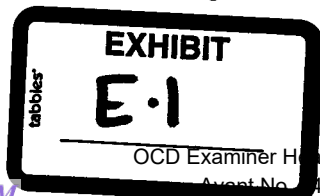
In Case No. 24118, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation**

Modrall Sperring
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com



OCD Examiner Hearing 5-28-24

Avant No. 4119

Page 2

of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.


In Case No. 24119, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

The hearing and will be conducted remotely on January 4, 2024 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in these cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett

Attorney for Applicant

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24118

APPLICATION

Avant Operating, LLC (“Avant”), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Bone Spring horizontal spacing unit (“Unit”).
3. Avant plans to drill the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H,**

Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H wells, to a depth sufficient to test the Bone Spring formation. The wells will be horizontally drilled, and the producing areas for all of the wells are expected to be orthodox.

4. Avant seeks approval of the non-standard spacing unit for several reasons.

5. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Bone Spring formation.

8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

9. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);

B. Pooling all uncommitted interests in the Unit;

C. Designating Avant as operator of the Unit and the wells to be drilled thereon;

D. Authorizing Avant to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett
Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800

edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com
Attorneys for Avant Operating, LLC

CASE NO. 24118 : Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24119

APPLICATION

Avant Operating, LLC (“Avant”), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Wolfcamp horizontal spacing unit (“Unit”).
3. Avant plans to drill the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells, to a depth sufficient to test the Wolfcamp formation. The wells will be horizontally drilled, and the producing areas for all of the wells are expected to be orthodox.

4. Avant seeks approval of the non-standard spacing unit for several reasons.

5. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Wolfcamp formation.

8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

9. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);

B. Pooling all uncommitted interests in the Unit;

- C. Designating Avant as operator of the Unit and the wells to be drilled thereon;
- D. Authorizing Avant to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett
Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
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Attorneys for Avant Operating, LLC

CASE NO. 24119 : Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.



MODRALL SPERLING
LAWYERS

February 9, 2024

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 24118

APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 24119

TO: AFFECTED PARTIES

This letter is to advise you that Avant Operating, LLC (“Avant”) has filed the enclosed applications.

In Case No. 24118, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H wells** to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision,

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Page 2

designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

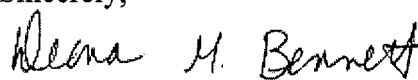
In Case No. 24119, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform on March 21, 2024 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in these cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett
Attorney for Applicant

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24118

APPLICATION

Avant Operating, LLC (“Avant”), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Bone Spring horizontal spacing unit (“Unit”).
3. Avant plans to drill the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H,**

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7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Bone Spring formation.

8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

9. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);

B. Pooling all uncommitted interests in the Unit;

C. Designating Avant as operator of the Unit and the wells to be drilled thereon;

D. Authorizing Avant to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett
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CASE NO. 24118 : Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

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

**APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 24119

APPLICATION

Avant Operating, LLC (“Avant”), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Wolfcamp horizontal spacing unit (“Unit”).
3. Avant plans to drill the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells, to a depth sufficient to test the Wolfcamp formation. The wells will be horizontally drilled, and the producing areas for all of the wells are expected to be orthodox.

4. Avant seeks approval of the non-standard spacing unit for several reasons.
5. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
6. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Wolfcamp formation.
8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
9. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.
10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

- A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);
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- C. Designating Avant as operator of the Unit and the wells to be drilled thereon;
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Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett
Earl E. DeBrine, Jr.
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Yarithza Peña
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Attorneys for Avant Operating, LLC

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MODRALL SPERLING

L A W Y E R S

February 20, 2024

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 24118

APPLICATION OF AVANT OPERATING, LLC FOR APPROVAL OF NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 24119

TO: AFFECTED PARTIES

This letter is to advise you that Avant Operating, LLC (“Avant”) has filed the enclosed applications.

In Case No. 24118, Avant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision,**

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Page 2

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Sincerely,



Deana M. Bennett

Attorney for Applicant

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

**APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
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APPLICATION

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7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Bone Spring formation.
8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
9. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);

B. Pooling all uncommitted interests in the Unit;

C. Designating Avant as operator of the Unit and the wells to be drilled thereon;

D. Authorizing Avant to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett
Earl E. DeBrine, Jr.
Deana M. Bennett
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Post Office Box 2168
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yarithza.pena@modrall.com
Attorneys for Avant Operating, LLC

CASE NO. 24118: Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

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

APPLICATION OF AVANT OPERATING, LLC
FOR APPROVAL OF NON-STANDARD UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 24119

APPLICATION

Avant Operating, LLC (“Avant”), OGRID Number 330396, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17 and Rule 19.15.16.15(B)(5) NMAC, for an order (1) approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico to form a 640-acre, more or less, Wolfcamp horizontal spacing unit (“Unit”).
3. Avant plans to drill the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H**, and the **Margie 13 Fed Com 755H** wells, to a depth sufficient to test the Wolfcamp formation. The wells will be horizontally drilled, and the producing areas for all of the wells are expected to be orthodox.

4. Avant seeks approval of the non-standard spacing unit for several reasons.

5. First, Avant seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Avant to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Avant requires approval of this non-standard spacing unit in the Wolfcamp formation.

8. Avant sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

9. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

10. Approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 4, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard horizontal spacing unit pursuant to Rule 19.15.16.15(B)(5);

B. Pooling all uncommitted interests in the Unit;

- C. Designating Avant as operator of the Unit and the wells to be drilled thereon;
- D. Authorizing Avant to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

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Attorneys for Avant Operating, LLC

CASE NO. 24119: Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M, Lea County, New Mexico. This spacing unit will be dedicated to the **Margie 13 Fed Com 751H, Margie 13 Fed Com 752H, Margie 13 Fed Com 753H, Margie 13 Fed Com 754H, and the Margie 13 Fed Com 755H** wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

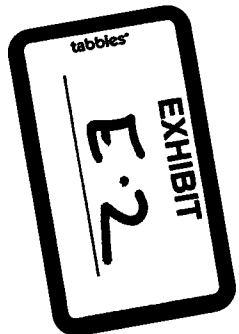
Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877
Type of Mailing: CERTIFIED MAIL
12/15/2023

Firm Mailing Book ID: 257485

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0115 2049 22	Advance Energy Partners Hat Mesa LLC 11490 Westheimer Rd. Ste 950 Houston TX 77077	\$1.59	\$4.35	\$2.20	\$0.00	10375.0002Margie Notice
2	9314 8699 0430 0115 2049 39	EOG Resources Inc. 104 S. Fourth St. Artesia NM 88210	\$1.59	\$4.35	\$2.20	\$0.00	10375.0002Margie Notice
3	9314 8699 0430 0115 2049 46	Jupiter JV LP 301 Commerce St. Ste 3300 Fort Worth TX 76102	\$1.59	\$4.35	\$2.20	\$0.00	10375.0002Margie Notice
4	9314 8699 0430 0115 2049 53	Legacy Reserves Operating LP 1400 16th St. Ste 510 Denver CO 80202	\$1.59	\$4.35	\$2.20	\$0.00	10375.0002Margie Notice
5	9314 8699 0430 0115 2049 60	Permian Resources 1001 117th Street, Suite 1800 Denver CO 80202	\$1.59	\$4.35	\$2.20	\$0.00	10375.0002Margie Notice
Totals:			\$7.95	\$21.75	\$11.00	\$0.00	
Grand Total:						\$40.70	

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Firm Mailing Book ID: 260283

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1	9314 8699 0430 0117 2241 02	Andarko Petroleum Corporation 1201 Lake Robbins Drive Woodlands TX 77380	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
2	9314 8699 0430 0117 2241 19	Beverly Jean Renfro Barr Trustee of Richard Barr Family Trust 8027 Chalk Knoll Drive Austin TX 78735	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
3	9314 8699 0430 0117 2241 26	Blue Star Royalty, LLC 6760 Portwest Houston TX 77024	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
4	9314 8699 0430 0117 2241 33	COG Operating, LLC 600 West Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
5	9314 8699 0430 0117 2241 40	C&W Acquisition, LLC Collins & Ware, Inc. 145 E. 57th Street, 11th Floor New York NY 10022	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
6	9314 8699 0430 0117 2241 57	ConocoPhillips Company 925 N. Eldridge Parkway Houston TX 77252	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
7	9314 8699 0430 0117 2241 64	Curtis A. Anderson and Edna I. Anderson Trustees of Revocable Trust 8/31/21 9314 Cherry Brook Lane Frisco TX 75033	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
8	9314 8699 0430 0117 2241 71	Cynthia Mae Wilson Trustee of Bypass Trust Scott Wilson 4601 Mirador Drive Austin TX 78735	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
9	9314 8699 0430 0117 2241 88	DENM Holdco, LLC 3724 Hulen Street Fort Worth TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
10	9314 8699 0430 0117 2241 95	Devon Energy Operating Company LP 333 W. Sheridan Ave. Oklahoma City OK 73102	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
11	9314 8699 0430 0117 2242 01	Dorchester Minerals, L.P. 3838 Oak Lawn Avenue, Suite 300 Dallas TX 75219	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
12	9314 8699 0430 0117 2242 18	Durango Production Corporation 2663 Plaza Parkway Wichita Falls TX 76308	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
13	9314 8699 0430 0117 2242 25	EGL Resources, Inc. PO Box 10250 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
14	9314 8699 0430 0117 2242 32	Manta II, LLC 190 East Stacy Road 306-373 Allen TX 75002	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice



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500 Fourth Street, Suite 1000
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18	9314 8699 0430 0117 2242 70	Merit Management Partners I, LP 13727 Noel Road Suite 1200 Tower 2 Dallas TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
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20	9314 8699 0430 0117 2242 94	PBEX, LLC 223 W. Wall Street, Suite #900 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
21	9314 8699 0430 0117 2243 00	Penroc Oil Corporation PO Box 2769 Hobbs NM 88241	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
22	9314 8699 0430 0117 2243 17	Republic Royalty Company 3738 Oak Lawn Avenue, Suite 300 Dallas TX 75219	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
23	9314 8699 0430 0117 2243 24	Roger & Holly Elliott Family Limited Partnership 3910 Tanforan Avenue Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
24	9314 8699 0430 0117 2243 31	Roy G. Barton 1919 N. Turner Street Hobbs NM 88240	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
25	9314 8699 0430 0117 2243 48	TD MINERALS LLC 8111 WESTCHESTER DRIVE SUITE 900 DALLAS TX 75225	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
26	9314 8699 0430 0117 2243 55	The Kathleen I. Schuster Trust 2615 Oak Drive, Unit 28 Lakewood CO 80215	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
27	9314 8699 0430 0117 2243 62	Todd M. Wilson and wife, Carol I. Wilson 3608 South Country Rd. 1184 Midland TX 79706	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
28	9314 8699 0430 0117 2243 79	Todd M. Wilson 3608 South County Rd. 1184 Midland TX 79706	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
29	9314 8699 0430 0117 2243 86	Tumbler Operating Partners 1150 N. Kimball, Suite 100 Southlake TX 76092	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice



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30	9314 8699 0430 0117 2243 93	Vaughn Petroleum, Inc. 3738 Oak Lawn Dallas TX 75219	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
31	9314 8699 0430 0117 2244 09	Wallace W. Irwin Properties, LLC 118 North Grant Street Hinsdale IL 60521	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
32	9314 8699 0430 0117 2244 16	WallFam, Ltd. PO Box 51740 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
33	9314 8699 0430 0117 2244 23	William W. Saunders 606 Ridgemont Avenue San Antonio TX 78209	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
34	9314 8699 0430 0117 2244 30	WPX Energy Permian, LLC 3500 One Williams Center, Suite 700 Tulsa OK 74172	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
35	9314 8699 0430 0117 2244 47	XTO Holdings, LLC 22777 Springwoods Village Parkway Spring TX 77389	\$1.63	\$4.40	\$2.32	\$0.00	10375.0002margie Notice
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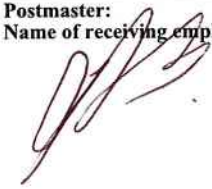
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500 Fourth Street, Suite 1000
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02/20/2024

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Transaction Report Details - CertifiedPro.net
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9314869904300117224225	2024-02-09 8:53 AM	10375.0002margie	EGL Resources, Inc.		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-13 10:10 AM
9314869904300117224218	2024-02-09 8:53 AM	10375.0002margie	Durango Production Corporation		Wichita Falls	TX	76308	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-12 11:02 AM
9314869904300117224201	2024-02-09 8:53 AM	10375.0002margie	Dorchester Minerals, L.P.		Dallas	TX	75219	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-13 12:56 PM
9314869904300117224195	2024-02-09 8:53 AM	10375.0002margie	Devon Energy Operating Company LP		Oklahoma City	OK	73102	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300117224188	2024-02-09 8:53 AM	10375.0002margie	DENM Holdco, LLC		Fort Worth	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-12 11:31 AM
9314869904300117224171	2024-02-09 8:53 AM	10375.0002margie	Cynthia Mae Wilson	Trustee of Bypass Trust Scott Wilson	Austin	TX	78735	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300117224164	2024-02-09 8:53 AM	10375.0002margie	Curtis A. Anderson and Edna I. Anderson	Trustees of Revocable Trust 8/31/21	Frisco	TX	75033	Undelivered - Forwarded	Return Receipt - Electronic, Certified Mail	
9314869904300117224157	2024-02-09 8:53 AM	10375.0002margie	ConocoPhillips Company		Houston	TX	77252	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-12 9:37 AM
9314869904300117224140	2024-02-09 8:53 AM	10375.0002margie	C&W Acquisition, LLC	Collins & Ware, Inc.	New York	NY	10022	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-13 2:14 PM
9314869904300117224133	2024-02-09 8:53 AM	10375.0002margie	COG Operating, LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-13 7:52 AM
9314869904300117224126	2024-02-09 8:53 AM	10375.0002margie	Blue Star Royalty, LLC		Houston	TX	77024	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300117224119	2024-02-09 8:53 AM	10375.0002margie	Beverly Jean Renfro Barr	Trustee of Richard Barr Family Trust	Austin	TX	78735	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300117224102	2024-02-09 8:53 AM	10375.0002margie	Andarko Petroleum Corporation		Woodlands	TX	77380	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-14 6:05 AM

Transaction Details

Recipient: United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508	Date Created: 02/20/2024 8:02 AM Date Mailed: 02/20/2024 Date Mail Delivered: 02/22/2024 11:05 AM USPS Article Number: 9314869904300117598999 Return Receipt Article Number: Not Applicable
Sender: Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. PO Box 2168 Albuquerque, NM 87103	Service Options: Return Receipt - Electronic Certified Mail Mail Service: Certified Reference #: 10375.0002Margie Postage: \$1.63 Certified Mail Fees: \$6.72 Status: Delivered Custom Field 1: 10375.0002Margie
Transaction created by: Karlenes User ID: 20660 Firm Mailing Book ID: 260778 Batch ID:	

Transaction History

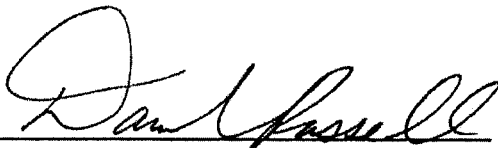
Event Description	Event Date	Details
Mailbook Generated	02-20-2024 08:02 AM	[WALZ] - Firm Mailing Book 260778 generated by Karlenes
USPS® Certified Mail	02-20-2024 10:43 AM	[USPS] - PRLSHIPMLNT INFO SENT USPS AWAITS ITEM at ALBUQUERQUE,NM
USPS® Certified Mail	02-20-2024 09:19 PM	[USPS] - ORIGIN ACCEPTANCE at ALBUQUERQUE,NM
USPS® Certified Mail	02-20-2024 10:34 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	02-21-2024 07:34 AM	[USPS] - DEPARTED USPS REGIONAL FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	02-21-2024 05:07 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	02-22-2024 11:05 AM	[USPS] - CERTIFIED MAIL DELIVERED FRONT DESKRECEPTIONMAIL ROOM at SANTA FE,NM

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
December 19, 2023
and ending with the issue dated
December 19, 2023.



Publisher

Sworn and subscribed to before me this
19th day of December 2023.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE December 19, 2023

CASE NO. 24118: Notice to all affected parties, as well as heirs and devisees of: Permian Resources; EOG Resources, Inc.; Advance Energy Partners Hat Mesa LLC; Legacy Reserves Operating LP; Jupiter JV LP of the Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oce/hearing-info/>. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 19, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Margle 13 Fed Com 201H, Margle 13 Fed Com 202H, Margle 13 Fed Com 203H, Margle 13 Fed Com 204H, Margle 13 Fed Com 205H, Margle 13 Fed Com 206H, Margle 13 Fed Com 301H, Margle 13 Fed Com 302H, Margle 13 Fed Com 303H, Margle 13 Fed Com 304H, Margle 13 Fed Com 305H, Margle 13 Fed Com 501H, Margle 13 Fed Com 502H, Margle 13 Fed Com 503H, Margle 13 Fed Com 504H, Margle 13 Fed Com 505H, Margle 13 Fed Com 506H, Margle 13 Fed Com 601H, Margle 13 Fed Com 602H, Margle 13 Fed Com 603H, Margle 13 Fed Com 604H, Margle 13 Fed Com 651H, Margle 13 Fed Com 652H, Margle 13 Fed Com 653H, Margle 13 Fed Com 654H, and the Margle 13 Fed Com 655H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

CASE NO. 24119: Notice to all affected parties, as well as heirs and devisees of: Permian Resources; EOG Resources, Inc.; Advance Energy Partners Hat Mesa LLC; Legacy Reserves Operating LP; Jupiter JV LP of the Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on January 4, 2024 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oce/hearing-info/>. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of Section 19, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Margle 13 Fed Com 751H, Margle 13 Fed Com 752H, Margle 13 Fed Com 753H, Margle 13 Fed Com 754H, and the Margle 13 Fed Com 755H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico. #00285872

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00285872

DOLORES SERNA
MODRALL, SPERLING, ROEHL, HARRIS &
P. O. BOX 2168
ALBUQUERQUE, NM 87103-2168




Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
February 15, 2024
and ending with the issue dated
February 15, 2024.



Publisher

Sworn and subscribed to before me this
15th day of February 2024.



Business Manager

My commission expires
January 29, 2027

(Seal) **STATE OF NEW MEXICO**
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087528
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE February 15, 2024

CASE NO. 24118: Notice to all affected parties, as well as heirs and devisees of: Andarko Petroleum Corporation; Beverly Jean Renfro Barr, as Trustee of the Richard Kevin Barr Family Trust; Blue Star Royalty, LLC; Carol Cartwright III; COG Operating LLC; Collins & Ware Inc. (C&W Acquisition, LLC); ConocoPhillips Company; Curtis A. Anderson and Edna I. Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dated 8-31-2021; Cynthia Mae Wilson, Trustee of the Bypass Trust u/w Scott Evans Wilson dtd 7-12-2012; DENM Holdco, LLC; Devon Energy Production Company, L.P.; Dorchester Minerals, LP; Durango Production Corporation; EGL Resources, Inc.; Georgette Nichols; Khody Land & Minerals, Co.; Manta II, LLC; Marathon Oil Permian, LLC; Merit Energy Partners D-111, L.P.; Merit Energy Partners III, L.P.; Merit Management Partners I, L.P.; Nortex Corporation; PBEX, LLC; Penroc Oil Corporation; Republic Royalty Company; Roger T. and Holly L. Elliott Family Limited Partnership, L.P.; Roy G. Barton; Sabre Exploration, Inc.; TD Minerals, LLC; The Kathleen I Schuster Trust; Todd M. Wilson and wife Carol J. Wilson; Todd M. Wilson; Tumbler Operating Partners; Vaughn Petroleum, Inc.; Wallace W. Irwin Properties, LLC; WallFam, Ltd.; West Central Texas Petroleum Partners, Ltd.; William W. Saunders; WPX Energy Permian, LLC; XTO Holdings, LLC of the Application of Avant Operating, LLC for approval of a non-standard unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 21, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Recos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Applicant seeks an order from the Division (1) approving a non-standard 640-acre spacing unit, and (2) pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of Section 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Margie 13 Fed Com 201H, Margie 13 Fed Com 202H, Margie 13 Fed Com 203H, Margie 13 Fed Com 204H, Margie 13 Fed Com 205H, Margie 13 Fed Com 206H, Margie 13 Fed Com 301H, Margie 13 Fed Com 302H, Margie 13 Fed Com 303H, Margie 13 Fed Com 304H, Margie 13 Fed Com 305H, Margie 13 Fed Com 501H, Margie 13 Fed Com 502H, Margie 13 Fed Com 503H, Margie 13 Fed Com 504H, Margie 13 Fed Com 505H, Margie 13 Fed Com 506H, Margie 13 Fed Com 601H, Margie 13 Fed Com 602H, Margie 13 Fed Com 603H, Margie 13 Fed Com 604H, Margie 13 Fed Com 651H, Margie 13 Fed Com 652H, Margie 13 Fed Com 653H, Margie 13 Fed Com 654H, and the Margie 13 Fed Com 655H wells to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 20 miles west-southwest of Monument, New Mexico.

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