



Compulsory Pooling Hearing- Case No. 24497
E/2 Sections 15 and 22, T19S-R33E

Wells: Ruby Federal Com 300H
Ruby Federal Com 301H
Ruby Federal Com 302H
Ruby Federal Com 500H
Ruby Federal Com 501H
Ruby Federal Com 502H
Ruby Federal Com 600H
Ruby Federal Com 601H
Ruby Federal Com 602H

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

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

CASE NO. 24497

EXHIBIT INDEX

Exhibit A	Compulsory Pooling Application Checklist
A-1	Application & Proposed Notice of Hearing
A-2	Self-Affirmed Statement of Tiffany Sarantinos
A-3	C-102s
A-4	Plat of Tracts, Tract Ownership, Applicable Lease Numbers,
A-5	Unit Recap, Pooled Parties Highlighted
A-6	Sample Well Proposal Letter & AFEs
A-7	Detailed Summary of Chronology of Contact
Exhibit B	Self-Affirmed Statement of John Harper
B-1	Location Map
B-2	First Bone Spring Gunbarrel Diagram
B-3	First Bone Spring Subsea Structure Map
B-4	First Bone Spring Cross-Section Map
B-5	First Bone Spring Stratigraphical Cross Section
B-6	Second Bone Spring Gunbarrel Diagram
B-7	Second Bone Spring Subsea Structure Map
B-8	Second Bone Spring Cross-Section Map
B-9	Second Bone Spring Stratigraphical Cross Section
B-10	Third Bone Spring Gunbarrel Diagram
B-11	Third Bone Spring Subsea Structure Map
B-12	Third Bone Spring Cross-Section Map
B-13	Third Bone Spring Stratigraphical Cross Section
Exhibit C	Self-Affirmed Statement of Deana Bennett
C-1	Sample Notice Letter to All Interested Parties
C-2	Chart of Notice to All Interested Parties
C-3	Copies of Certified Mail Receipts and Returns
C-4	Affidavit of Publication for May 23, 2024

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24497	APPLICANT'S RESPONSE
Date	June 13, 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:	Fasken Oil & Ranch, Ltd.
Well Family	Ruby Federal Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code (Only if NSP is requested):	Tonto; Bone Spring Pool (Code 59475)
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	E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M, Lea County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	Yes. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
Proximity Defining Well: if yes, description	Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells
Applicant's Ownership in Each Tract	Exhibit A-4
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: Ruby Federal Com #300H	SHL: 350' FNL & 1030' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 2310' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 2310' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: First Bone Spring Completion Status: Standard TVD: 9,300', MVD: 19,573'
Well #2: Ruby Federal Com #301H	SHL: 350' FNL & 1010' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 1320' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 1320' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: First Bone Spring Completion Status: Standard TVD: 9,300', MVD: 19,573'
Well #3: Ruby Federal Com #302H	SHL: 350' FNL & 990' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 330' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 330' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: First Bone Spring Completion Status: Standard TVD: 9,300', MVD: 19,573'
Well #4: Ruby Federal Com #500H	SHL: 350' FNL & 950' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 2310' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 2310' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: Second Bone Spring Completion Status: Standard TVD: 10,150', MVD: 20,423'
Well #5: Ruby Federal Com #501H	SHL: 350' FNL & 930' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 1320' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 1320' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: Second Bone Spring Completion Status: Standard TVD: 10,150', MVD: 20,423'
Well #6: Ruby Federal Com #502H	SHL: 350' FNL & 910' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 330' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 330' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: Second Bone Spring Completion Status: Standard TVD: 10,150', MVD: 20,423'
Well #7: Ruby Federal Com #600H	SHL: 350' FNL & 1110' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 2310' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 2310' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: Third Bone Spring Completion Status: Standard TVD: 10,700', MVD: 20,973'

Well #8: Ruby Federal Com #601H	SHL: 350' FNL & 1090' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 1320' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 1320' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: Third Bone Spring Completion Status: Standard TVD: 10,700', MVD: 20,973'
Well #9: Ruby Federal Com #602H	SHL: 350' FNL & 1070' FEL, Section 15, T-19-S, R-33-E FTP: 100' FNL & 330' FEL Section 15, T-19-S, R-33-E BHL: 100' FSL & 330' FEL Section 22, T-19-S, R-33-E Orientation: North/South Completion Target: Third Bone Spring Completion Status: Standard TVD: 10,700', MVD: 20,973'
Horizontal Well First and Last Take Points	Exhibit A-3
Completion Target (Formation, TVD and MD)	Exhibit A-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000.00
Production Supervision/Month \$	\$1,000.00
Justification for Supervision Costs	See Exhibit A-2, Paragraph 20
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-2 and C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-4
Tract List (including lease numbers and owners)	Exhibit A-4
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-7
Overhead Rates In Proposal Letter	Exhibit A-6
Cost Estimate to Drill and Complete	Exhibit A-6
Cost Estimate to Equip Well	Exhibit A-6

Cost Estimate for Production Facilities	Exhibit A-6
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibits B-2, B-6, B-10
Well Orientation (with rationale)	See Exhibit B, Paragraph 21
Target Formation	Exhibit B-2 to B-5; B-6 to B-9; and B-10 to B-13
HSU Cross Section	Exhibit B-4; B-8; B-12
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-3
Tracts	Exhibit A-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-2; B-6; B-10
Structure Contour Map - Subsea Depth	Exhibit B-3; B-7; B-11
Cross Section Location Map (including wells)	Exhibit B-4; B-8; B-12
Cross Section (including Landing Zone)	Exhibit B-5; B-9; B-13
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:	6/6/2024

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

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

CASE NO. _____

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, for an order pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 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 the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico to form a standard 640-acre, more or less, Bone Spring horizontal spacing unit.
3. Avant plans to drill the following wells:
 - a. **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22; and
 - b. **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby**

**Avant Operating, LLC
Case No. 24497
Exhibit A-1**

Federal Com #602H wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22.

4. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.

5. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

6. 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.

7. 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.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico;

B. Designating Avant as operator of this unit and the wells to be drilled thereon;

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

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

E. 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. _____: Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22, and the **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby Federal Com #602H** wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22. The wells will be drilled at orthodox locations. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 24 miles west of Hobbs, New Mexico.

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

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

CASE NO. 24497

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 A-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. Avant seeks an order from the Division pooling all uncommitted mineral interests within a 640-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M, Lea County, New Mexico.

8. This spacing unit will be dedicated to the following wells:

- a. **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4 NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4 SE/4 (Unit O) of Section 22; and
 - b. **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby Federal Com #602H** wells with proposed first take points in the NE/4 NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4 SE/4 (Unit P) of Section 22.
9. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.
10. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
11. Attached as **Exhibit A-3** are the proposed C-102s for the wells.
12. 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.
13. The wells will develop the Tonto; Bone Spring Pool (Code 59475).
14. This pool is an oil pool with 40-acre building blocks.
15. This pool is governed by the state-wide horizontal well rules.
16. There are no depth severances within the proposed spacing unit.
17. **Exhibit A-4** includes a lease tract map outlining the unit being pooled. Exhibit A-4 also includes the parties being pooled, the nature, and the percent of their interests.
18. **Exhibit A-5** is a unit recapitulation with a list of the parties to be pooled highlighted in yellow.

19. **Exhibit A-6** contains a sample well proposal letter and Authorizations for Expenditure (“AFEs”) sent to all working interest owners. The estimated cost of the wells set forth in the AFEs are fair and reasonable and comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

20. 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.

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

22. 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.

23. In my opinion, Avant has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells as demonstrated by the chronology of contact in **Exhibit A-7**.

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

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

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

27. 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.

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

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

30. 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]

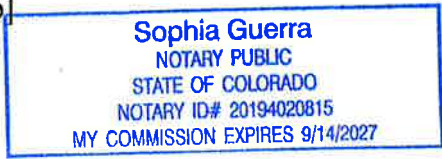
Tiffany Sarantinos
Tiffany Sarantinos

State of Colorado

County of Denver

This record was acknowledged before me on June 6th, 2024, by Tiffany Sarantinos.

[Stamp]



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

My Commission Expires: 9/14/27

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

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

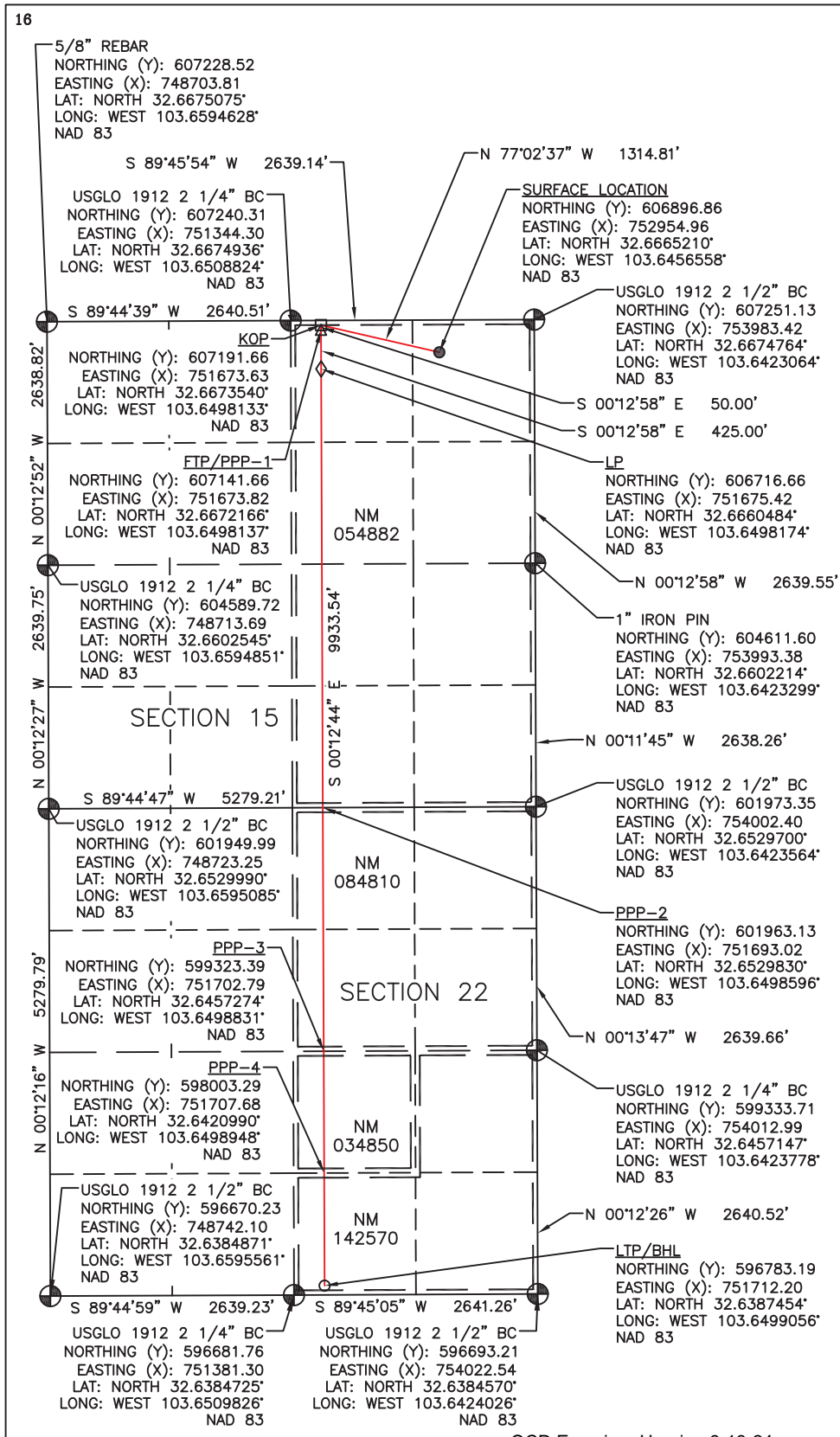
Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

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



17 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.

18 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.

LEGEND table with columns: Symbol, Description, Footages (SHL, FNL, FEL).

Avant Operating, LLC
Case No. 24497
Exhibit A-3

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

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 59475		³ Pool Name Tonto; Bone Spring	
⁴ Property Code		⁵ Property Name RUBY FEDERAL COM		⁶ Well Number 30IH	
⁷ OGRID No. 330396		⁸ Operator Name AVANT OPERATING, LLC		⁹ Elevation 3684.4	

¹⁰ Surface Location

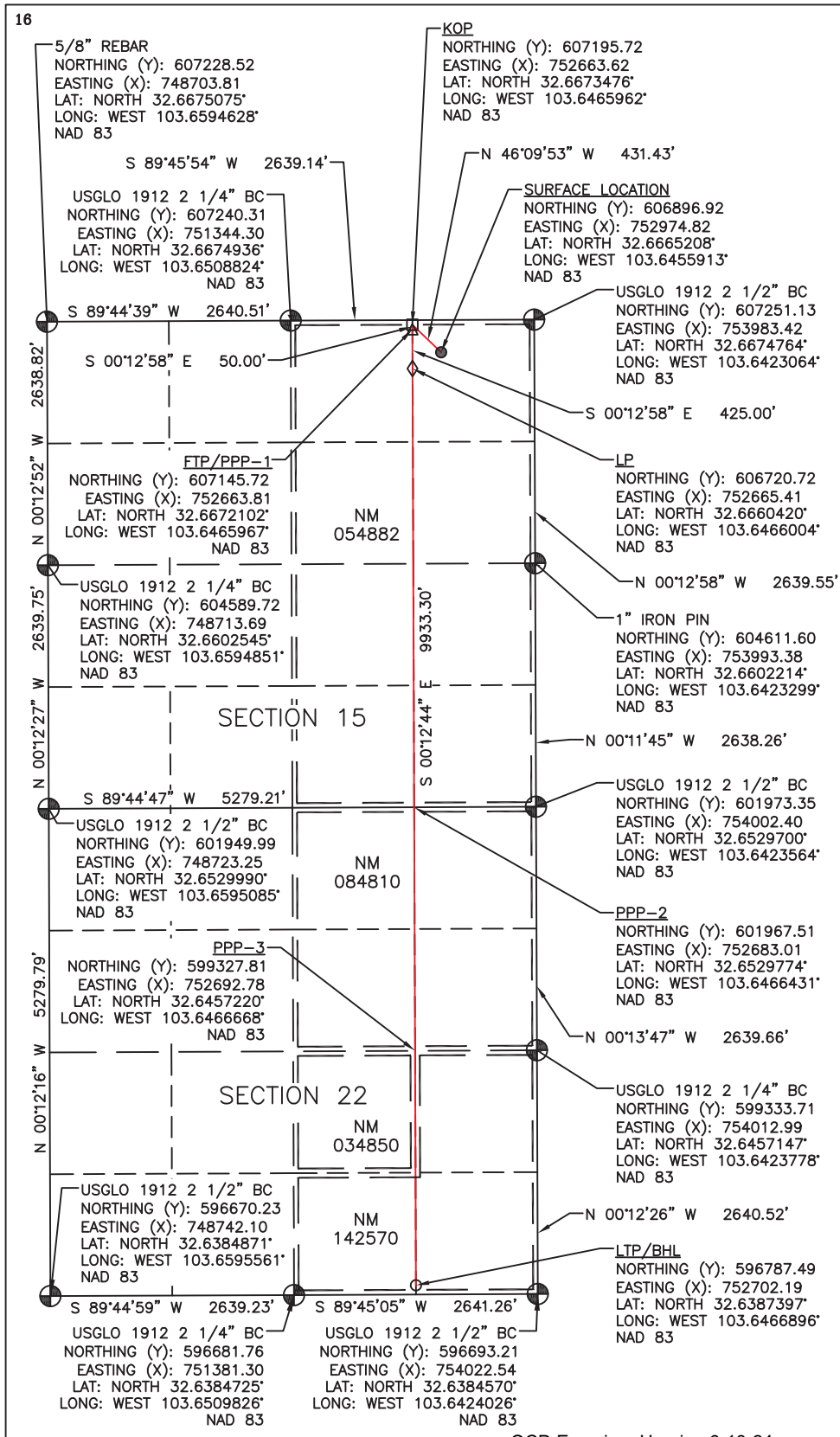
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	1010	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	1320	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



17 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 _____ Date _____

Printed Name _____

E-mail Address _____

18 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.

5/31/24
Date of Survey _____

Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	1010' FEL
KOP	50' FNL	1320' FEL
FTP/PPP-1	100' FNL	1320' FEL
LP	525' FNL	1320' FEL
PPP-2	0' FNL	1319' FEL
PPP-3	2640' FSL	1320' FEL
LTP/BHL	100' FSL	1320' FEL

OCD Examiner Hearing 6-13-24

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

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 59475	³ Pool Name Tonto; Bone Spring
⁴ Property Code	⁵ Property Name RUBY FEDERAL COM	
⁷ OGRID No. 330396	⁸ Operator Name AVANT OPERATING, LLC	⁶ Well Number 302H ⁹ Elevation 3683.5

¹⁰ Surface Location

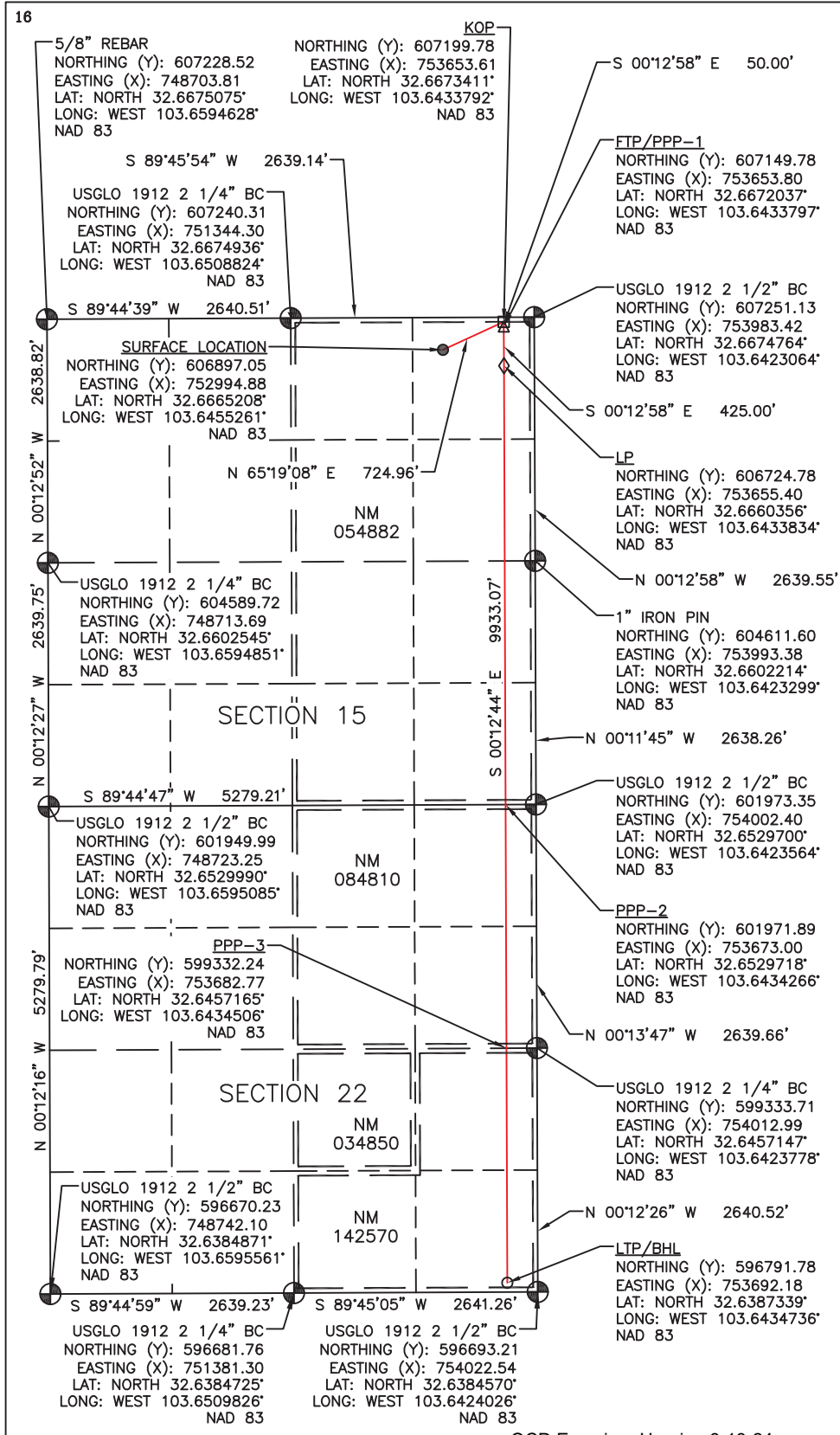
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	990	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	330	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



17 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 _____ Date _____

Printed Name _____

E-mail Address _____

18 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.

5/31/24
Date of Survey

Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES	
SHL	350' FNL 990' FEL
KOP	50' FNL 330' FEL
FTP/PPP-1	100' FNL 330' FEL
LP	525' FNL 330' FEL
PPP-2	0' FNL 329' FEL
PPP-3	2640' FSL 330' FEL
LTP/BHL	100' FSL 330' FEL

OCD Examiner Hearing 6-13-24

No. 24497

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

DISTRICT II
 811 S. First St., Artesia, N.M. 88210
 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
 1000 Rio Brazos Rd., Aztec, N.M. 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
 1220 S. St. Francis Dr., Santa Fe, N.M. 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
 Santa Fe, N.M. 87505

Submit one copy to appropriate
 District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 59475		³ Pool Name Tonto; Bone Spring	
⁴ Property Code		⁵ Property Name RUBY FEDERAL COM			⁶ Well Number 500H
⁷ OGRID No. 330396		⁸ Operator Name AVANT OPERATING, LLC			⁹ Elevation 3682.3

¹⁰ Surface Location

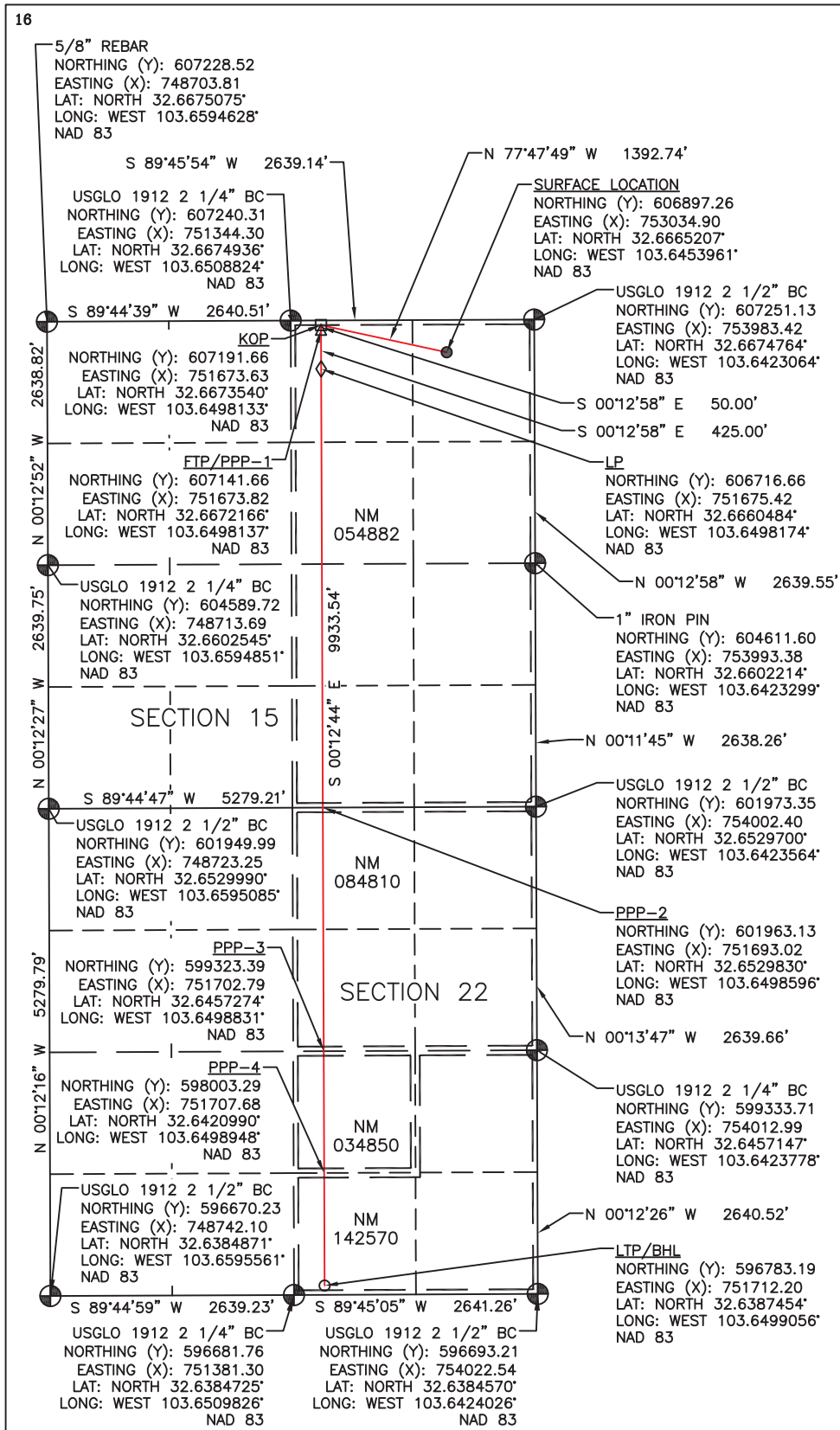
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	950	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	2310	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ 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 _____ Date _____
 Printed Name _____
 E-mail Address _____

¹⁸ 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.

5/31/24

Date of Survey
 Plat Revised: 6/3/24
 Signature and Seal of Professional Surveyor:

PRELIMINARY

Certificate Number

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	950' FEL
KOP	50' FNL	2310' FEL
FTP/PPP-1	100' FNL	2310' FEL
LP	525' FNL	2310' FEL
PPP-2	0' FNL	2309' FEL
PPP-3	2640' FSL	2310' FEL
PPP-4	1320' FSL	2310' FEL
LTP/BHL	100' FSL	2310' FEL

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Revised August 1, 2011

Submit one copy to appropriate
District Office

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 59475		³ Pool Name Tonto; Bone Spring	
⁴ Property Code		⁵ Property Name RUBY FEDERAL COM			⁶ Well Number 50IH
⁷ OGRID No. 330396		⁸ Operator Name AVANT OPERATING, LLC			⁹ Elevation 3682.5

¹⁰ Surface Location

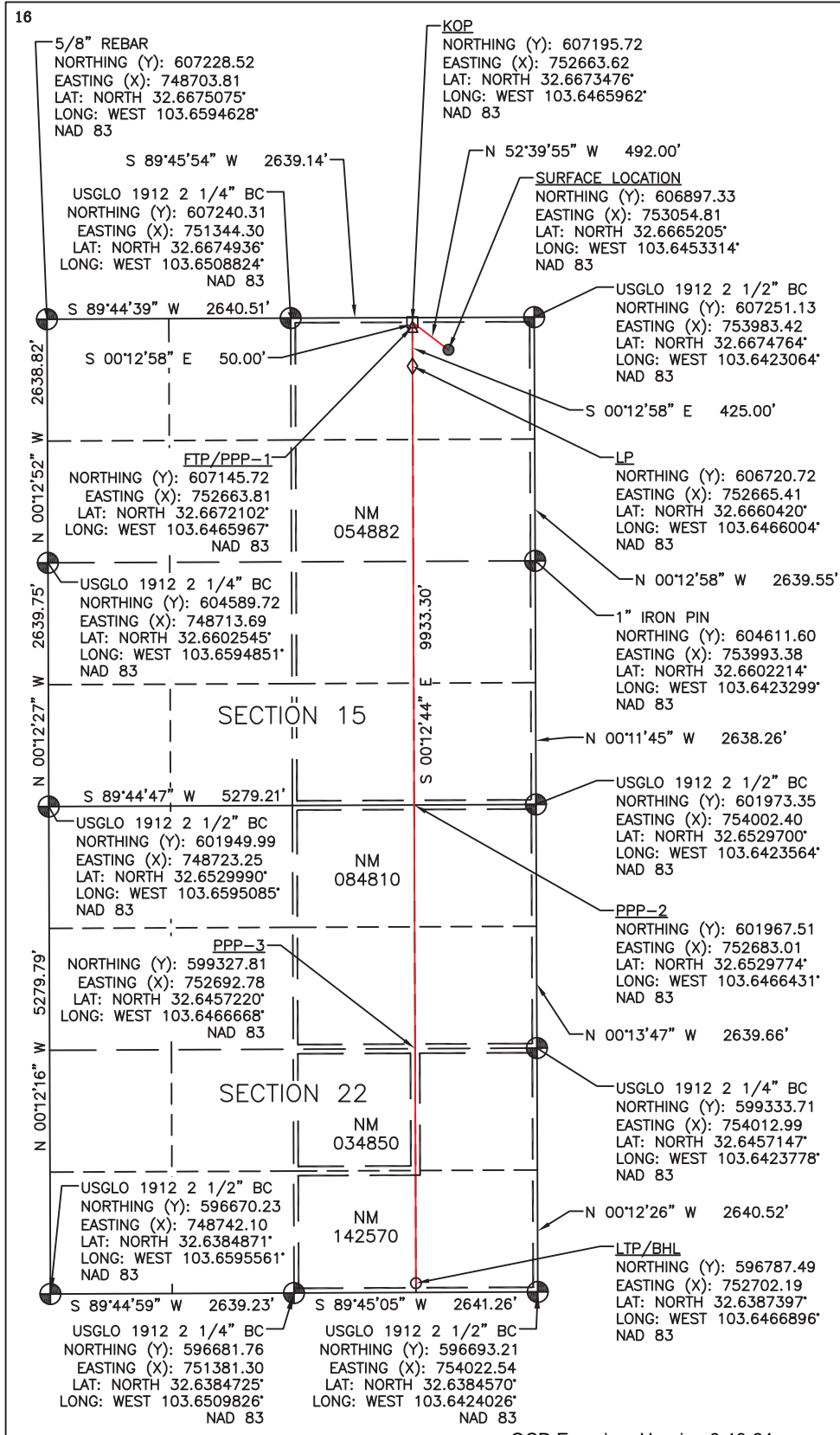
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	930	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	1320	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ 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 _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ 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.

5/31/24

Date of Survey
Plat Revised: 6/3/24
Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	930' FEL
KOP	50' FNL	1320' FEL
FTP/PPP-1	100' FNL	1320' FEL
LP	525' FNL	1320' FEL
PPP-2	0' FNL	1319' FEL
PPP-3	2640' FSL	1320' FEL
LTP/BHL	100' FSL	1320' FEL

OCD Examiner Hearing 6-13-24

No. 24497

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

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 59475		³ Pool Name Tonto; Bone Spring	
⁴ Property Code		⁵ Property Name RUBY FEDERAL COM			⁶ Well Number 502H
⁷ OGRID No. 330396		⁸ Operator Name AVANT OPERATING, LLC			⁹ Elevation 3682.8

¹⁰ Surface Location

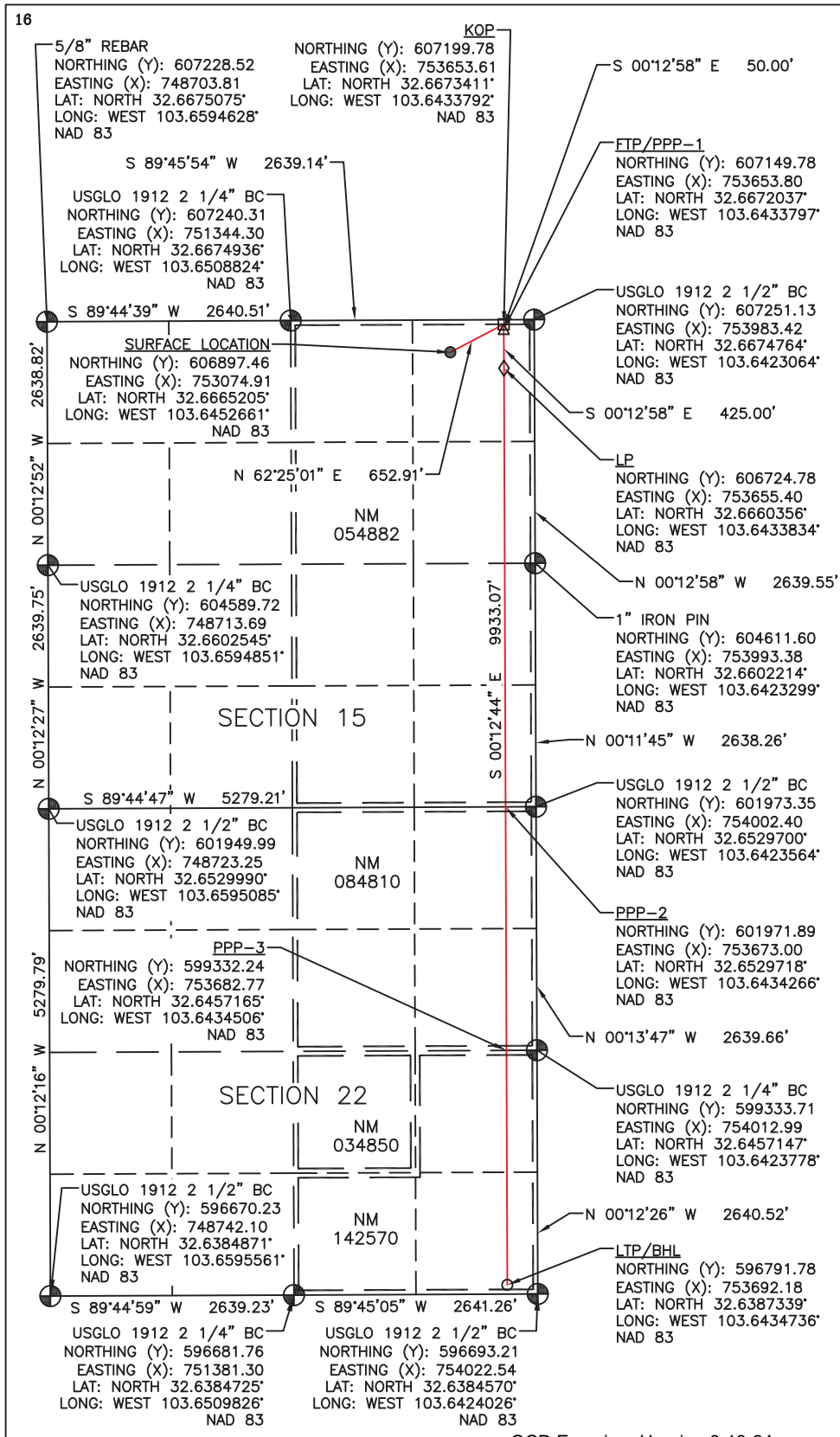
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	910	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	330	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



17 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 _____ Date _____

Printed Name _____

E-mail Address _____

18 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.

5/31/24

Date of Survey
Plat Revised: 6/3/24
Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	910' FEL
KOP	50' FNL	330' FEL
FTP/PPP-1	100' FNL	330' FEL
LP	525' FNL	330' FEL
PPP-2	0' FNL	329' FEL
PPP-3	2640' FSL	330' FEL
LTP/BHL	100' FSL	330' FEL

OCD Examiner Hearing 6-13-24

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

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 59475	³ Pool Name Tonto; Bone Spring
⁴ Property Code	⁵ Property Name RUBY FEDERAL COM	
⁷ OGRID No. 330396	⁸ Operator Name AVANT OPERATING, LLC	⁶ Well Number 600H ⁹ Elevation 3685.3

¹⁰ Surface Location

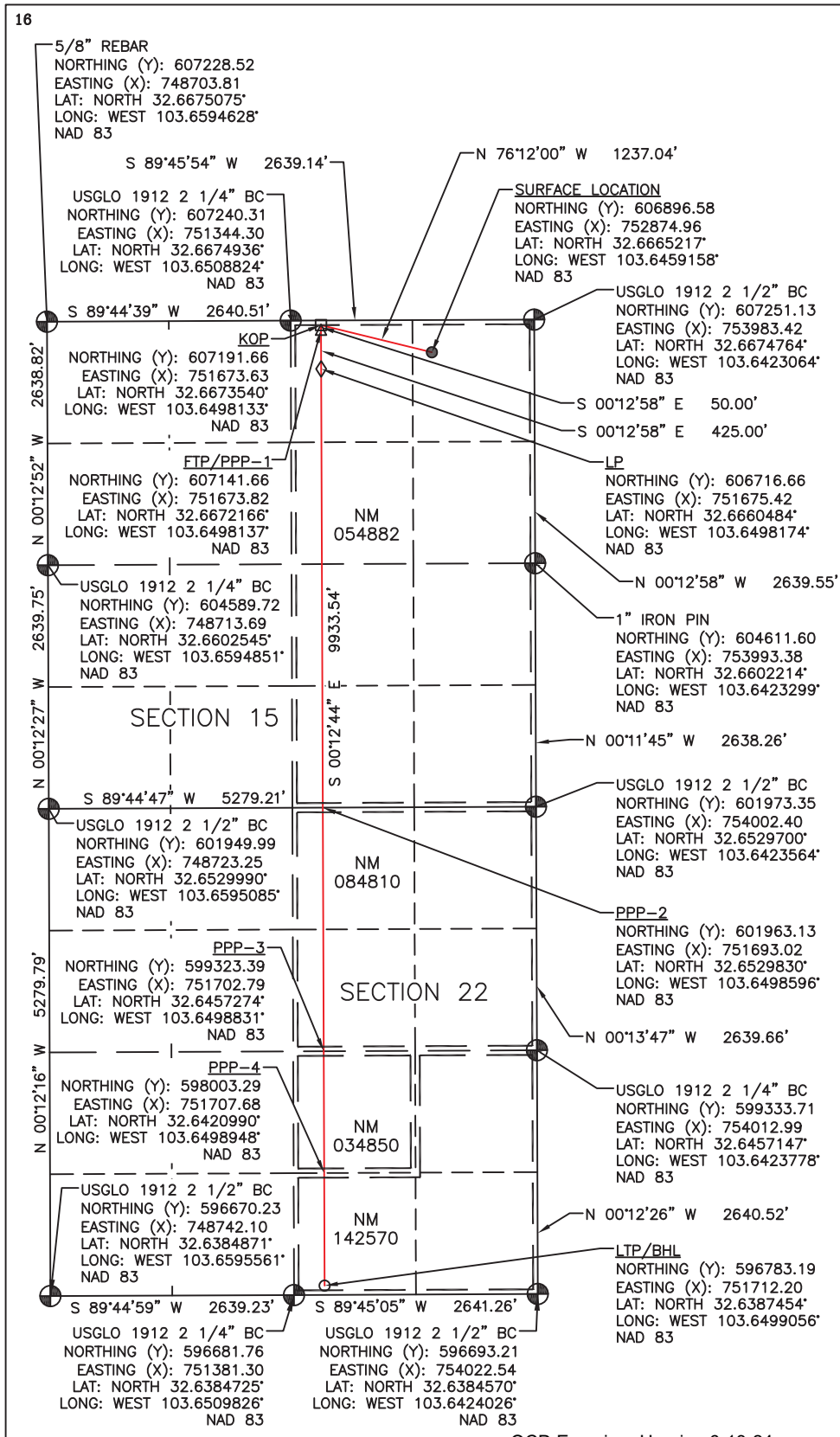
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	1110	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	2310	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



17 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 _____ Date _____

Printed Name _____

E-mail Address _____

18 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.

5/31/24
Date of Survey

Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

- LEGEND:**
- = SURFACE LOCATION (SHL)
 - = KICK OFF POINT (KOP)
 - △ = FTP/PPP-1
 - ◇ = LANDING POINT (LP)
 - = LTP/BHL
 - ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	1110' FEL
KOP	50' FNL	2310' FEL
FTP/PPP-1	100' FNL	2310' FEL
LP	525' FNL	2310' FEL
PPP-2	0' FNL	2309' FEL
PPP-3	2640' FSL	2310' FEL
PPP-4	1320' FSL	2310' FEL
LTP/BHL	100' FSL	2310' FEL

OCD Examiner Hearing 6-13-24

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

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 59475		³ Pool Name Tonto; Bone Spring	
⁴ Property Code		⁵ Property Name RUBY FEDERAL COM			⁶ Well Number 60IH
⁷ OGRID No. 330396		⁸ Operator Name AVANT OPERATING, LLC			⁹ Elevation 3684.6

¹⁰ Surface Location

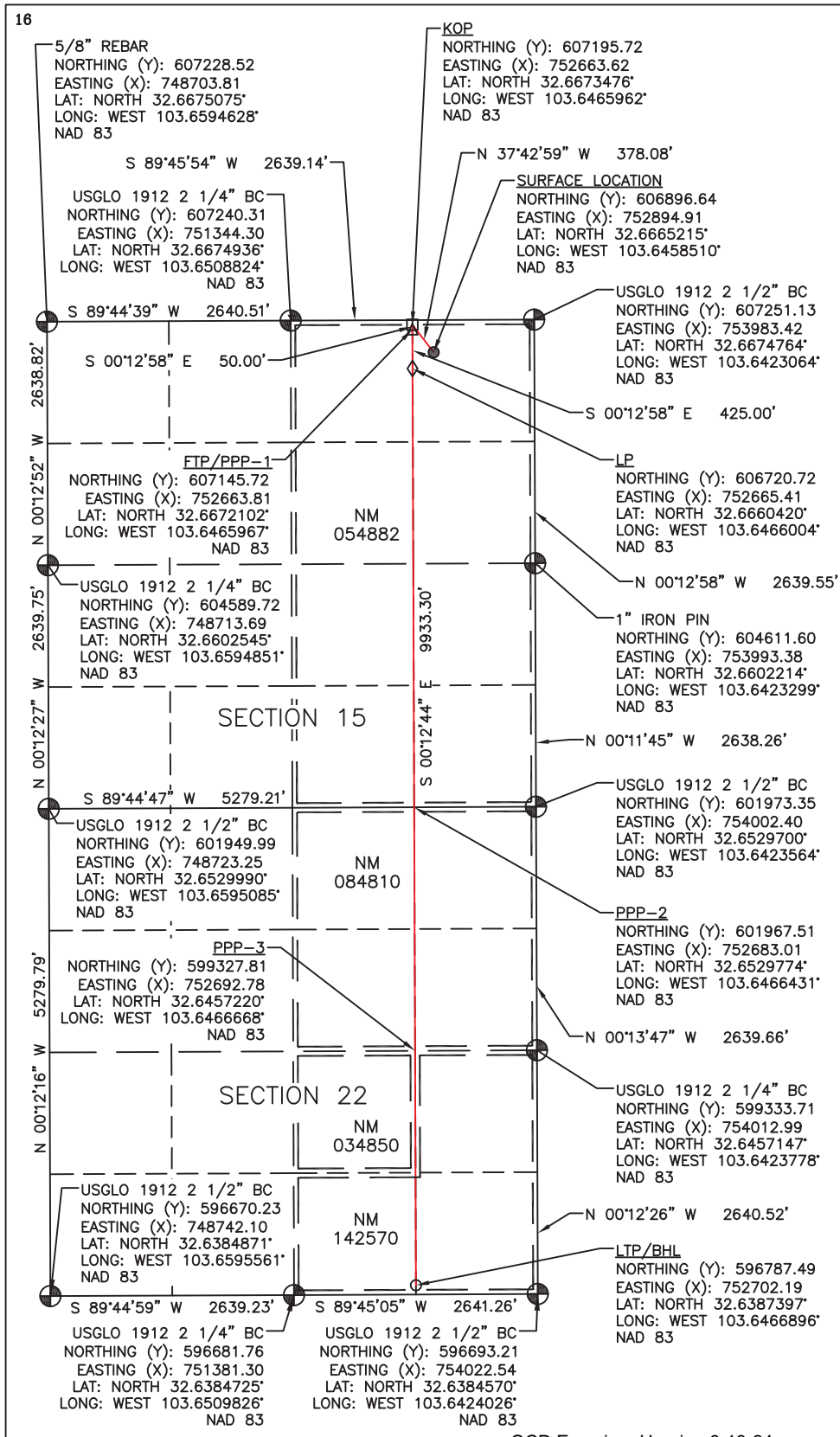
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	1090	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	1320	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ 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 _____ Date _____
Printed Name _____
E-mail Address _____

¹⁸ 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.

5/31/24
Date of Survey _____
Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	1090' FEL
KOP	50' FNL	1320' FEL
FTP/PPP-1	100' FNL	1320' FEL
LP	525' FNL	1320' FEL
PPP-2	0' FNL	1319' FEL
PPP-3	2640' FSL	1320' FEL
LTP/BHL	100' FSL	1320' FEL

OCD Examiner Hearing 6-13-24

No. 24497

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

DISTRICT II
 811 S. First St., Artesia, N.M. 88210
 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
 1000 Rio Brazos Rd., Aztec, N.M. 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
 1220 S. St. Francis Dr., Santa Fe, N.M. 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
 Santa Fe, N.M. 87505

Submit one copy to appropriate
 District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 59475		³ Pool Name Tonto; Bone Spring	
⁴ Property Code		⁵ Property Name RUBY FEDERAL COM			⁶ Well Number 602H
⁷ OGRID No. 330396		⁸ Operator Name AVANT OPERATING, LLC			⁹ Elevation 3684.7

¹⁰ Surface Location

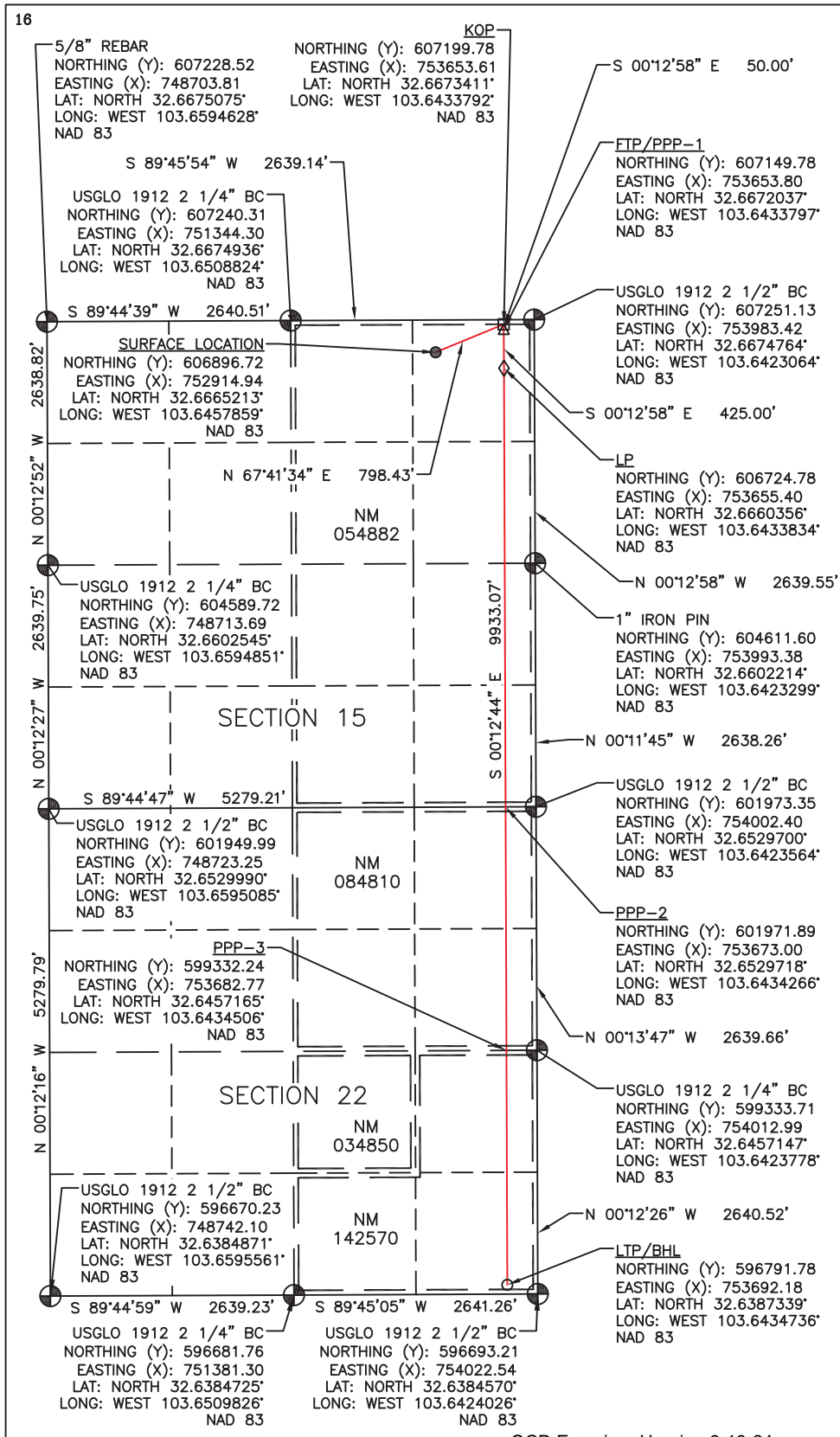
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	19 S	33 E		350	NORTH	1070	EAST	LEA

¹¹ 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	22	19 S	33 E		100	SOUTH	330	EAST	LEA

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



17 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 _____ Date _____
 Printed Name _____
 E-mail Address _____

18 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.

5/31/24
 Date of Survey _____
 Signature and Seal of Professional Surveyor: _____

PRELIMINARY

Certificate Number _____

LEGEND:

- = SURFACE LOCATION (SHL)
- = KICK OFF POINT (KOP)
- △ = FTP/PPP-1
- ◇ = LANDING POINT (LP)
- = LTP/BHL
- ⊙ = FOUND MONUMENT

FOOTAGES		
SHL	350' FNL	1070' FEL
KOP	50' FNL	330' FEL
FTP/PPP-1	100' FNL	330' FEL
LP	525' FNL	330' FEL
PPP-2	0' FNL	329' FEL
PPP-3	2640' FSL	330' FEL
LTP/BHL	100' FSL	330' FEL

OCD Examiner Hearing 6-13-24

No. 24497

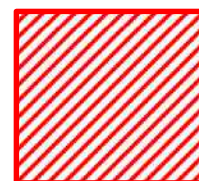
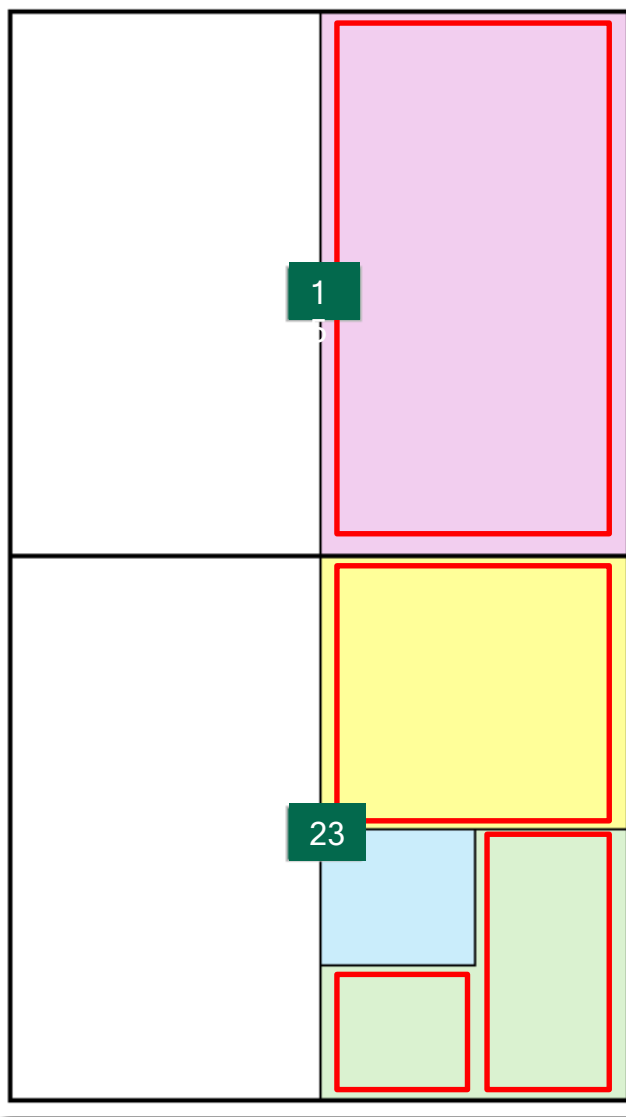
Lease Tract Map

Ruby Federal Com

Avant Operating, LLC
Case No. 24497
Exhibit A-4



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



Tracts to which Avant owns an interest

Tract No.	Lease
1	NMNM 054882
2	NMNM 084810
3	NMNM 034850
4	NMNM 142570





E2 of Section 15 and E2 of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Summary of Working Interest Owners:

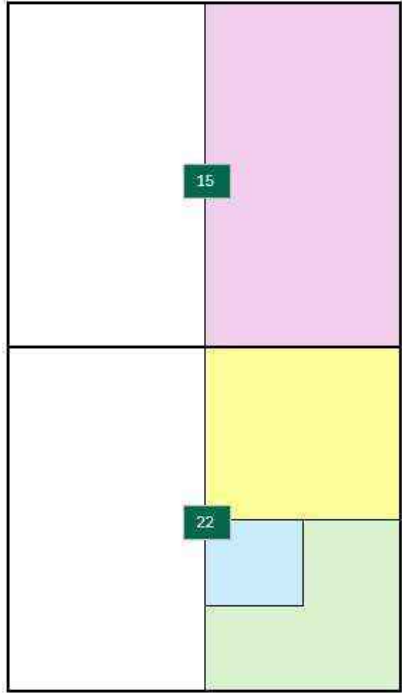
WI OWNER	NET ACRES	WI	TRACT NO.	STATUS
Avant Operating, LLC *	80.104	12.52%	1, 2, 4	OPERATOR
Legion Production Partners, LLC *	280.364	43.81%	1, 2, 4	JOA - Committed
Double Cabin Minerals, LLC *	40.052	6.26%	1, 2, 4	JOA - Committed
Cibolo Resources, LLC	47.12	7.36%	1, 2, 4	JOA - Committed
T.H. McElvain Oil & Gas, LLLP	23.56	3.68%	1, 2, 4	JOA - Committed
Fasken Land & Minerals, Ltd.	120	18.75%	1	Not being pooled - in JOA discussions
Community Minerals II, LLC	8	1.25%	1	JOA - Committed
Ball Oil & Gas, Inc.	0.8	0.13%	1	JOA - Committed
Occidental Oil & Gas Corporation	40	6.25%	3	Uncommitted Compulsory Pool

TOTAL: 640 100.00%

****Parties to be pooled are highlighted in yellow**

Avant entities = 62.5813% Working Interest

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



Tract No.	Lease
1	NMNM 054882
2	NMNM 084810
3	NMNM 034850
4	NMNM 142570

Released to Imaging: 6/6/2024 3:41:56 PM

Received by OCD: 6/6/2024 2:42:38 PM

Page 26 of 102

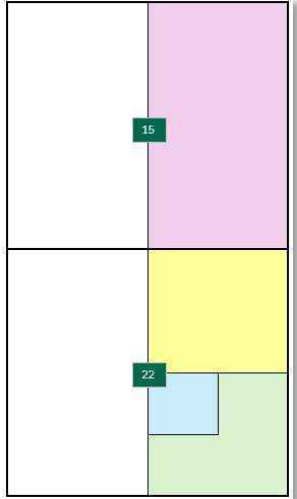




E2 of Section 15 and E2 of Section 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Summary of ORRI Owners to be Pooled:

ORRI OWNER	TRACT NO.
COG Operating, LLC	1
Estate of Steven J. Martin c/o Cibolo Resources Royalties I, LLC	1
BP America Production Company	2
Wills Royalty, Inc.	2, 3
Nancy Seaton Widener, Trustee of The Nancy Seaton Widener Living Trust	2, 3
Spencer Family Holdings, LLC	2, 3
Wing Resources IV-B, LLC	2, 3
Patrick Brady and Kimberly Brady, Co-Trustees of The Patrick Brady and Kimberly Brady Living Trust	2, 3
Daniel Brady, Trustee of The Daniel Brady Living Trust	2, 3
Erin E. Brady, Trustee of the Erin E. Brady Living Trust	2, 3
Nortex Corporation	2
Occidental Permian Limited Partnership	3
Avant Operating, LLC	2, 4
Legion Production Partners, LLC	2, 4
Double Cabin Minerals, LLC	2, 4



Tract No.	Lease
1	NMNM 054882
2	NMNM 084810
3	NMNM 034850
4	NMNM 142570

****Parties to be pooled are highlighted in yellow**

Revised to Imaging: 6/6/2024 3:41:56 PM

Received by OCD: 6/6/2024 2:42:38 PM

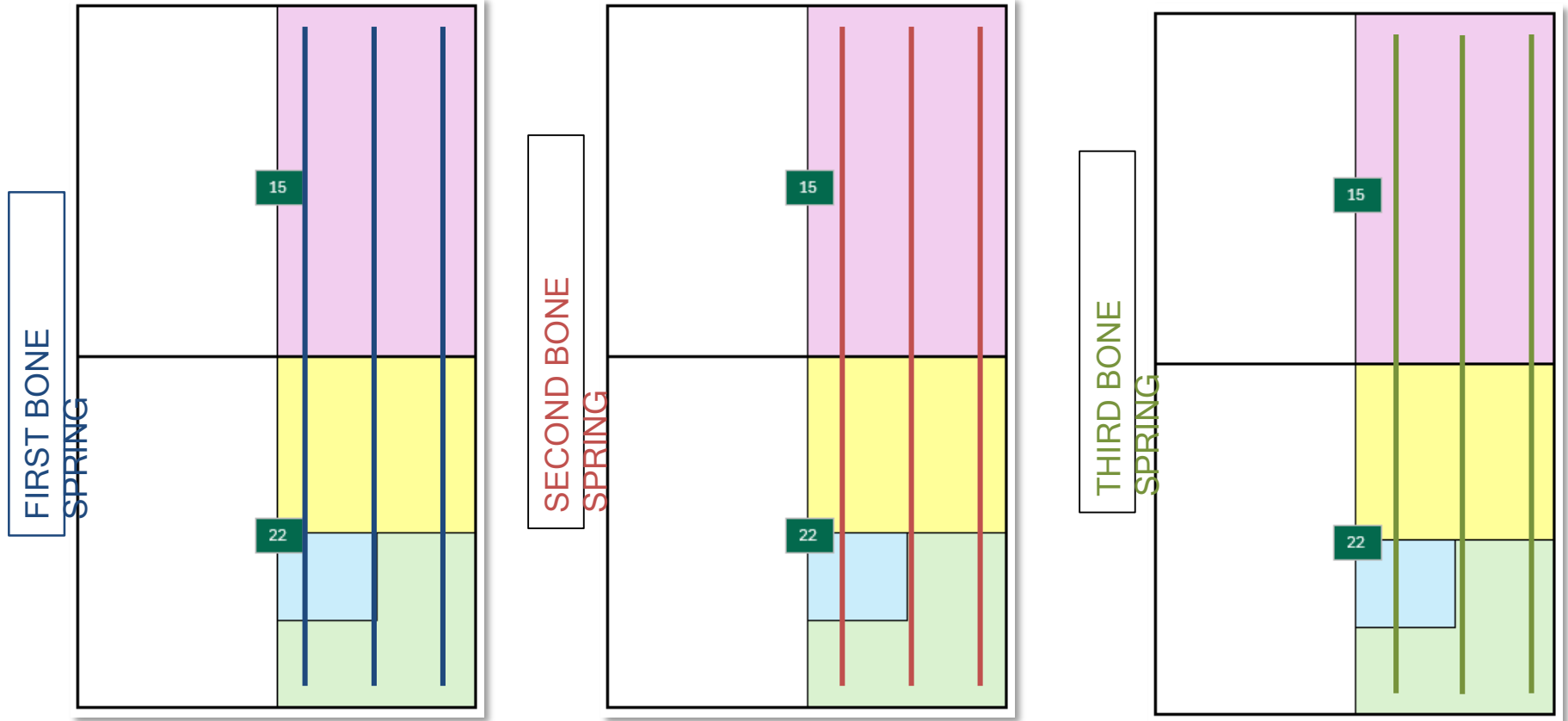
Page 27 of 102

Lease Tract Map with locations
Ruby Federal Com

Avant Operating, LLC
Case No. 24497
Exhibit A-5



Tract Map with approx. well locations



Well Name	Pool Code
Ruby Fed Com 300H	59475 / Tonto; Bone Spring
Ruby Fed Com 301H	59475 / Tonto; Bone Spring
Ruby Fed Com 302H	59475 / Tonto; Bone Spring

Well Name	Pool Code
Ruby Fed Com 500H	59475 / Tonto; Bone Spring
Ruby Fed Com 501H	59475 / Tonto; Bone Spring
Ruby Fed Com 502H	59475 / Tonto; Bone Spring

Well Name	Pool Code
Ruby Fed Com 600H	59475 / Tonto; Bone Spring
Ruby Fed Com 601H	59475 / Tonto; Bone Spring
Ruby Fed Com 602H	59475 / Tonto; Bone Spring





April 22, 2024

Sent Via USPS Overnight Mail

XTO Delaware Basin, LLC
Attention: Land Department
22777 Springwoods Village Parkway
Spring, TX 77389-1425

RE: Ruby Fed Com 300H, 301H, 302H
500H, 501H, 502H, and 600H, 601H, 602H
E2 of Sections 15 & 22, Township 19 South, Range 33 East
Lea County, New Mexico

Ladies and Gentlemen:

Avant Operating, LLC ("Avant") hereby proposes to drill and complete the Ruby Fed Com 300H, 301H, 302H, 500H, 501H, 502H, 503H and 600H, 601H, 602H wells in Sections 15 and 22, Township 19 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").
- **Ruby Fed Com #300H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,300' TVD and will be drilled horizontally to a Measured Depth of approximately 19,573'.
- **Ruby Fed Com #301H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,300' TVD and will be drilled horizontally to a Measured Depth of approximately 19,573'.
- **Ruby Fed Com #302H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 9,300' TVD and will be drilled horizontally to a Measured Depth of approximately 19,573'.
- **Ruby Fed Com #500H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,150' TVD and will be drilled horizontally to a Measured Depth of approximately 20,423'.

Avant Operating, LLC
Case No. 24497
Exhibit A-6



- **Ruby Fed Com #501H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,150' TVD and will be drilled horizontally to a Measured Depth of approximately 20,423'.
- **Ruby Fed Com #502H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,150' TVD and will be drilled horizontally to a Measured Depth of approximately 20,423'.
- **Ruby Fed Com #600H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,700' TVD and will be drilled horizontally to a Measured Depth of approximately 20,973'.
- **Ruby Fed Com #601H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,700' TVD and will be drilled horizontally to a Measured Depth of approximately 20,973'.
- **Ruby Fed Com #602H:** to be drilled from a legal location of Section 15-19S-33E and a bottom hole location of Section 22-19S-33E. The Well will have a targeted interval within the Bone Spring formation at a depth of approximately 10,700' TVD and will be drilled horizontally to a Measured Depth of approximately 20,973'.

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 two modified 1989 AAPL form of Operating Agreements ("JOAs"). The JOAs 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
- E2 of Section 15-T19S-R33E and E2 of Section 22-T19S-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. Avant would be pleased to work up a competitive offer. Should you have any questions, please contact the undersigned at tiffany@avantnr.com or (720) 746-5048.

Sincerely,

Tiffany Sarantinos
Senior Landman
Enclosures

I, XTO Delaware Basin, LLC, elects as follows:

Ruby Fed Com #300H:

_____ I/We hereby elect to participate in the **Ruby Fed Com #300H** well.
_____ I/We hereby elect **NOT** to participate in the **Ruby Fed Com #300H** well.

Ruby Fed Com #301H:

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

Ruby Fed Com #302H:

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

Ruby Fed Com #500H:

_____ I/We hereby elect to participate in the **Ruby Fed Com #500H** well.
_____ I/We hereby elect **NOT** to participate in the **Ruby Fed Com #500H** well.

Ruby Fed Com #501H:

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

Ruby Fed Com #502H:

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



Ruby Fed Com #600H:

_____ I/We hereby elect to participate in the **Ruby Fed Com #600H** well.

_____ I/We hereby elect **NOT** to participate in the **Ruby Fed Com #600H** well.

Ruby Fed Com #601H:

_____ I/We hereby elect to participate in the **Ruby Fed Com #601H** well.

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

Ruby Fed Com #602H:

_____ I/We hereby elect to participate in the **Ruby Fed Com #602H** well.

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

XTO Delaware Basin, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0573

Date: January 18, 2024

Well Name: Ruby Federal Com #300H

Projected MD/TVD: 19573/9300

Target: 1BS

Spud to TD: 16.8

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100'FSL, 2310' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #300H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 19573' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,831,757.11
COMPLETIONS:	\$6,656,201.06
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,067,958.17

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0573

Date: January 18, 2024

Well Name: Ruby Federal Com #300H

Projected MD/TVD: 19573/9300

Target: 1BS

Spud to TD: 16.8

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100'FSL, 2310' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 763,754	\$ -	\$ -	\$ 763,754
8400.303	Production Casing		\$ 515,654	\$ -	\$ -	\$ 515,654
8400.340	Wellhead		\$ 56,835	\$ -	\$ -	\$ 56,835
8400.302	Intrm 1&2 Casing		\$ 126,471	\$ -	\$ -	\$ 126,471
8400.301	Surface Casing		\$ 64,795	\$ -	\$ -	\$ 64,795
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
8400.352	Wellhead & Equipment		\$ -	\$ 44,205	\$ -	\$ 44,205
8325.711	Wellhead Equipment		\$ -	\$ 63,508	\$ -	\$ 63,508
8325.702	Tubing		\$ -	\$ 90,000	\$ -	\$ 90,000
8325.705	ESP Equipment/Install		\$ -	\$ 40,000	\$ -	\$ 40,000
8325.719	Contract Labor Install		\$ -	\$ 15,000	\$ -	\$ 15,000
8325.704	Downhole Artificial Lift Eqpt		\$ -	\$ 350,000	\$ -	\$ 350,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
8355.555	Pump / Supplies		\$ -	\$ -	\$ 87,200	\$ 87,200
8355.500	Vessels		\$ -	\$ -	\$ 253,200	\$ 253,200
8355.515	Flare		\$ -	\$ -	\$ 32,000	\$ 32,000
8355.550	Overhead Power Material		\$ -	\$ -	\$ 53,100	\$ 53,100
8355.540	Electrical Supplies		\$ -	\$ -	\$ 68,800	\$ 68,800
8355.530	Compressors		\$ -	\$ -	\$ 11,100	\$ 11,100
8355.510	Tanks		\$ -	\$ -	\$ 128,400	\$ 128,400
8355.565	Flowline		\$ -	\$ -	\$ 49,100	\$ 49,100
8355.535	Instrumentation / Meters		\$ -	\$ -	\$ 60,500	\$ 60,500
8355.525	Containment		\$ -	\$ -	\$ 25,700	\$ 25,700
8355.520	PVF		\$ -	\$ -	\$ 146,000	\$ 146,000
TOTAL TANGIBLE COSTS >>>			\$ 763,754	\$ 602,713	\$ 915,100	\$ 2,281,567

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,068,003	\$ -	\$ -	\$ 3,068,003
8200.125	Inspection		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.103	Drilling - Rig Move		\$ 93,673	\$ -	\$ -	\$ 93,673
8200.169	Mud-Brine		\$ 25,837	\$ -	\$ -	\$ 25,837
8200.162	Mancamp		\$ 45,636	\$ -	\$ -	\$ 45,636
8200.170	Mud-Diesel		\$ 110,882	\$ -	\$ -	\$ 110,882
8200.168	Roustabout Services		\$ 2,196	\$ -	\$ -	\$ 2,196
8200.104	Fuel - Rig		\$ 187,966	\$ -	\$ -	\$ 187,966
8200.137	Casing Services		\$ 71,978	\$ -	\$ -	\$ 71,978
8200.106	Transportation		\$ 92,233	\$ -	\$ -	\$ 92,233
8200.124	Equipment Rental		\$ 113,168	\$ -	\$ -	\$ 113,168
8200.165	Safety/Environmental		\$ 2,513	\$ -	\$ -	\$ 2,513
8200.143	Geological Services		\$ 10,112	\$ -	\$ -	\$ 10,112
8200.113	Damages/Row		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.149	Legal, Title, Etc		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.114	Disposal		\$ 191,556	\$ -	\$ -	\$ 191,556
8200.167	Consulting Services		\$ 242,291	\$ -	\$ -	\$ 242,291
8200.115	Mud-Drill Water		\$ 5,671	\$ -	\$ -	\$ 5,671
8200.102	Drilling - Daywork		\$ 806,307	\$ -	\$ -	\$ 806,307
8200.138	Cementing Services		\$ 199,975	\$ -	\$ -	\$ 199,975
8200.112	Location & Roads, Conductor		\$ 124,415	\$ -	\$ -	\$ 124,415
8200.119	Mud-Auxiliary		\$ 31,076	\$ -	\$ -	\$ 31,076
8200.147	Drilling Overhead		\$ 5,194	\$ -	\$ -	\$ 5,194
8200.116	Drill Bits & BHA		\$ 68,512	\$ -	\$ -	\$ 68,512
8200.152	Well Control Ins.		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.111	Survey, Stake/Permit		\$ 5,263	\$ -	\$ -	\$ 5,263



AUTHORIZATION FOR EXPENDITURE

	8200.117	Mud & Chemicals	\$ 175,212	\$ -	\$ -	\$ 175,212
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.128	Drilling - Directional	\$ 243,572	\$ -	\$ -	\$ 243,572
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
	8200.164	Solids Control & Closed Loop	\$ 111,542	\$ -	\$ -	\$ 111,542
Intangible Completion			\$ -	\$ 6,053,488	\$ -	\$ 6,053,488
	8300.273	Flowback	\$ -	\$ 5,616,994	\$ -	\$ 7,821
	8300.203	Fuel	\$ -	\$ 5,616,994	\$ -	\$ 683,704
	8300.214	Perforating & Plugs	\$ -	\$ 5,616,994	\$ -	\$ 390,293
	8300.248	Mancamp	\$ -	\$ 5,616,994	\$ -	\$ 21,324
	8300.205	Location & Roads	\$ -	\$ 5,616,994	\$ -	\$ 5,288
	8300.240	Pump Down Services	\$ -	\$ 5,616,994	\$ -	\$ 101,040
	8300.220	Engineering & Supervision	\$ -	\$ 5,616,994	\$ -	\$ 15,156
	8300.210	Surface Rental Equip	\$ -	\$ 5,616,994	\$ -	\$ 305,001
	8300.229	Transportation	\$ -	\$ 5,616,994	\$ -	\$ 5,263
	8300.276	Safety & Environmental	\$ -	\$ 5,616,994	\$ -	\$ 3,473
	8300.271	Coil Tubing	\$ -	\$ 5,616,994	\$ -	\$ 113,093
	8300.243	Analysis	\$ -	\$ 5,616,994	\$ -	\$ 9,473
	8300.207	Fresh Water	\$ -	\$ 5,616,994	\$ -	\$ 537,798
	8300.278	Roustabouts	\$ -	\$ 5,616,994	\$ -	\$ 1,579
	8300.274	Water Transfer	\$ -	\$ 5,616,994	\$ -	\$ 99,015
	8300.232	Disposal	\$ -	\$ 5,616,994	\$ -	\$ 19,004
	8300.270	Frac - Equipment	\$ -	\$ 5,616,994	\$ -	\$ 1,692,841
	8300.250	Downhole Rental Equip	\$ -	\$ 5,616,994	\$ -	\$ 43,391
	8300.277	Consulting Services	\$ -	\$ 5,616,994	\$ -	\$ 116,828
	8300.275	Frac - Sand	\$ -	\$ 5,616,994	\$ -	\$ 1,015,231
	8300.212	Contract Labor	\$ -	\$ 5,616,994	\$ -	\$ 10,678
	8300.209	Chemicals	\$ -	\$ 5,616,994	\$ -	\$ 419,703
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
TOTAL INTANGIBLE COSTS >>>			\$ 3,068,003	\$ 6,053,488	\$ 664,900	\$ 9,786,391
TOTAL PROJECT COSTS >>>			\$ 3,831,757	\$ 6,656,201	\$ 1,580,000	\$ 12,067,958
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0574

Date: January 18, 2024

Well Name: Ruby Federal Com #301H

Projected MD/TVD: 19573/9300

Target: 1BS

Spud to TD: 16.8

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100'FSL, 1320' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #301H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 19573' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,831,757.11
COMPLETIONS:	\$6,656,201.06
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,067,958.17

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0574

Date: January 18, 2024

Well Name: Ruby Federal Com #301H

Projected MD/TVD: 19573/9300

Target: 1BS

Spud to TD: 16.8

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100'FSL, 1320' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 763,754	\$ -	\$ -	\$ 763,754
8400.303	Production Casing		\$ 515,654	\$ -	\$ -	\$ 515,654
8400.340	Wellhead		\$ 56,835	\$ -	\$ -	\$ 56,835
8400.301	Surface Casing		\$ 64,795	\$ -	\$ -	\$ 64,795
8400.302	Intrm 1&2 Casing		\$ 126,471	\$ -	\$ -	\$ 126,471
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
8400.352	Wellhead & Equipment		\$ -	\$ 44,205	\$ -	\$ 44,205
8325.719	Contract Labor Install		\$ -	\$ 15,000	\$ -	\$ 15,000
8325.705	ESP Equipment/Install		\$ -	\$ 40,000	\$ -	\$ 40,000
8325.702	Tubing		\$ -	\$ 90,000	\$ -	\$ 90,000
8325.711	Wellhead Equipment		\$ -	\$ 63,508	\$ -	\$ 63,508
8325.704	Downhole Artificial Lift Eqpt		\$ -	\$ 350,000	\$ -	\$ 350,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
8355.530	Compressors		\$ -	\$ -	\$ 11,100	\$ 11,100
8355.540	Electrical Supplies		\$ -	\$ -	\$ 68,800	\$ 68,800
8355.525	Containment		\$ -	\$ -	\$ 25,700	\$ 25,700
8355.510	Tanks		\$ -	\$ -	\$ 128,400	\$ 128,400
8355.515	Flare		\$ -	\$ -	\$ 32,000	\$ 32,000
8355.550	Overhead Power Material		\$ -	\$ -	\$ 53,100	\$ 53,100
8355.520	PVF		\$ -	\$ -	\$ 146,000	\$ 146,000
8355.500	Vessels		\$ -	\$ -	\$ 253,200	\$ 253,200
8355.555	Pump / Supplies		\$ -	\$ -	\$ 87,200	\$ 87,200
8355.535	Instrumentation / Meters		\$ -	\$ -	\$ 60,500	\$ 60,500
8355.565	Flowline		\$ -	\$ -	\$ 49,100	\$ 49,100
TOTAL TANGIBLE COSTS >>>			\$ 763,754	\$ 602,713	\$ 915,100	\$ 2,281,567

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,068,003	\$ -	\$ -	\$ 3,068,003
8200.112	Location & Roads, Conductor		\$ 124,415	\$ -	\$ -	\$ 124,415
8200.144	Company Supervision		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.164	Solids Control & Closed Loop		\$ 111,542	\$ -	\$ -	\$ 111,542
8200.111	Survey, Stake/Permit		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.147	Drilling Overhead		\$ 5,194	\$ -	\$ -	\$ 5,194
8200.117	Mud & Chemicals		\$ 175,212	\$ -	\$ -	\$ 175,212
8200.113	Damages/Row		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.103	Drilling - Rig Move		\$ 93,673	\$ -	\$ -	\$ 93,673
8200.124	Equipment Rental		\$ 113,168	\$ -	\$ -	\$ 113,168
8200.152	Well Control Ins.		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.104	Fuel - Rig		\$ 187,966	\$ -	\$ -	\$ 187,966
8200.138	Cementing Services		\$ 199,975	\$ -	\$ -	\$ 199,975
8200.169	Mud-Brine		\$ 25,837	\$ -	\$ -	\$ 25,837
8200.149	Legal, Title, Etc		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.116	Drill Bits & BHA		\$ 68,512	\$ -	\$ -	\$ 68,512
8200.115	Mud-Drill Water		\$ 5,671	\$ -	\$ -	\$ 5,671
8200.125	Inspection		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.127	Contract Labor		\$ 27,255	\$ -	\$ -	\$ 27,255
8200.137	Casing Services		\$ 71,978	\$ -	\$ -	\$ 71,978
8200.170	Mud-Diesel		\$ 110,882	\$ -	\$ -	\$ 110,882
8200.165	Safety/Environmental		\$ 2,513	\$ -	\$ -	\$ 2,513
8200.119	Mud-Auxiliary		\$ 31,076	\$ -	\$ -	\$ 31,076
8200.114	Disposal		\$ 191,556	\$ -	\$ -	\$ 191,556
8200.106	Transportation		\$ 92,233	\$ -	\$ -	\$ 92,233
8200.162	Mancamp		\$ 45,636	\$ -	\$ -	\$ 45,636



AUTHORIZATION FOR EXPENDITURE

	8200.168	Roustabout Services	\$ 2,196	\$ -	\$ -	\$ 2,196
	8200.102	Drilling - Daywork	\$ 806,307	\$ -	\$ -	\$ 806,307
	8200.167	Consulting Services	\$ 242,291	\$ -	\$ -	\$ 242,291
	8200.128	Drilling - Directional	\$ 243,572	\$ -	\$ -	\$ 243,572
	8200.143	Geological Services	\$ 10,112	\$ -	\$ -	\$ 10,112
Intangible Completion			\$ -	\$ 6,053,488	\$ -	\$ 6,053,488
	8300.248	Mancamp	\$ -	\$ 5,616,994	\$ -	\$ 21,324
	8300.203	Fuel	\$ -	\$ 5,616,994	\$ -	\$ 683,704
	8300.209	Chemicals	\$ -	\$ 5,616,994	\$ -	\$ 419,703
	8300.243	Analysis	\$ -	\$ 5,616,994	\$ -	\$ 9,473
	8300.250	Downhole Rental Equip	\$ -	\$ 5,616,994	\$ -	\$ 43,391
	8300.207	Fresh Water	\$ -	\$ 5,616,994	\$ -	\$ 537,798
	8300.273	Flowback	\$ -	\$ 5,616,994	\$ -	\$ 7,821
	8300.275	Frac - Sand	\$ -	\$ 5,616,994	\$ -	\$ 1,015,231
	8300.270	Frac - Equipment	\$ -	\$ 5,616,994	\$ -	\$ 1,692,841
	8300.220	Engineering & Supervision	\$ -	\$ 5,616,994	\$ -	\$ 15,156
	8300.274	Water Transfer	\$ -	\$ 5,616,994	\$ -	\$ 99,015
	8300.232	Disposal	\$ -	\$ 5,616,994	\$ -	\$ 19,004
	8300.240	Pump Down Services	\$ -	\$ 5,616,994	\$ -	\$ 101,040
	8300.210	Surface Rental Equip	\$ -	\$ 5,616,994	\$ -	\$ 305,001
	8300.276	Safety & Environmental	\$ -	\$ 5,616,994	\$ -	\$ 3,473
	8300.277	Consulting Services	\$ -	\$ 5,616,994	\$ -	\$ 116,828
	8300.271	Coil Tubing	\$ -	\$ 5,616,994	\$ -	\$ 113,093
	8300.214	Perforating & Plugs	\$ -	\$ 5,616,994	\$ -	\$ 390,293
	8300.278	Roustabouts	\$ -	\$ 5,616,994	\$ -	\$ 1,579
	8300.205	Location & Roads	\$ -	\$ 5,616,994	\$ -	\$ 5,288
	8300.212	Contract Labor	\$ -	\$ 5,616,994	\$ -	\$ 10,678
	8300.229	Transportation	\$ -	\$ 5,616,994	\$ -	\$ 5,263
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
TOTAL INTANGIBLE COSTS >>>			\$ 3,068,003	\$ 6,053,488	\$ 664,900	\$ 9,786,391
TOTAL PROJECT COSTS >>>			\$ 3,831,757	\$ 6,656,201	\$ 1,580,000	\$ 12,067,958
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0575

Date: January 18, 2024

Well Name: Ruby Federal Com #302H

Projected MD/TVD: 19573/9300

Target: 1BS

Spud to TD: 16.8

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100'FSL, 330' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #302H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 19573' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,831,757.11
COMPLETIONS:	\$6,656,201.06
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,067,958.17

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0575

Date: January 18, 2024

Well Name: Ruby Federal Com #302H

Projected MD/TVD: 19573/9300

Target: 1BS

Spud to TD: 16.8

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100'FSL, 330' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 763,754	\$ -	\$ -	\$ 763,754
	8400.301	Surface Casing	\$ 64,795	\$ -	\$ -	\$ 64,795
	8400.303	Production Casing	\$ 515,654	\$ -	\$ -	\$ 515,654
	8400.340	Wellhead	\$ 56,835	\$ -	\$ -	\$ 56,835
	8400.302	Intrm 1&2 Casing	\$ 126,471	\$ -	\$ -	\$ 126,471
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
	8400.352	Wellhead & Equipment	\$ -	\$ 44,205	\$ -	\$ 44,205
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.719	Contract Labor Install	\$ -	\$ 15,000	\$ -	\$ 15,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 60,500	\$ 60,500
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 53,100	\$ 53,100
	8355.500	Vessels	\$ -	\$ -	\$ 253,200	\$ 253,200
	8355.530	Compressors	\$ -	\$ -	\$ 11,100	\$ 11,100
	8355.565	Flowline	\$ -	\$ -	\$ 49,100	\$ 49,100
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 68,800	\$ 68,800
	8355.515	Flare	\$ -	\$ -	\$ 32,000	\$ 32,000
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 87,200	\$ 87,200
	8355.525	Containment	\$ -	\$ -	\$ 25,700	\$ 25,700
	8355.510	Tanks	\$ -	\$ -	\$ 128,400	\$ 128,400
	8355.520	PVF	\$ -	\$ -	\$ 146,000	\$ 146,000
TOTAL TANGIBLE COSTS >>>			\$ 763,754	\$ 602,713	\$ 915,100	\$ 2,281,567

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,068,003	\$ -	\$ -	\$ 3,068,003
	8200.165	Safety/Environmental	\$ 2,513	\$ -	\$ -	\$ 2,513
	8200.137	Casing Services	\$ 71,978	\$ -	\$ -	\$ 71,978
	8200.167	Consulting Services	\$ 242,291	\$ -	\$ -	\$ 242,291
	8200.114	Disposal	\$ 191,556	\$ -	\$ -	\$ 191,556
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.143	Geological Services	\$ 10,112	\$ -	\$ -	\$ 10,112
	8200.164	Solids Control & Closed Loop	\$ 111,542	\$ -	\$ -	\$ 111,542
	8200.116	Drill Bits & BHA	\$ 68,512	\$ -	\$ -	\$ 68,512
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.106	Transportation	\$ 92,233	\$ -	\$ -	\$ 92,233
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.104	Fuel - Rig	\$ 187,966	\$ -	\$ -	\$ 187,966
	8200.138	Cementing Services	\$ 199,975	\$ -	\$ -	\$ 199,975
	8200.119	Mud-Auxiliary	\$ 31,076	\$ -	\$ -	\$ 31,076
	8200.170	Mud-Diesel	\$ 110,882	\$ -	\$ -	\$ 110,882
	8200.168	Roustabout Services	\$ 2,196	\$ -	\$ -	\$ 2,196
	8200.169	Mud-Brine	\$ 25,837	\$ -	\$ -	\$ 25,837
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.147	Drilling Overhead	\$ 5,194	\$ -	\$ -	\$ 5,194
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
	8200.162	Mancamp	\$ 45,636	\$ -	\$ -	\$ 45,636
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.128	Drilling - Directional	\$ 243,572	\$ -	\$ -	\$ 243,572
	8200.103	Drilling - Rig Move	\$ 93,673	\$ -	\$ -	\$ 93,673
	8200.112	Location & Roads, Conductor	\$ 124,415	\$ -	\$ -	\$ 124,415



AUTHORIZATION FOR EXPENDITURE

	8200.117	Mud & Chemicals	\$ 175,212	\$ -	\$ -	\$ 175,212
	8200.115	Mud-Drill Water	\$ 5,671	\$ -	\$ -	\$ 5,671
	8200.102	Drilling - Daywork	\$ 806,307	\$ -	\$ -	\$ 806,307
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.124	Equipment Rental	\$ 113,168	\$ -	\$ -	\$ 113,168
Intangible Completion			\$ -	\$ 6,053,488	\$ -	\$ 6,053,488
	8300.248	Mancamp	\$ -	\$ 5,616,994	\$ -	\$ 21,324
	8300.214	Perforating & Plugs	\$ -	\$ 5,616,994	\$ -	\$ 390,293
	8300.273	Flowback	\$ -	\$ 5,616,994	\$ -	\$ 7,821
	8300.232	Disposal	\$ -	\$ 5,616,994	\$ -	\$ 19,004
	8300.212	Contract Labor	\$ -	\$ 5,616,994	\$ -	\$ 10,678
	8300.243	Analysis	\$ -	\$ 5,616,994	\$ -	\$ 9,473
	8300.278	Roustabouts	\$ -	\$ 5,616,994	\$ -	\$ 1,579
	8300.229	Transportation	\$ -	\$ 5,616,994	\$ -	\$ 5,263
	8300.270	Frac - Equipment	\$ -	\$ 5,616,994	\$ -	\$ 1,692,841
	8300.207	Fresh Water	\$ -	\$ 5,616,994	\$ -	\$ 537,798
	8300.203	Fuel	\$ -	\$ 5,616,994	\$ -	\$ 683,704
	8300.275	Frac - Sand	\$ -	\$ 5,616,994	\$ -	\$ 1,015,231
	8300.250	Downhole Rental Equip	\$ -	\$ 5,616,994	\$ -	\$ 43,391
	8300.205	Location & Roads	\$ -	\$ 5,616,994	\$ -	\$ 5,288
	8300.271	Coil Tubing	\$ -	\$ 5,616,994	\$ -	\$ 113,093
	8300.220	Engineering & Supervision	\$ -	\$ 5,616,994	\$ -	\$ 15,156
	8300.274	Water Transfer	\$ -	\$ 5,616,994	\$ -	\$ 99,015
	8300.209	Chemicals	\$ -	\$ 5,616,994	\$ -	\$ 419,703
	8300.210	Surface Rental Equip	\$ -	\$ 5,616,994	\$ -	\$ 305,001
	8300.276	Safety & Environmental	\$ -	\$ 5,616,994	\$ -	\$ 3,473
	8300.277	Consulting Services	\$ -	\$ 5,616,994	\$ -	\$ 116,828
	8300.240	Pump Down Services	\$ -	\$ 5,616,994	\$ -	\$ 101,040
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
TOTAL INTANGIBLE COSTS >>>			\$ 3,068,003	\$ 6,053,488	\$ 664,900	\$ 9,786,391
TOTAL PROJECT COSTS >>>			\$ 3,831,757	\$ 6,656,201	\$ 1,580,000	\$ 12,067,958
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0576

Date: January 18, 2024

Well Name: Ruby Federal Com #500H

Projected MD/TVD: 20423/10150

Target: 2BS

Spud to TD: 17.3

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 2310' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #500H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 20423' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,874,027.40
COMPLETIONS:	\$6,659,324.81
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,113,352.21

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0576

Date: January 18, 2024

Well Name: Ruby Federal Com #500H

Projected MD/TVD: 20423/10150

Target: 2BS

Spud to TD: 17.3

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 2310' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 776,700	\$ -	\$ -	\$ 776,700
	8400.301	Surface Casing	\$ 64,795	\$ -	\$ -	\$ 64,795
	8400.302	Intrm 1&2 Casing	\$ 126,471	\$ -	\$ -	\$ 126,471
	8400.340	Wellhead	\$ 56,835	\$ -	\$ -	\$ 56,835
	8400.303	Production Casing	\$ 528,600	\$ -	\$ -	\$ 528,600
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
	8400.352	Wellhead & Equipment	\$ -	\$ 44,205	\$ -	\$ 44,205
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.719	Contract Labor Install	\$ -	\$ 15,000	\$ -	\$ 15,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
	8355.525	Containment	\$ -	\$ -	\$ 25,700	\$ 25,700
	8355.565	Flowline	\$ -	\$ -	\$ 49,100	\$ 49,100
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 60,500	\$ 60,500
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 87,200	\$ 87,200
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 53,100	\$ 53,100
	8355.510	Tanks	\$ -	\$ -	\$ 128,400	\$ 128,400
	8355.515	Flare	\$ -	\$ -	\$ 32,000	\$ 32,000
	8355.500	Vessels	\$ -	\$ -	\$ 253,200	\$ 253,200
	8355.530	Compressors	\$ -	\$ -	\$ 11,100	\$ 11,100
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 68,800	\$ 68,800
	8355.520	PVF	\$ -	\$ -	\$ 146,000	\$ 146,000
TOTAL TANGIBLE COSTS >>>			\$ 776,700	\$ 602,713	\$ 915,100	\$ 2,294,513

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,097,328	\$ -	\$ -	\$ 3,097,328
	8200.117	Mud & Chemicals	\$ 176,172	\$ -	\$ -	\$ 176,172
	8200.169	Mud-Brine	\$ 25,837	\$ -	\$ -	\$ 25,837
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.112	Location & Roads, Conductor	\$ 124,415	\$ -	\$ -	\$ 124,415
	8200.138	Cementing Services	\$ 199,975	\$ -	\$ -	\$ 199,975
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.128	Drilling - Directional	\$ 246,815	\$ -	\$ -	\$ 246,815
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.170	Mud-Diesel	\$ 110,882	\$ -	\$ -	\$ 110,882
	8200.167	Consulting Services	\$ 246,443	\$ -	\$ -	\$ 246,443
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.168	Roustabout Services	\$ 2,202	\$ -	\$ -	\$ 2,202
	8200.162	Mancamp	\$ 45,996	\$ -	\$ -	\$ 45,996
	8200.124	Equipment Rental	\$ 114,515	\$ -	\$ -	\$ 114,515
	8200.115	Mud-Drill Water	\$ 5,718	\$ -	\$ -	\$ 5,718
	8200.116	Drill Bits & BHA	\$ 68,656	\$ -	\$ -	\$ 68,656
	8200.119	Mud-Auxiliary	\$ 31,269	\$ -	\$ -	\$ 31,269
	8200.114	Disposal	\$ 192,069	\$ -	\$ -	\$ 192,069
	8200.104	Fuel - Rig	\$ 190,965	\$ -	\$ -	\$ 190,965
	8200.143	Geological Services	\$ 10,157	\$ -	\$ -	\$ 10,157
	8200.106	Transportation	\$ 93,811	\$ -	\$ -	\$ 93,811
	8200.102	Drilling - Daywork	\$ 818,273	\$ -	\$ -	\$ 818,273
	8200.103	Drilling - Rig Move	\$ 93,673	\$ -	\$ -	\$ 93,673
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525



AUTHORIZATION FOR EXPENDITURE

	8200.147	Drilling Overhead	\$ 5,272	\$ -	\$ -	\$ 5,272
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
	8200.164	Solids Control & Closed Loop	\$ 113,092	\$ -	\$ -	\$ 113,092
	8200.165	Safety/Environmental	\$ 2,545	\$ -	\$ -	\$ 2,545
	8200.137	Casing Services	\$ 72,089	\$ -	\$ -	\$ 72,089
Intangible Completion			\$ -	\$ 6,056,612	\$ -	\$ 6,056,612
	8300.277	Consulting Services	\$ -	\$ 5,620,118	\$ -	\$ 116,828
	8300.229	Transportation	\$ -	\$ 5,620,118	\$ -	\$ 5,263
	8300.214	Perforating & Plugs	\$ -	\$ 5,620,118	\$ -	\$ 390,293
	8300.205	Location & Roads	\$ -	\$ 5,620,118	\$ -	\$ 5,288
	8300.271	Coil Tubing	\$ -	\$ 5,620,118	\$ -	\$ 113,408
	8300.243	Analysis	\$ -	\$ 5,620,118	\$ -	\$ 9,473
	8300.273	Flowback	\$ -	\$ 5,620,118	\$ -	\$ 7,821
	8300.248	Mancamp	\$ -	\$ 5,620,118	\$ -	\$ 21,324
	8300.275	Frac - Sand	\$ -	\$ 5,620,118	\$ -	\$ 1,015,231
	8300.210	Surface Rental Equip	\$ -	\$ 5,620,118	\$ -	\$ 305,001
	8300.203	Fuel	\$ -	\$ 5,620,118	\$ -	\$ 683,704
	8300.274	Water Transfer	\$ -	\$ 5,620,118	\$ -	\$ 99,015
	8300.278	Roustabouts	\$ -	\$ 5,620,118	\$ -	\$ 1,579
	8300.270	Frac - Equipment	\$ -	\$ 5,620,118	\$ -	\$ 1,692,841
	8300.232	Disposal	\$ -	\$ 5,620,118	\$ -	\$ 19,004
	8300.212	Contract Labor	\$ -	\$ 5,620,118	\$ -	\$ 10,678
	8300.240	Pump Down Services	\$ -	\$ 5,620,118	\$ -	\$ 101,040
	8300.279	Completions Overhead	\$ -	\$ 5,620,118	\$ -	\$ 2,808
	8300.209	Chemicals	\$ -	\$ 5,620,118	\$ -	\$ 419,703
	8300.207	Fresh Water	\$ -	\$ 5,620,118	\$ -	\$ 537,798
	8300.250	Downhole Rental Equip	\$ -	\$ 5,620,118	\$ -	\$ 43,391
	8300.220	Engineering & Supervision	\$ -	\$ 5,620,118	\$ -	\$ 15,156
	8300.276	Safety & Environmental	\$ -	\$ 5,620,118	\$ -	\$ 3,473
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
TOTAL INTANGIBLE COSTS >>>			\$ 3,097,328	\$ 6,056,612	\$ 664,900	\$ 9,818,840
TOTAL PROJECT COSTS >>>			\$ 3,874,027	\$ 6,659,325	\$ 1,580,000	\$ 12,113,352
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0577

Date: January 18, 2024

Well Name: Ruby Federal Com #501H

Projected MD/TVD: 20423/10150

Target: 2BS

Spud to TD: 17.3

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 1320' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #501H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 20423' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,874,027.40
COMPLETIONS:	\$6,659,324.81
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,113,352.21

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0577

Date: January 18, 2024

Well Name: Ruby Federal Com #501H

Projected MD/TVD: 20423/10150

Target: 2BS

Spud to TD: 17.3

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 1320' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 776,700	\$ -	\$ -	\$ 776,700
	8400.303	Production Casing	\$ 528,600	\$ -	\$ -	\$ 528,600
	8400.302	Intrm 1&2 Casing	\$ 126,471	\$ -	\$ -	\$ 126,471
	8400.340	Wellhead	\$ 56,835	\$ -	\$ -	\$ 56,835
	8400.301	Surface Casing	\$ 64,795	\$ -	\$ -	\$ 64,795
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
	8400.352	Wellhead & Equipment	\$ -	\$ 44,205	\$ -	\$ 44,205
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.719	Contract Labor Install	\$ -	\$ 15,000	\$ -	\$ 15,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
	8355.530	Compressors	\$ -	\$ -	\$ 11,100	\$ 11,100
	8355.510	Tanks	\$ -	\$ -	\$ 128,400	\$ 128,400
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 60,500	\$ 60,500
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 68,800	\$ 68,800
	8355.565	Flowline	\$ -	\$ -	\$ 49,100	\$ 49,100
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 53,100	\$ 53,100
	8355.515	Flare	\$ -	\$ -	\$ 32,000	\$ 32,000
	8355.520	PV/F	\$ -	\$ -	\$ 146,000	\$ 146,000
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 87,200	\$ 87,200
	8355.500	Vessels	\$ -	\$ -	\$ 253,200	\$ 253,200
	8355.525	Containment	\$ -	\$ -	\$ 25,700	\$ 25,700
TOTAL TANGIBLE COSTS >>>			\$ 776,700	\$ 602,713	\$ 915,100	\$ 2,294,513

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,097,328	\$ -	\$ -	\$ 3,097,328
	8200.170	Mud-Diesel	\$ 110,882	\$ -	\$ -	\$ 110,882
	8200.104	Fuel - Rig	\$ 190,965	\$ -	\$ -	\$ 190,965
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.115	Mud-Drill Water	\$ 5,718	\$ -	\$ -	\$ 5,718
	8200.128	Drilling - Directional	\$ 246,815	\$ -	\$ -	\$ 246,815
	8200.143	Geological Services	\$ 10,157	\$ -	\$ -	\$ 10,157
	8200.112	Location & Roads, Conductor	\$ 124,415	\$ -	\$ -	\$ 124,415
	8200.162	Mancamp	\$ 45,996	\$ -	\$ -	\$ 45,996
	8200.116	Drill Bits & BHA	\$ 68,656	\$ -	\$ -	\$ 68,656
	8200.114	Disposal	\$ 192,069	\$ -	\$ -	\$ 192,069
	8200.137	Casing Services	\$ 72,089	\$ -	\$ -	\$ 72,089
	8200.106	Transportation	\$ 93,811	\$ -	\$ -	\$ 93,811
	8200.102	Drilling - Daywork	\$ 818,273	\$ -	\$ -	\$ 818,273
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
	8200.168	Roustabout Services	\$ 2,202	\$ -	\$ -	\$ 2,202
	8200.103	Drilling - Rig Move	\$ 93,673	\$ -	\$ -	\$ 93,673
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.167	Consulting Services	\$ 246,443	\$ -	\$ -	\$ 246,443
	8200.117	Mud & Chemicals	\$ 176,172	\$ -	\$ -	\$ 176,172
	8200.119	Mud-Auxiliary	\$ 31,269	\$ -	\$ -	\$ 31,269
	8200.124	Equipment Rental	\$ 114,515	\$ -	\$ -	\$ 114,515



AUTHORIZATION FOR EXPENDITURE

	8200.164	Solids Control & Closed Loop	\$ 113,092	\$ -	\$ -	\$ 113,092
	8200.138	Cementing Services	\$ 199,975	\$ -	\$ -	\$ 199,975
	8200.165	Safety/Environmental	\$ 2,545	\$ -	\$ -	\$ 2,545
	8200.147	Drilling Overhead	\$ 5,272	\$ -	\$ -	\$ 5,272
	8200.169	Mud-Brine	\$ 25,837	\$ -	\$ -	\$ 25,837
Intangible Completion			\$ -	\$ 6,056,612	\$ -	\$ 6,056,612
	8300.243	Analysis	\$ -	\$ 5,620,118	\$ -	\$ 9,473
	8300.207	Fresh Water	\$ -	\$ 5,620,118	\$ -	\$ 537,798
	8300.275	Frac - Sand	\$ -	\$ 5,620,118	\$ -	\$ 1,015,231
	8300.250	Downhole Rental Equip	\$ -	\$ 5,620,118	\$ -	\$ 43,391
	8300.212	Contract Labor	\$ -	\$ 5,620,118	\$ -	\$ 10,678
	8300.229	Transportation	\$ -	\$ 5,620,118	\$ -	\$ 5,263
	8300.220	Engineering & Supervision	\$ -	\$ 5,620,118	\$ -	\$ 15,156
	8300.273	Flowback	\$ -	\$ 5,620,118	\$ -	\$ 7,821
	8300.205	Location & Roads	\$ -	\$ 5,620,118	\$ -	\$ 5,288
	8300.278	Roustabouts	\$ -	\$ 5,620,118	\$ -	\$ 1,579
	8300.248	Mancamp	\$ -	\$ 5,620,118	\$ -	\$ 21,324
	8300.276	Safety & Environmental	\$ -	\$ 5,620,118	\$ -	\$ 3,473
	8300.210	Surface Rental Equip	\$ -	\$ 5,620,118	\$ -	\$ 305,001
	8300.270	Frac - Equipment	\$ -	\$ 5,620,118	\$ -	\$ 1,692,841
	8300.214	Perforating & Plugs	\$ -	\$ 5,620,118	\$ -	\$ 390,293
	8300.277	Consulting Services	\$ -	\$ 5,620,118	\$ -	\$ 116,828
	8300.271	Coil Tubing	\$ -	\$ 5,620,118	\$ -	\$ 113,408
	8300.279	Completions Overhead	\$ -	\$ 5,620,118	\$ -	\$ 2,808
	8300.209	Chemicals	\$ -	\$ 5,620,118	\$ -	\$ 419,703
	8300.240	Pump Down Services	\$ -	\$ 5,620,118	\$ -	\$ 101,040
	8300.203	Fuel	\$ -	\$ 5,620,118	\$ -	\$ 683,704
	8300.232	Disposal	\$ -	\$ 5,620,118	\$ -	\$ 19,004
	8300.274	Water Transfer	\$ -	\$ 5,620,118	\$ -	\$ 99,015
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
TOTAL INTANGIBLE COSTS >>>			\$ 3,097,328	\$ 6,056,612	\$ 664,900	\$ 9,818,840
TOTAL PROJECT COSTS >>>			\$ 3,874,027	\$ 6,659,325	\$ 1,580,000	\$ 12,113,352
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0578

Date: January 18, 2024

Well Name: Ruby Federal Com #502H

Projected MD/TVD: 20423/10150

Target: 2BS

Spud to TD: 17.3

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 330' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #502H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 20423' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,874,027.40
COMPLETIONS:	\$6,659,324.81
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,113,352.21

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0578

Date: January 18, 2024

Well Name: Ruby Federal Com #502H

Projected MD/TVD: 20423/10150

Target: 2BS

Spud to TD: 17.3

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 330' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 776,700	\$ -	\$ -	\$ 776,700
	8400.302	Intrm 1&2 Casing	\$ 126,471	\$ -	\$ -	\$ 126,471
	8400.340	Wellhead	\$ 56,835	\$ -	\$ -	\$ 56,835
	8400.303	Production Casing	\$ 528,600	\$ -	\$ -	\$ 528,600
	8400.301	Surface Casing	\$ 64,795	\$ -	\$ -	\$ 64,795
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
	8400.352	Wellhead & Equipment	\$ -	\$ 44,205	\$ -	\$ 44,205
	8325.719	Contract Labor Install	\$ -	\$ 15,000	\$ -	\$ 15,000
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
	8355.530	Compressors	\$ -	\$ -	\$ 11,100	\$ 11,100
	8355.510	Tanks	\$ -	\$ -	\$ 128,400	\$ 128,400
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 87,200	\$ 87,200
	8355.525	Containment	\$ -	\$ -	\$ 25,700	\$ 25,700
	8355.565	Flowline	\$ -	\$ -	\$ 49,100	\$ 49,100
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 68,800	\$ 68,800
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 60,500	\$ 60,500
	8355.515	Flare	\$ -	\$ -	\$ 32,000	\$ 32,000
	8355.500	Vessels	\$ -	\$ -	\$ 253,200	\$ 253,200
	8355.520	PV/F	\$ -	\$ -	\$ 146,000	\$ 146,000
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 53,100	\$ 53,100
TOTAL TANGIBLE COSTS >>>			\$ 776,700	\$ 602,713	\$ 915,100	\$ 2,294,513

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,097,328	\$ -	\$ -	\$ 3,097,328
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.104	Fuel - Rig	\$ 190,965	\$ -	\$ -	\$ 190,965
	8200.143	Geological Services	\$ 10,157	\$ -	\$ -	\$ 10,157
	8200.119	Mud-Auxiliary	\$ 31,269	\$ -	\$ -	\$ 31,269
	8200.165	Safety/Environmental	\$ 2,545	\$ -	\$ -	\$ 2,545
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.169	Mud-Brine	\$ 25,837	\$ -	\$ -	\$ 25,837
	8200.147	Drilling Overhead	\$ 5,272	\$ -	\$ -	\$ 5,272
	8200.124	Equipment Rental	\$ 114,515	\$ -	\$ -	\$ 114,515
	8200.114	Disposal	\$ 192,069	\$ -	\$ -	\$ 192,069
	8200.117	Mud & Chemicals	\$ 176,172	\$ -	\$ -	\$ 176,172
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.167	Consulting Services	\$ 246,443	\$ -	\$ -	\$ 246,443
	8200.102	Drilling - Daywork	\$ 818,273	\$ -	\$ -	\$ 818,273
	8200.138	Cementing Services	\$ 199,975	\$ -	\$ -	\$ 199,975
	8200.116	Drill Bits & BHA	\$ 68,656	\$ -	\$ -	\$ 68,656
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.115	Mud-Drill Water	\$ 5,718	\$ -	\$ -	\$ 5,718
	8200.103	Drilling - Rig Move	\$ 93,673	\$ -	\$ -	\$ 93,673
	8200.170	Mud-Diesel	\$ 110,882	\$ -	\$ -	\$ 110,882
	8200.106	Transportation	\$ 93,811	\$ -	\$ -	\$ 93,811
	8200.137	Casing Services	\$ 72,089	\$ -	\$ -	\$ 72,089
	8200.162	Mancamp	\$ 45,996	\$ -	\$ -	\$ 45,996



AUTHORIZATION FOR EXPENDITURE

	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.128	Drilling - Directional	\$ 246,815	\$ -	\$ -	\$ 246,815
	8200.112	Location & Roads, Conductor	\$ 124,415	\$ -	\$ -	\$ 124,415
	8200.168	Roustabout Services	\$ 2,202	\$ -	\$ -	\$ 2,202
	8200.164	Solids Control & Closed Loop	\$ 113,092	\$ -	\$ -	\$ 113,092
Intangible Completion			\$ -	\$ 6,056,612	\$ -	\$ 6,056,612
	8300.273	Flowback	\$ -	\$ 5,620,118	\$ -	\$ 7,821
	8300.248	Mancamp	\$ -	\$ 5,620,118	\$ -	\$ 21,324
	8300.203	Fuel	\$ -	\$ 5,620,118	\$ -	\$ 683,704
	8300.220	Engineering & Supervision	\$ -	\$ 5,620,118	\$ -	\$ 15,156
	8300.250	Downhole Rental Equip	\$ -	\$ 5,620,118	\$ -	\$ 43,391
	8300.229	Transportation	\$ -	\$ 5,620,118	\$ -	\$ 5,263
	8300.240	Pump Down Services	\$ -	\$ 5,620,118	\$ -	\$ 101,040
	8300.274	Water Transfer	\$ -	\$ 5,620,118	\$ -	\$ 99,015
	8300.205	Location & Roads	\$ -	\$ 5,620,118	\$ -	\$ 5,288
	8300.212	Contract Labor	\$ -	\$ 5,620,118	\$ -	\$ 10,678
	8300.214	Perforating & Plugs	\$ -	\$ 5,620,118	\$ -	\$ 390,293
	8300.279	Completions Overhead	\$ -	\$ 5,620,118	\$ -	\$ 2,808
	8300.210	Surface Rental Equip	\$ -	\$ 5,620,118	\$ -	\$ 305,001
	8300.275	Frac - Sand	\$ -	\$ 5,620,118	\$ -	\$ 1,015,231
	8300.277	Consulting Services	\$ -	\$ 5,620,118	\$ -	\$ 116,828
	8300.270	Frac - Equipment	\$ -	\$ 5,620,118	\$ -	\$ 1,692,841
	8300.271	Coil Tubing	\$ -	\$ 5,620,118	\$ -	\$ 113,408
	8300.232	Disposal	\$ -	\$ 5,620,118	\$ -	\$ 19,004
	8300.278	Roustabouts	\$ -	\$ 5,620,118	\$ -	\$ 1,579
	8300.207	Fresh Water	\$ -	\$ 5,620,118	\$ -	\$ 537,798
	8300.243	Analysis	\$ -	\$ 5,620,118	\$ -	\$ 9,473
	8300.209	Chemicals	\$ -	\$ 5,620,118	\$ -	\$ 419,703
	8300.276	Safety & Environmental	\$ -	\$ 5,620,118	\$ -	\$ 3,473
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
TOTAL INTANGIBLE COSTS >>>			\$ 3,097,328	\$ 6,056,612	\$ 664,900	\$ 9,818,840
TOTAL PROJECT COSTS >>>			\$ 3,874,027	\$ 6,659,325	\$ 1,580,000	\$ 12,113,352
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0579

Date: January 18, 2024

Well Name: Ruby Federal Com #600H

Projected MD/TVD: 20973/10700

Target: 3BS

Spud to TD: 17.6

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 2310' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #600H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 20973' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,915,866.85
COMPLETIONS:	\$6,659,640.84
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,155,507.69

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0579

Date: January 18, 2024

Well Name: Ruby Federal Com #600H

Projected MD/TVD: 20973/10700

Target: 3BS

Spud to TD: 17.6

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 2310' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 789,620	\$ -	\$ -	\$ 789,620
	8400.301	Surface Casing	\$ 64,795	\$ -	\$ -	\$ 64,795
	8400.303	Production Casing	\$ 541,519	\$ -	\$ -	\$ 541,519
	8400.302	Intrm 1&2 Casing	\$ 126,471	\$ -	\$ -	\$ 126,471
	8400.340	Wellhead	\$ 56,835	\$ -	\$ -	\$ 56,835
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
	8400.352	Wellhead & Equipment	\$ -	\$ 44,205	\$ -	\$ 44,205
	8325.719	Contract Labor Install	\$ -	\$ 15,000	\$ -	\$ 15,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 60,500	\$ 60,500
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 87,200	\$ 87,200
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 68,800	\$ 68,800
	8355.510	Tanks	\$ -	\$ -	\$ 128,400	\$ 128,400
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 53,100	\$ 53,100
	8355.565	Flowline	\$ -	\$ -	\$ 49,100	\$ 49,100
	8355.520	PVF	\$ -	\$ -	\$ 146,000	\$ 146,000
	8355.525	Containment	\$ -	\$ -	\$ 25,700	\$ 25,700
	8355.530	Compressors	\$ -	\$ -	\$ 11,100	\$ 11,100
	8355.515	Flare	\$ -	\$ -	\$ 32,000	\$ 32,000
	8355.500	Vessels	\$ -	\$ -	\$ 253,200	\$ 253,200
TOTAL TANGIBLE COSTS >>>			\$ 789,620	\$ 602,713	\$ 915,100	\$ 2,307,433

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,126,247	\$ -	\$ -	\$ 3,126,247
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.137	Casing Services	\$ 72,199	\$ -	\$ -	\$ 72,199
	8200.169	Mud-Brine	\$ 25,836	\$ -	\$ -	\$ 25,836
	8200.143	Geological Services	\$ 10,201	\$ -	\$ -	\$ 10,201
	8200.170	Mud-Diesel	\$ 110,871	\$ -	\$ -	\$ 110,871
	8200.164	Solids Control & Closed Loop	\$ 114,641	\$ -	\$ -	\$ 114,641
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.167	Consulting Services	\$ 250,595	\$ -	\$ -	\$ 250,595
	8200.103	Drilling - Rig Move	\$ 93,673	\$ -	\$ -	\$ 93,673
	8200.128	Drilling - Directional	\$ 249,531	\$ -	\$ -	\$ 249,531
	8200.115	Mud-Drill Water	\$ 5,765	\$ -	\$ -	\$ 5,765
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.165	Safety/Environmental	\$ 2,577	\$ -	\$ -	\$ 2,577
	8200.119	Mud-Auxiliary	\$ 31,462	\$ -	\$ -	\$ 31,462
	8200.117	Mud & Chemicals	\$ 177,133	\$ -	\$ -	\$ 177,133
	8200.112	Location & Roads, Conductor	\$ 124,415	\$ -	\$ -	\$ 124,415
	8200.124	Equipment Rental	\$ 115,861	\$ -	\$ -	\$ 115,861
	8200.168	Roustabout Services	\$ 2,207	\$ -	\$ -	\$ 2,207
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.116	Drill Bits & BHA	\$ 68,801	\$ -	\$ -	\$ 68,801
	8200.162	Mancamp	\$ 46,357	\$ -	\$ -	\$ 46,357
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.106	Transportation	\$ 95,387	\$ -	\$ -	\$ 95,387
	8200.147	Drilling Overhead	\$ 5,351	\$ -	\$ -	\$ 5,351
	8200.102	Drilling - Daywork	\$ 830,236	\$ -	\$ -	\$ 830,236



AUTHORIZATION FOR EXPENDITURE

	8200.114	Disposal	\$ 192,723	\$ -	\$ -	\$ 192,723
	8200.138	Cementing Services	\$ 199,975	\$ -	\$ -	\$ 199,975
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.104	Fuel - Rig	\$ 193,963	\$ -	\$ -	\$ 193,963
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
Intangible Completion			\$ -	\$ 6,056,928	\$ -	\$ 6,056,928
	8300.240	Pump Down Services	\$ -	\$ 5,620,434	\$ -	\$ 101,040
	8300.274	Water Transfer	\$ -	\$ 5,620,434	\$ -	\$ 99,015
	8300.214	Perforating & Plugs	\$ -	\$ 5,620,434	\$ -	\$ 390,293
	8300.250	Downhole Rental Equip	\$ -	\$ 5,620,434	\$ -	\$ 43,391
	8300.229	Transportation	\$ -	\$ 5,620,434	\$ -	\$ 5,263
	8300.271	Coil Tubing	\$ -	\$ 5,620,434	\$ -	\$ 113,724
	8300.270	Frac - Equipment	\$ -	\$ 5,620,434	\$ -	\$ 1,692,841
	8300.210	Surface Rental Equip	\$ -	\$ 5,620,434	\$ -	\$ 305,001
	8300.205	Location & Roads	\$ -	\$ 5,620,434	\$ -	\$ 5,288
	8300.232	Disposal	\$ -	\$ 5,620,434	\$ -	\$ 19,004
	8300.279	Completions Overhead	\$ -	\$ 5,620,434	\$ -	\$ 2,808
	8300.276	Safety & Environmental	\$ -	\$ 5,620,434	\$ -	\$ 3,473
	8300.209	Chemicals	\$ -	\$ 5,620,434	\$ -	\$ 419,703
	8300.273	Flowback	\$ -	\$ 5,620,434	\$ -	\$ 7,821
	8300.243	Analysis	\$ -	\$ 5,620,434	\$ -	\$ 9,473
	8300.220	Engineering & Supervision	\$ -	\$ 5,620,434	\$ -	\$ 15,156
	8300.277	Consulting Services	\$ -	\$ 5,620,434	\$ -	\$ 116,828
	8300.278	Roustabouts	\$ -	\$ 5,620,434	\$ -	\$ 1,579
	8300.275	Frac - Sand	\$ -	\$ 5,620,434	\$ -	\$ 1,015,231
	8300.212	Contract Labor	\$ -	\$ 5,620,434	\$ -	\$ 10,678
	8300.203	Fuel	\$ -	\$ 5,620,434	\$ -	\$ 683,704
	8300.207	Fresh Water	\$ -	\$ 5,620,434	\$ -	\$ 537,798
	8300.248	Mancamp	\$ -	\$ 5,620,434	\$ -	\$ 21,324
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
TOTAL INTANGIBLE COSTS >>>			\$ 3,126,247	\$ 6,056,928	\$ 664,900	\$ 9,848,075
TOTAL PROJECT COSTS >>>			\$ 3,915,867	\$ 6,659,641	\$ 1,580,000	\$ 12,155,508
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0580

Date: January 18, 2024

Well Name: Ruby Federal Com #601H

Projected MD/TVD: 20973/10700

Target: 3BS

Spud to TD: 17.6

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 1320' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #601H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 20973' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,915,866.85
COMPLETIONS:	\$6,659,640.84
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,155,507.69

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0580

Date: January 18, 2024

Well Name: Ruby Federal Com #601H

Projected MD/TVD: 20973/10700

Target: 3BS

Spud to TD: 17.6

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 1320' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 789,620	\$ -	\$ -	\$ 789,620
	8400.340	Wellhead	\$ 56,835	\$ -	\$ -	\$ 56,835
	8400.302	Intrm 1&2 Casing	\$ 126,471	\$ -	\$ -	\$ 126,471
	8400.301	Surface Casing	\$ 64,795	\$ -	\$ -	\$ 64,795
	8400.303	Production Casing	\$ 541,519	\$ -	\$ -	\$ 541,519
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
	8400.352	Wellhead & Equipment	\$ -	\$ 44,205	\$ -	\$ 44,205
	8325.719	Contract Labor Install	\$ -	\$ 15,000	\$ -	\$ 15,000
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
	8355.565	Flowline	\$ -	\$ -	\$ 49,100	\$ 49,100
	8355.510	Tanks	\$ -	\$ -	\$ 128,400	\$ 128,400
	8355.500	Vessels	\$ -	\$ -	\$ 253,200	\$ 253,200
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 68,800	\$ 68,800
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 87,200	\$ 87,200
	8355.525	Containment	\$ -	\$ -	\$ 25,700	\$ 25,700
	8355.515	Flare	\$ -	\$ -	\$ 32,000	\$ 32,000
	8355.530	Compressors	\$ -	\$ -	\$ 11,100	\$ 11,100
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 60,500	\$ 60,500
	8355.520	PV/F	\$ -	\$ -	\$ 146,000	\$ 146,000
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 53,100	\$ 53,100
TOTAL TANGIBLE COSTS >>>			\$ 789,620	\$ 602,713	\$ 915,100	\$ 2,307,433

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,126,247	\$ -	\$ -	\$ 3,126,247
	8200.103	Drilling - Rig Move	\$ 93,673	\$ -	\$ -	\$ 93,673
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 124,415	\$ -	\$ -	\$ 124,415
	8200.102	Drilling - Daywork	\$ 830,236	\$ -	\$ -	\$ 830,236
	8200.115	Mud-Drill Water	\$ 5,765	\$ -	\$ -	\$ 5,765
	8200.167	Consulting Services	\$ 250,595	\$ -	\$ -	\$ 250,595
	8200.104	Fuel - Rig	\$ 193,963	\$ -	\$ -	\$ 193,963
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.124	Equipment Rental	\$ 115,861	\$ -	\$ -	\$ 115,861
	8200.106	Transportation	\$ 95,387	\$ -	\$ -	\$ 95,387
	8200.143	Geological Services	\$ 10,201	\$ -	\$ -	\$ 10,201
	8200.137	Casing Services	\$ 72,199	\$ -	\$ -	\$ 72,199
	8200.116	Drill Bits & BHA	\$ 68,801	\$ -	\$ -	\$ 68,801
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.128	Drilling - Directional	\$ 249,531	\$ -	\$ -	\$ 249,531
	8200.165	Safety/Environmental	\$ 2,577	\$ -	\$ -	\$ 2,577
	8200.147	Drilling Overhead	\$ 5,351	\$ -	\$ -	\$ 5,351
	8200.117	Mud & Chemicals	\$ 177,133	\$ -	\$ -	\$ 177,133
	8200.127	Contract Labor	\$ 27,255	\$ -	\$ -	\$ 27,255
	8200.138	Cementing Services	\$ 199,975	\$ -	\$ -	\$ 199,975
	8200.169	Mud-Brine	\$ 25,836	\$ -	\$ -	\$ 25,836
	8200.114	Disposal	\$ 192,723	\$ -	\$ -	\$ 192,723
	8200.168	Roustabout Services	\$ 2,207	\$ -	\$ -	\$ 2,207
	8200.164	Solids Control & Closed Loop	\$ 114,641	\$ -	\$ -	\$ 114,641



AUTHORIZATION FOR EXPENDITURE

	8200.162	Mancamp	\$ 46,357	\$ -	\$ -	\$ 46,357
	8200.119	Mud-Auxiliary	\$ 31,462	\$ -	\$ -	\$ 31,462
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.170	Mud-Diesel	\$ 110,871	\$ -	\$ -	\$ 110,871
Intangible Completion			\$ -	\$ 6,056,928	\$ -	\$ 6,056,928
	8300.279	Completions Overhead	\$ -	\$ 5,620,434	\$ -	\$ 2,808
	8300.277	Consulting Services	\$ -	\$ 5,620,434	\$ -	\$ 116,828
	8300.275	Frac - Sand	\$ -	\$ 5,620,434	\$ -	\$ 1,015,231
	8300.270	Frac - Equipment	\$ -	\$ 5,620,434	\$ -	\$ 1,692,841
	8300.250	Downhole Rental Equip	\$ -	\$ 5,620,434	\$ -	\$ 43,391
	8300.243	Analysis	\$ -	\$ 5,620,434	\$ -	\$ 9,473
	8300.214	Perforating & Plugs	\$ -	\$ 5,620,434	\$ -	\$ 390,293
	8300.210	Surface Rental Equip	\$ -	\$ 5,620,434	\$ -	\$ 305,001
	8300.273	Flowback	\$ -	\$ 5,620,434	\$ -	\$ 7,821
	8300.278	Roustabouts	\$ -	\$ 5,620,434	\$ -	\$ 1,579
	8300.207	Fresh Water	\$ -	\$ 5,620,434	\$ -	\$ 537,798
	8300.271	Coil Tubing	\$ -	\$ 5,620,434	\$ -	\$ 113,724
	8300.276	Safety & Environmental	\$ -	\$ 5,620,434	\$ -	\$ 3,473
	8300.274	Water Transfer	\$ -	\$ 5,620,434	\$ -	\$ 99,015
	8300.205	Location & Roads	\$ -	\$ 5,620,434	\$ -	\$ 5,288
	8300.229	Transportation	\$ -	\$ 5,620,434	\$ -	\$ 5,263
	8300.203	Fuel	\$ -	\$ 5,620,434	\$ -	\$ 683,704
	8300.240	Pump Down Services	\$ -	\$ 5,620,434	\$ -	\$ 101,040
	8300.209	Chemicals	\$ -	\$ 5,620,434	\$ -	\$ 419,703
	8300.232	Disposal	\$ -	\$ 5,620,434	\$ -	\$ 19,004
	8300.248	Mancamp	\$ -	\$ 5,620,434	\$ -	\$ 21,324
	8300.212	Contract Labor	\$ -	\$ 5,620,434	\$ -	\$ 10,678
	8300.220	Engineering & Supervision	\$ -	\$ 5,620,434	\$ -	\$ 15,156
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
TOTAL INTANGIBLE COSTS >>>			\$ 3,126,247	\$ 6,056,928	\$ 664,900	\$ 9,848,075
TOTAL PROJECT COSTS >>>			\$ 3,915,867	\$ 6,659,641	\$ 1,580,000	\$ 12,155,508
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM0581

Date: January 18, 2024

Well Name: Ruby Federal Com #602H

Projected MD/TVD: 20973/10700

Target: 3BS

Spud to TD: 17.6

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 330' FEL

Total Fluid (gal/ft): 3000

PROJECT DESCRIPTION:

The proposed AFE is for the Ruby Federal Com #602H, a 2 section Bone Springs horizontal well to be drilled in Lea County, NM. The well is a 3 string casing design consisting of the following: 17.5" surface hole drilled on Fresh to 1250' and 13.375" 54.5# J-55 BTC casing will be set and cemented in place; 12.25" hole will then be drilled on Brine to 3500' and a string of 9.625" 40# J-55 BTC casing will be set and cemented in place; 8.75" production hole will then be drilled on OBM to 20973' and a string of 5.5" 20# P-110 HC GBCD casing will be set and cemented in place. There will be 10000' of treatable lateral and the completions design will consist of +/-64 stages at 2500 lbs/ft & 3000 gals/ft. AFE includes associated costs for initial gas lift installation.

	<u>TOTAL</u>
DRILLING:	\$3,915,866.85
COMPLETIONS:	\$6,659,640.84
FACILITIES:	\$1,580,000.00
COMPLETED WELL COST:	\$12,155,507.69

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM0581

Date: January 18, 2024

Well Name: Ruby Federal Com #602H

Projected MD/TVD: 20973/10700

Target: 3BS

Spud to TD: 17.6

County: Lea

Lateral Length: 10000

State: NM

Stages: 64

SHL: S15-T19S-R33E

Total Proppant (ppf): 2500

BHL: S22-T19S-R33E 100' FSL, 330' FEL

Total Fluid (gal/ft): 3000

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 789,620	\$ -	\$ -	\$ 789,620
8400.301	Surface Casing		\$ 64,795	\$ -	\$ -	\$ 64,795
8400.303	Production Casing		\$ 541,519	\$ -	\$ -	\$ 541,519
8400.302	Intrm 1&2 Casing		\$ 126,471	\$ -	\$ -	\$ 126,471
8400.340	Wellhead		\$ 56,835	\$ -	\$ -	\$ 56,835
Tangible Completion			\$ -	\$ 602,713	\$ -	\$ 602,713
8400.352	Wellhead & Equipment		\$ -	\$ 44,205	\$ -	\$ 44,205
8325.705	ESP Equipment/Install		\$ -	\$ 40,000	\$ -	\$ 40,000
8325.719	Contract Labor Install		\$ -	\$ 15,000	\$ -	\$ 15,000
8325.702	Tubing		\$ -	\$ 90,000	\$ -	\$ 90,000
8325.711	Wellhead Equipment		\$ -	\$ 63,508	\$ -	\$ 63,508
8325.704	Downhole Artificial Lift Eqpt		\$ -	\$ 350,000	\$ -	\$ 350,000
Tangible Facility			\$ -	\$ -	\$ 915,100	\$ 915,100
8355.550	Overhead Power Material		\$ -	\$ -	\$ 53,100	\$ 53,100
8355.530	Compressors		\$ -	\$ -	\$ 11,100	\$ 11,100
8355.500	Vessels		\$ -	\$ -	\$ 253,200	\$ 253,200
8355.520	PVF		\$ -	\$ -	\$ 146,000	\$ 146,000
8355.525	Containment		\$ -	\$ -	\$ 25,700	\$ 25,700
8355.535	Instrumentation / Meters		\$ -	\$ -	\$ 60,500	\$ 60,500
8355.540	Electrical Supplies		\$ -	\$ -	\$ 68,800	\$ 68,800
8355.555	Pump / Supplies		\$ -	\$ -	\$ 87,200	\$ 87,200
8355.565	Flowline		\$ -	\$ -	\$ 49,100	\$ 49,100
8355.515	Flare		\$ -	\$ -	\$ 32,000	\$ 32,000
8355.510	Tanks		\$ -	\$ -	\$ 128,400	\$ 128,400
TOTAL TANGIBLE COSTS >>>			\$ 789,620	\$ 602,713	\$ 915,100	\$ 2,307,433

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 3,126,247	\$ -	\$ -	\$ 3,126,247
8200.143	Geological Services		\$ 10,201	\$ -	\$ -	\$ 10,201
8200.102	Drilling - Daywork		\$ 830,236	\$ -	\$ -	\$ 830,236
8200.162	Mancamp		\$ 46,357	\$ -	\$ -	\$ 46,357
8200.115	Mud-Drill Water		\$ 5,765	\$ -	\$ -	\$ 5,765
8200.111	Survey, Stake/Permit		\$ 5,263	\$ -	\$ -	\$ 5,263
8200.127	Contract Labor		\$ 27,255	\$ -	\$ -	\$ 27,255
8200.169	Mud-Brine		\$ 25,836	\$ -	\$ -	\$ 25,836
8200.170	Mud-Diesel		\$ 110,871	\$ -	\$ -	\$ 110,871
8200.114	Disposal		\$ 192,723	\$ -	\$ -	\$ 192,723
8200.112	Location & Roads, Conductor		\$ 124,415	\$ -	\$ -	\$ 124,415
8200.138	Cementing Services		\$ 199,975	\$ -	\$ -	\$ 199,975
8200.124	Equipment Rental		\$ 115,861	\$ -	\$ -	\$ 115,861
8200.104	Fuel - Rig		\$ 193,963	\$ -	\$ -	\$ 193,963
8200.149	Legal, Title, Etc		\$ 10,525	\$ -	\$ -	\$ 10,525
8200.106	Transportation		\$ 95,387	\$ -	\$ -	\$ 95,387
8200.119	Mud-Auxiliary		\$ 31,462	\$ -	\$ -	\$ 31,462
8200.103	Drilling - Rig Move		\$ 93,673	\$ -	\$ -	\$ 93,673
8200.165	Safety/Environmental		\$ 2,577	\$ -	\$ -	\$ 2,577
8200.168	Roustabout Services		\$ 2,207	\$ -	\$ -	\$ 2,207
8200.125	Inspection		\$ 45,258	\$ -	\$ -	\$ 45,258
8200.113	Damages/Row		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.116	Drill Bits & BHA		\$ 68,801	\$ -	\$ -	\$ 68,801
8200.144	Company Supervision		\$ 2,400	\$ -	\$ -	\$ 2,400
8200.152	Well Control Ins.		\$ 7,894	\$ -	\$ -	\$ 7,894
8200.164	Solids Control & Closed Loop		\$ 114,641	\$ -	\$ -	\$ 114,641



AUTHORIZATION FOR EXPENDITURE

	8200.147	Drilling Overhead	\$ 5,351	\$ -	\$ -	\$ 5,351
	8200.117	Mud & Chemicals	\$ 177,133	\$ -	\$ -	\$ 177,133
	8200.167	Consulting Services	\$ 250,595	\$ -	\$ -	\$ 250,595
	8200.128	Drilling - Directional	\$ 249,531	\$ -	\$ -	\$ 249,531
	8200.137	Casing Services	\$ 72,199	\$ -	\$ -	\$ 72,199
Intangible Completion			\$ -	\$ 6,056,928	\$ -	\$ 6,056,928
	8300.220	Engineering & Supervision	\$ -	\$ 5,620,434	\$ -	\$ 15,156
	8300.214	Perforating & Plugs	\$ -	\$ 5,620,434	\$ -	\$ 390,293
	8300.270	Frac - Equipment	\$ -	\$ 5,620,434	\$ -	\$ 1,692,841
	8300.274	Water Transfer	\$ -	\$ 5,620,434	\$ -	\$ 99,015
	8300.276	Safety & Environmental	\$ -	\$ 5,620,434	\$ -	\$ 3,473
	8300.273	Flowback	\$ -	\$ 5,620,434	\$ -	\$ 7,821
	8300.209	Chemicals	\$ -	\$ 5,620,434	\$ -	\$ 419,703
	8300.229	Transportation	\$ -	\$ 5,620,434	\$ -	\$ 5,263
	8300.277	Consulting Services	\$ -	\$ 5,620,434	\$ -	\$ 116,828
	8300.212	Contract Labor	\$ -	\$ 5,620,434	\$ -	\$ 10,678
	8300.243	Analysis	\$ -	\$ 5,620,434	\$ -	\$ 9,473
	8300.205	Location & Roads	\$ -	\$ 5,620,434	\$ -	\$ 5,288
	8300.278	Roustabouts	\$ -	\$ 5,620,434	\$ -	\$ 1,579
	8300.203	Fuel	\$ -	\$ 5,620,434	\$ -	\$ 683,704
	8300.210	Surface Rental Equip	\$ -	\$ 5,620,434	\$ -	\$ 305,001
	8300.240	Pump Down Services	\$ -	\$ 5,620,434	\$ -	\$ 101,040
	8300.232	Disposal	\$ -	\$ 5,620,434	\$ -	\$ 19,004
	8300.207	Fresh Water	\$ -	\$ 5,620,434	\$ -	\$ 537,798
	8300.250	Downhole Rental Equip	\$ -	\$ 5,620,434	\$ -	\$ 43,391
	8300.275	Frac - Sand	\$ -	\$ 5,620,434	\$ -	\$ 1,015,231
	8300.248	Mancamp	\$ -	\$ 5,620,434	\$ -	\$ 21,324
	8300.271	Coil Tubing	\$ -	\$ 5,620,434	\$ -	\$ 113,724
	8300.279	Completions Overhead	\$ -	\$ 5,620,434	\$ -	\$ 2,808
	8360.820	Well Testing / Flowback	\$ -	\$ 341,344	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 341,344	\$ -	\$ 190,000
	8360.805	Trucked Water Disposal	\$ -	\$ 341,344	\$ -	\$ 21,464
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 341,344	\$ -	\$ 14,334
	8360.850	Safety / Environmental	\$ -	\$ 341,344	\$ -	\$ 4,400
	8360.845	Wellsite Supervision	\$ -	\$ 341,344	\$ -	\$ 50,400
	8320.610	Inspection & Testing	\$ -	\$ 95,150	\$ -	\$ 4,000
	8320.612	Kill Truck	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 95,150	\$ -	\$ 15,887
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 95,150	\$ -	\$ 10,000
	8320.605	Fuel / Power	\$ -	\$ 95,150	\$ -	\$ 5,263
	8320.625	Wellsite Supervision	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 95,150	\$ -	\$ 5,000
	8320.621	Rental Equipment	\$ -	\$ 95,150	\$ -	\$ 15,000
	8320.602	Workover Rig	\$ -	\$ 95,150	\$ -	\$ 30,000
Intangible Facility			\$ -	\$ -	\$ 664,900	\$ 664,900
	8350.421	Commissioning	\$ -	\$ -	\$ 3,500	\$ 3,500
	8350.420	Electrical Labor	\$ -	\$ -	\$ 61,900	\$ 61,900
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 38,700	\$ 38,700
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 24,500	\$ 24,500
	8350.419	Automation Labor	\$ -	\$ -	\$ 21,500	\$ 21,500
	8350.404	Equipment Rental	\$ -	\$ -	\$ 31,000	\$ 31,000
	8350.416	Supervision	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 222,500	\$ 222,500
	8350.403	Roads/Location	\$ -	\$ -	\$ 85,100	\$ 85,100
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 11,700	\$ 11,700
	8350.422	Flowline Labor	\$ -	\$ -	\$ 35,100	\$ 35,100
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 24,600	\$ 24,600
	8350.413	Contingency	\$ -	\$ -	\$ 75,200	\$ 75,200
TOTAL INTANGIBLE COSTS >>>			\$ 3,126,247	\$ 6,056,928	\$ 664,900	\$ 9,848,075
TOTAL PROJECT COSTS >>>			\$ 3,915,867	\$ 6,659,641	\$ 1,580,000	\$ 12,155,508
			Drilling	Completion	Facility	Total

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



AUTHORIZATION FOR EXPENDITURE

JOINT INTEREST APPROVAL:

Company: _____

Working Interest: _____

Signature: _____

Date: _____

By: _____

Summary of Contacts
 Ruby Federal Com

Avant Operating, LLC
Case No. 24497
Exhibit A-7



Summary of Contacts

Owner Name	Sent Proposal	Tracking	Follow-up / Comments
Cibolo Resources, Inc.	1/22/24	company partner; emailed	Well Proposal package received; Signed JOA.
T.H. McElvain Oil & Gas, LLLP	1/22/24	company partner; emailed	Well Proposal package received; Signed JOA.
Fasken Land & Minerals, Ltd.	1/22/24	9405 5036 9930 0653 3633 15	Well Proposal package received; Email w/Mike Wallace on 2/21; sent follow-up email on interest; Sent JOA; 6/3 rec'd EOA and Objection, 6/3 Shelly offers meeting in Midland on 6/5
Community Minerals II, LLC	1/22/24	9405 5036 9930 0653 3633 22 9405503699300658266840	1st attempt returned - bad address; resent on 2/6; Well Proposal package received; Sent AFEs to Mara Cuadra via email; Sent JOA via email
Ball Oil & Gas, Inc.	1/22/24	9405 5036 9930 0653 3633 46	Well Proposal package received; Spoke w/Jim Ball 2/16; Signed proposal ballots/AFEs; Signed JOA
Occidental Oil & Gas Corporation	1/22/24; 6/3/24	9405 5036 9930 0653 3633 53 emailed Sam D'Amico	Well Proposal package received; Sent JOA via email not likely to sign prior to hearing, advised we proceed with Compulsory Pooling hearing.



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

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

CASE NO. 24497

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 B-1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.

5. **Exhibits B-2 through B-5** are the geology study I prepared for the **Ruby Federal Com #300H, Ruby Federal Com #301H, Ruby Federal Com #302H** wells, which are First Bone Spring wells.

6. **Exhibit B-2** is a gun barrel schematic showing Avant’s development plan.

7. **Exhibit B-3** is a structure map of the First Bone Spring formation. The proposed spacing unit is identified by a red box. The proposed First Bone Spring wells are identified by the black-dashed lines. The contour interval used in this exhibit is 100 feet. This exhibit shows that the structure dips gently to the southeast.

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

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

10. **Exhibits B-6 through B-9** are the geology study I prepared for the **Ruby Federal Com #500H, Ruby Federal Com #501H, Ruby Federal Com #502H** wells, which are Second Bone Spring wells.

11. **Exhibit B-6** is a gun barrel schematic showing Avant's development plan.

12. **Exhibit B-7** is a structure map of the Second Bone Spring formation. The proposed spacing unit is identified by a red box. The proposed Second Bone Spring wells are identified by the black-dashed lines. The contour interval used in this exhibit is 100 feet. This exhibit shows that the structure dips gently to the southeast.

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

14. **Exhibit B-9** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Second Bone Spring formation in the area. The target

zone is identified by a red-dashed line and a box identifying the wells. In my opinion, the Second Bone Spring formation is relatively consistent.

15. **Exhibits B-10 through B-13** are the geology study I prepared for the **Ruby Federal Com #600H, Ruby Federal Com #601H, and Ruby Federal Com #602H** wells, which are Third Bone Spring wells.

16. **Exhibit B-10** is a gun barrel schematic showing Avant's development plan.

17. **Exhibit B-11** is a structure map on the base of the Bone Spring formation. The proposed spacing unit is identified by a red box. The proposed Third Bone Spring wells are identified by the black-dashed lines. The contour interval used in this exhibit is 100 feet. This exhibit shows that the structure dips gently to the southwest.

18. **Exhibit B-12** is a cross-section reference map that identifies four wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.

19. **Exhibit B-13** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Third Bone Spring formation in the area. The target zone is identified by a red-dashed line and a box identifying the wells. In my opinion, the Third Bone Spring formation is relatively consistent.

20. 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.

21. The preferred well orientation in this area is north/south because the stress orientation is approximately east-northeast.

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

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

24. 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.



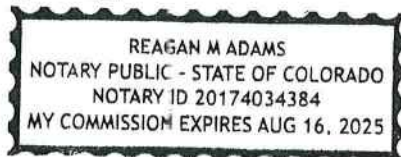
John Harper

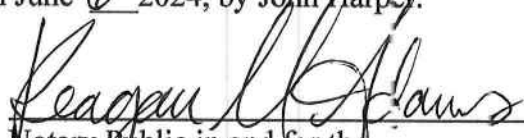
State of Colorado

County of Denver

This record was acknowledged before me on June 6th 2024, by John Harper.

[Stamp]





Notary Public in and for the
State of Colorado
Commission Number: 20174034384

My Commission Expires: August 16, 2025

Regional Locator Map

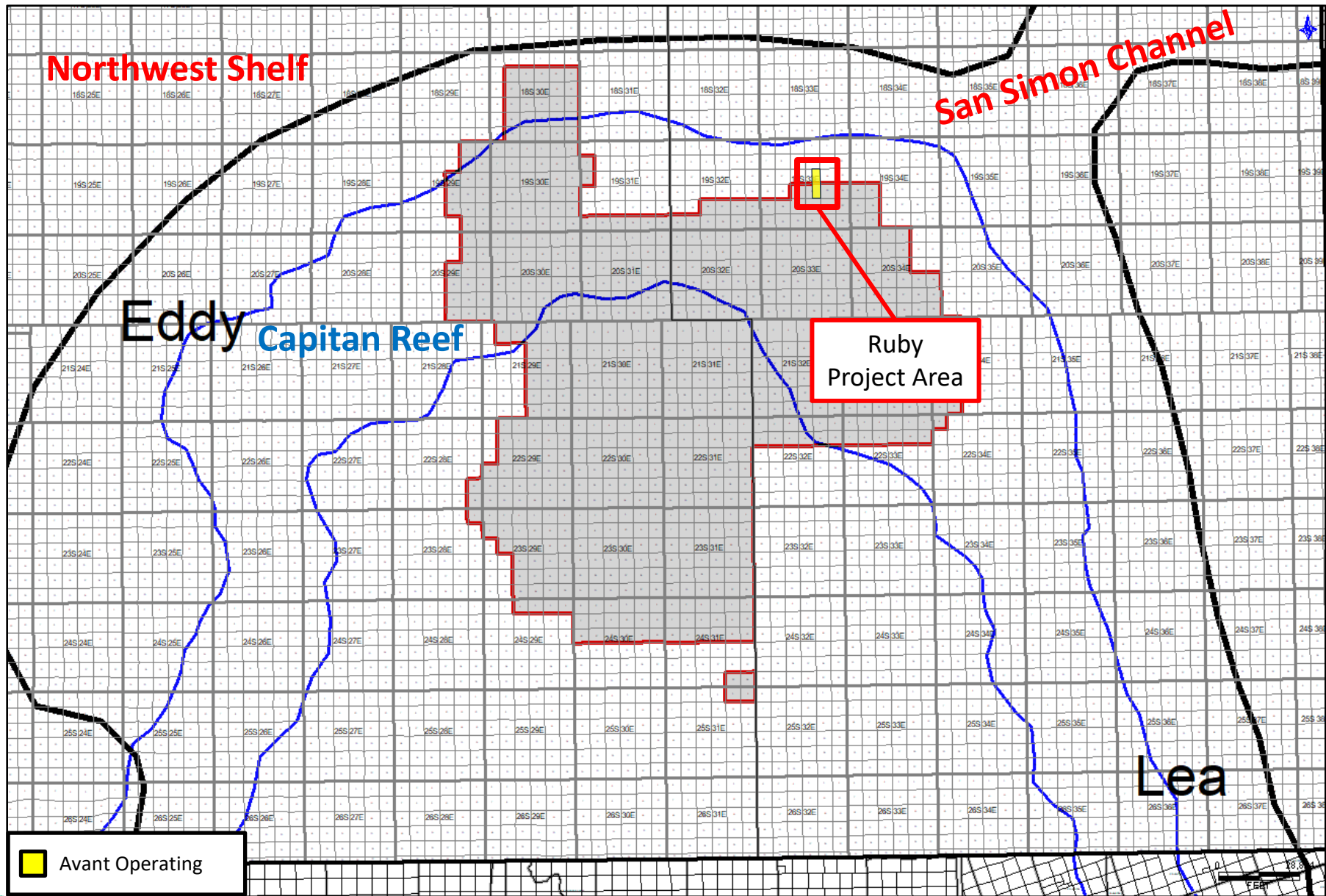
Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

Exhibit B-1



Gun Barrel Development Plan

TBSG – SBSG - FBSG

Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

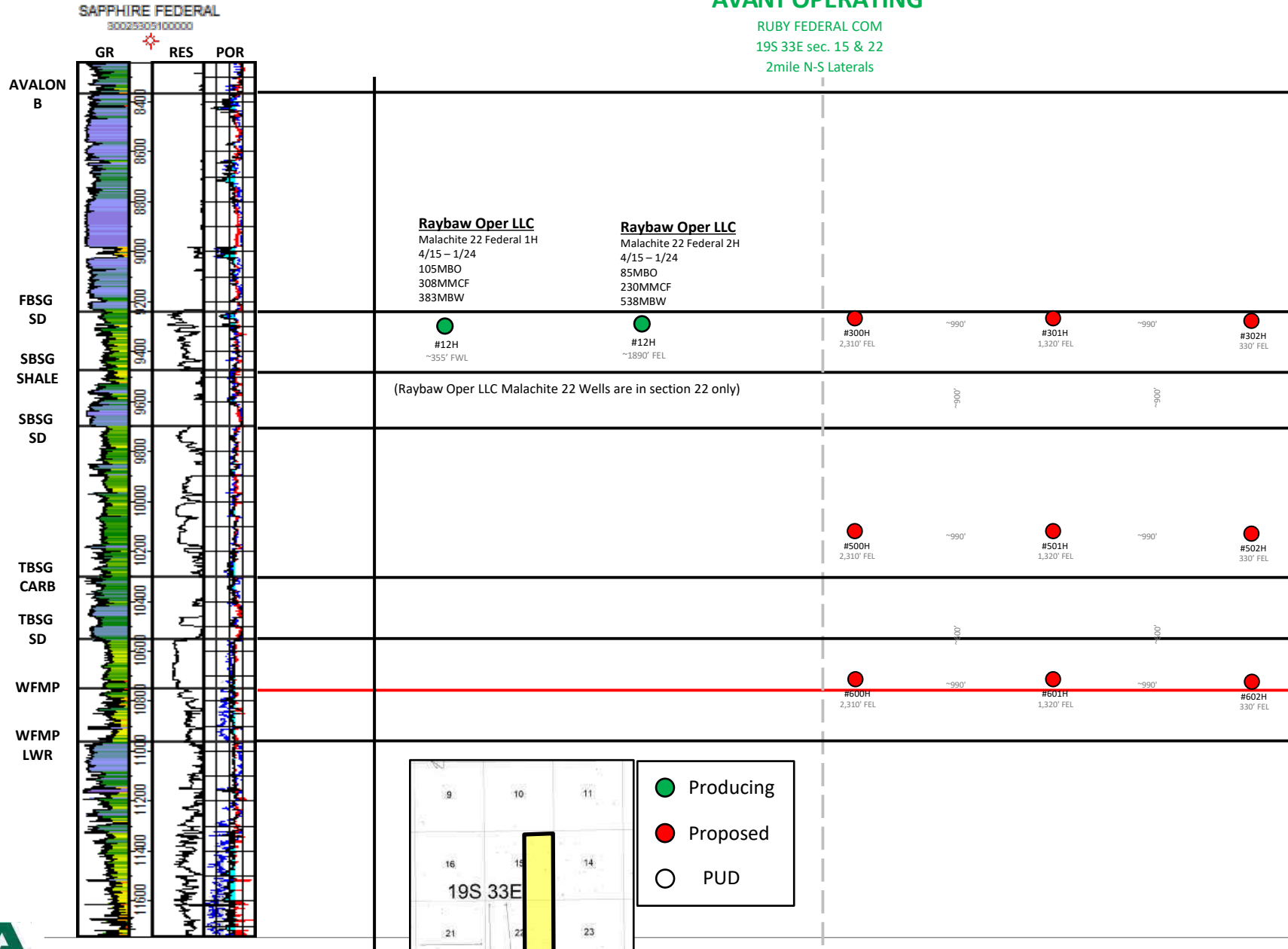
Case No. 24497

Exhibit B-2



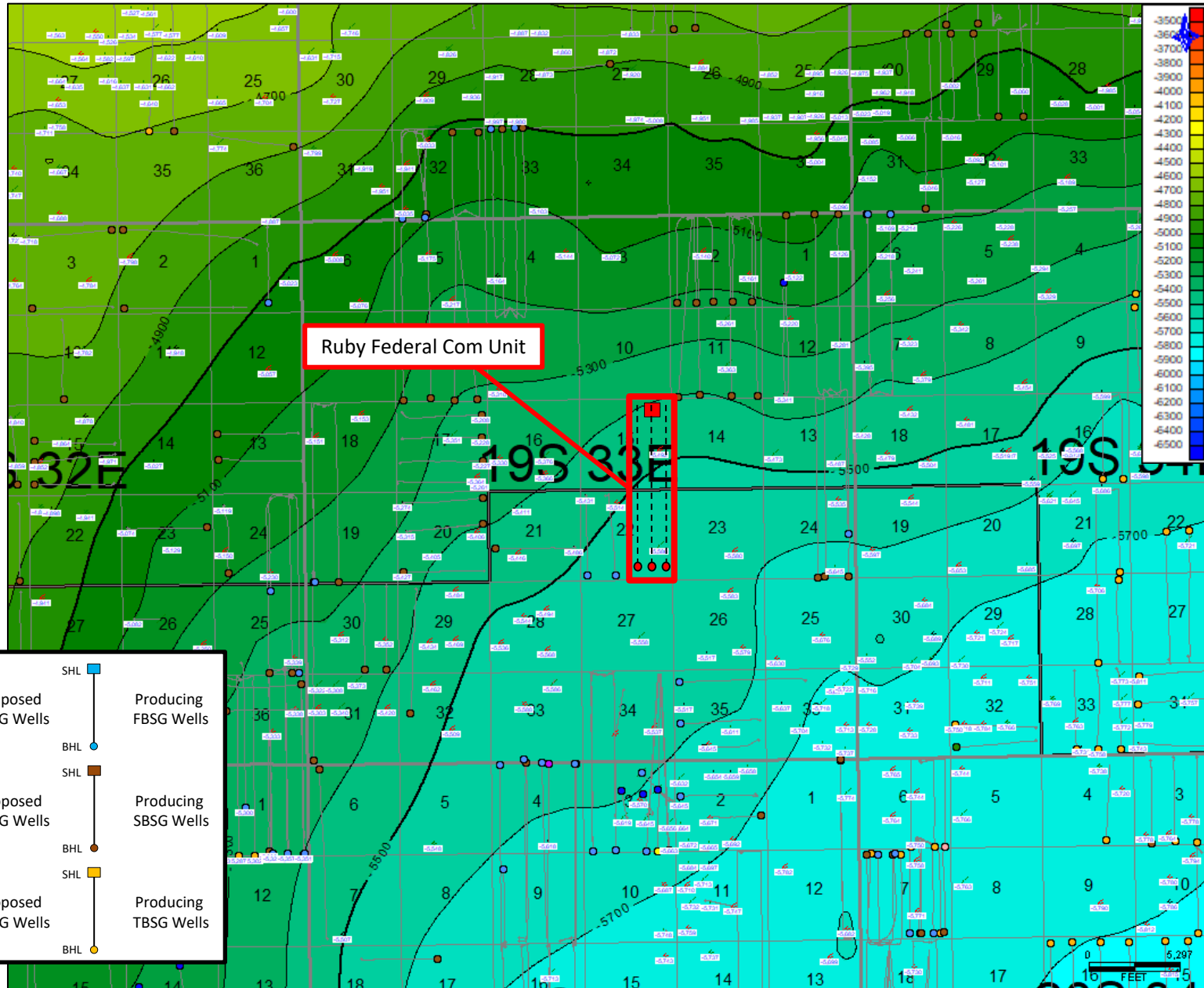
AVANT OPERATING

RUBY FEDERAL COM
19S 33E sec. 15 & 22
2mile N-S Laterals



First Bone Spring Structure Map (TVDSS')

Ruby Federal Com
#300H-#302H / #500H-#502H / #600H-#602H

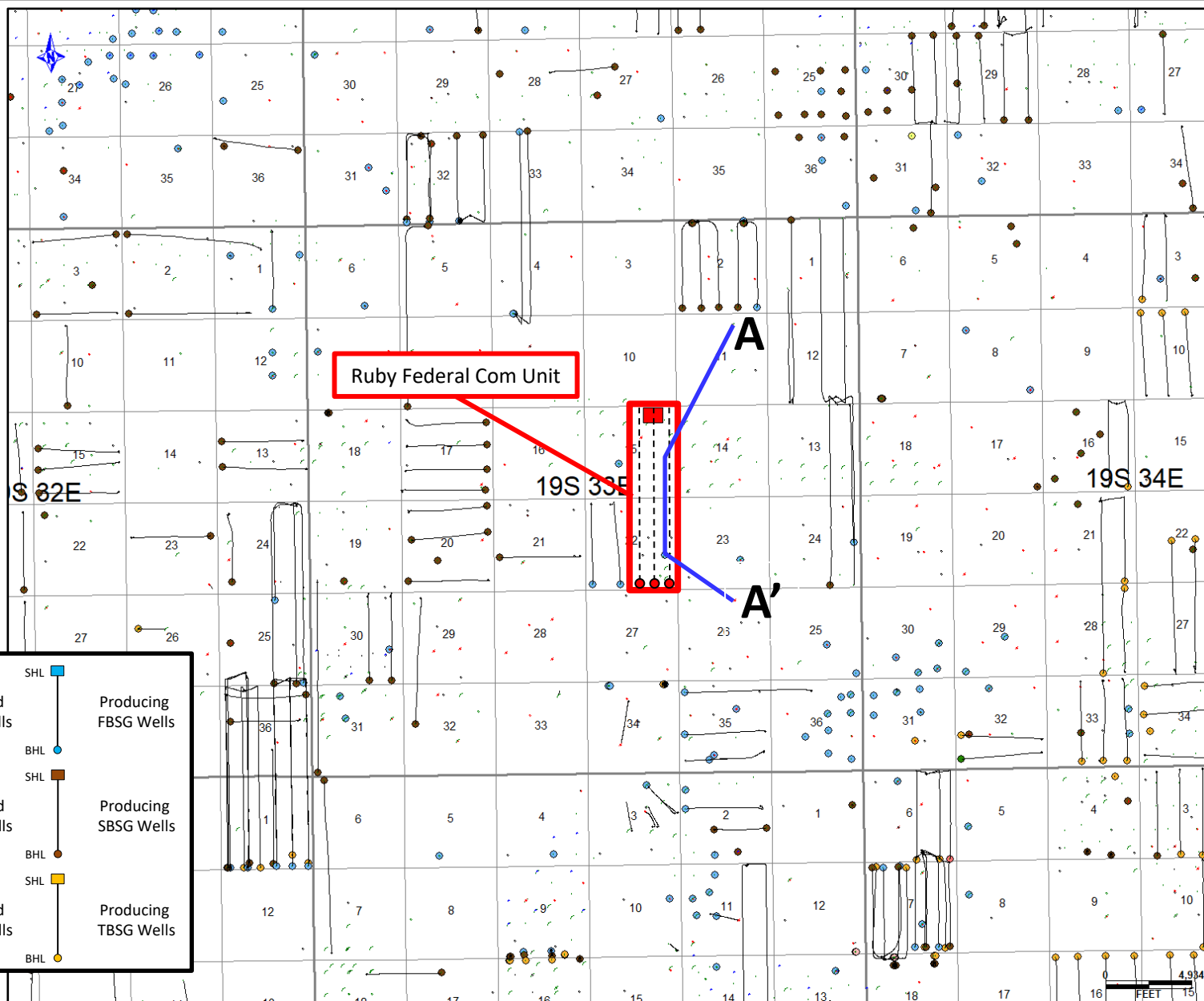




Cross-Section Locator Map (A-A')

Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

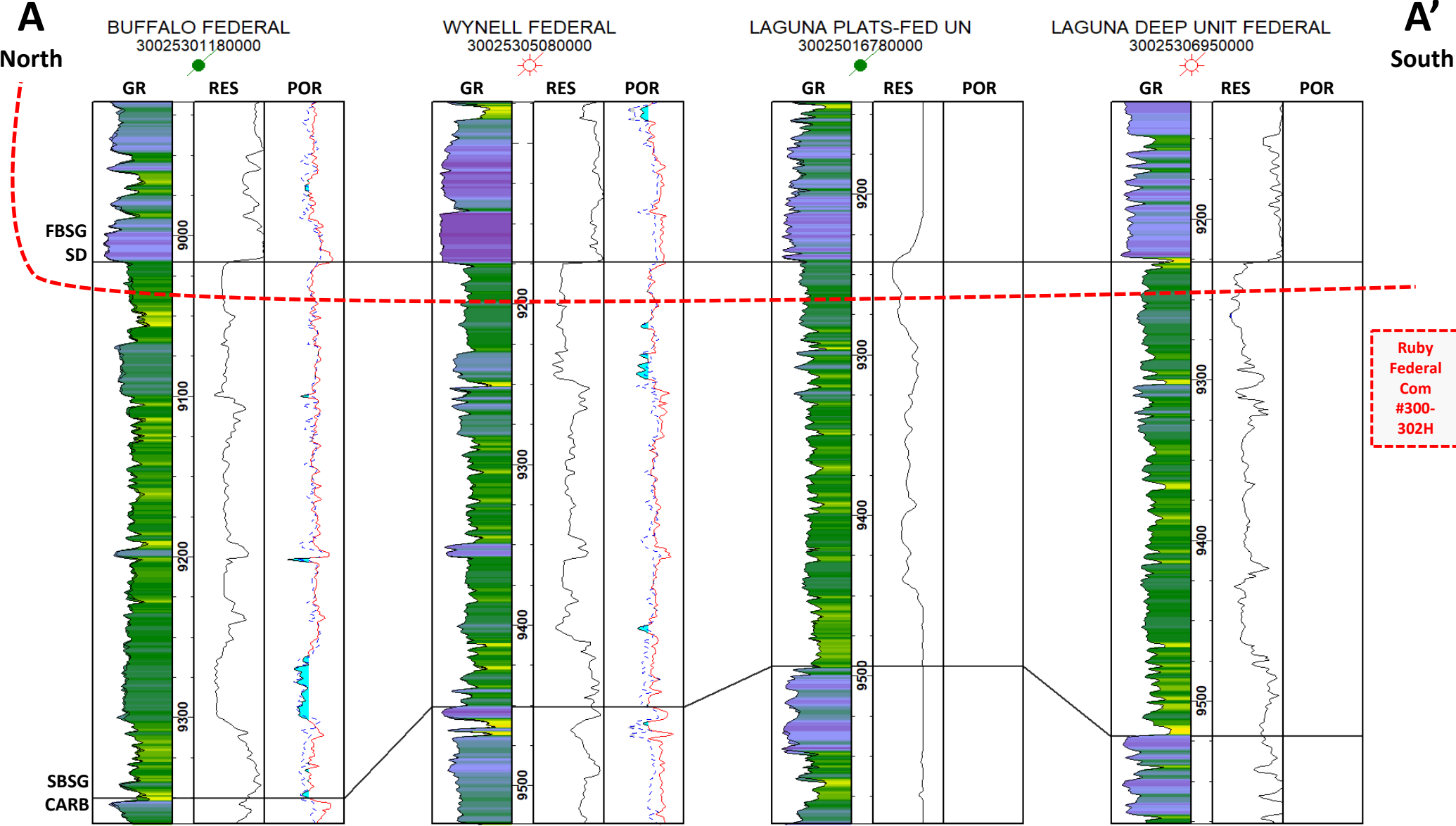


SHL	■	Proposed FBSG Wells	SHL	■	Producing FBSG Wells
BHL	●		BHL	●	
SHL	■	Proposed SBSG Wells	SHL	■	Producing SBSG Wells
BHL	●		BHL	●	
SHL	■	Proposed TBSG Wells	SHL	■	Producing TBSG Wells
BHL	●		BHL	●	



Stratigraphic Cross-Section A-A'

Ruby Federal Com #300H-#302H



Log Scaling: GR(Gamma Ray): 0-150, RES(Resistivity): 0.2-20000 (log₁₀), POR(Porosity): 30 to -10%



Gun Barrel Development Plan

TBSG – SBSG - FBSG

Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

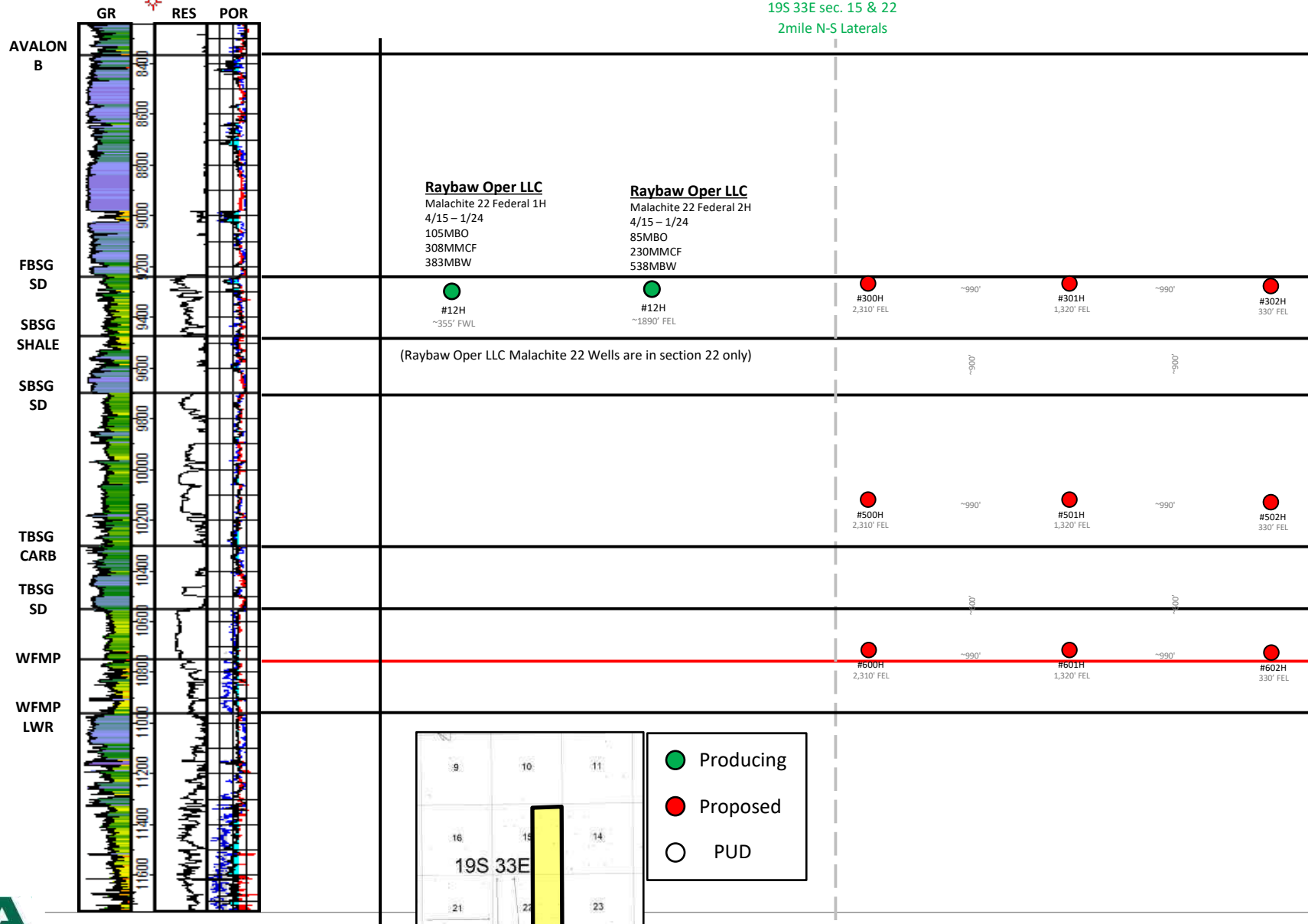
Exhibit B-6



AVANT OPERATING

RUBY FEDERAL COM
19S 33E sec. 15 & 22
2mile N-S Laterals

SAPPHIRE FEDERAL
300253031000000



● Producing
● Proposed
○ PUD

OCD Examiner Hearing 6-13-24
No. 24497

Second Bone Spring Structure Map (TVDS)

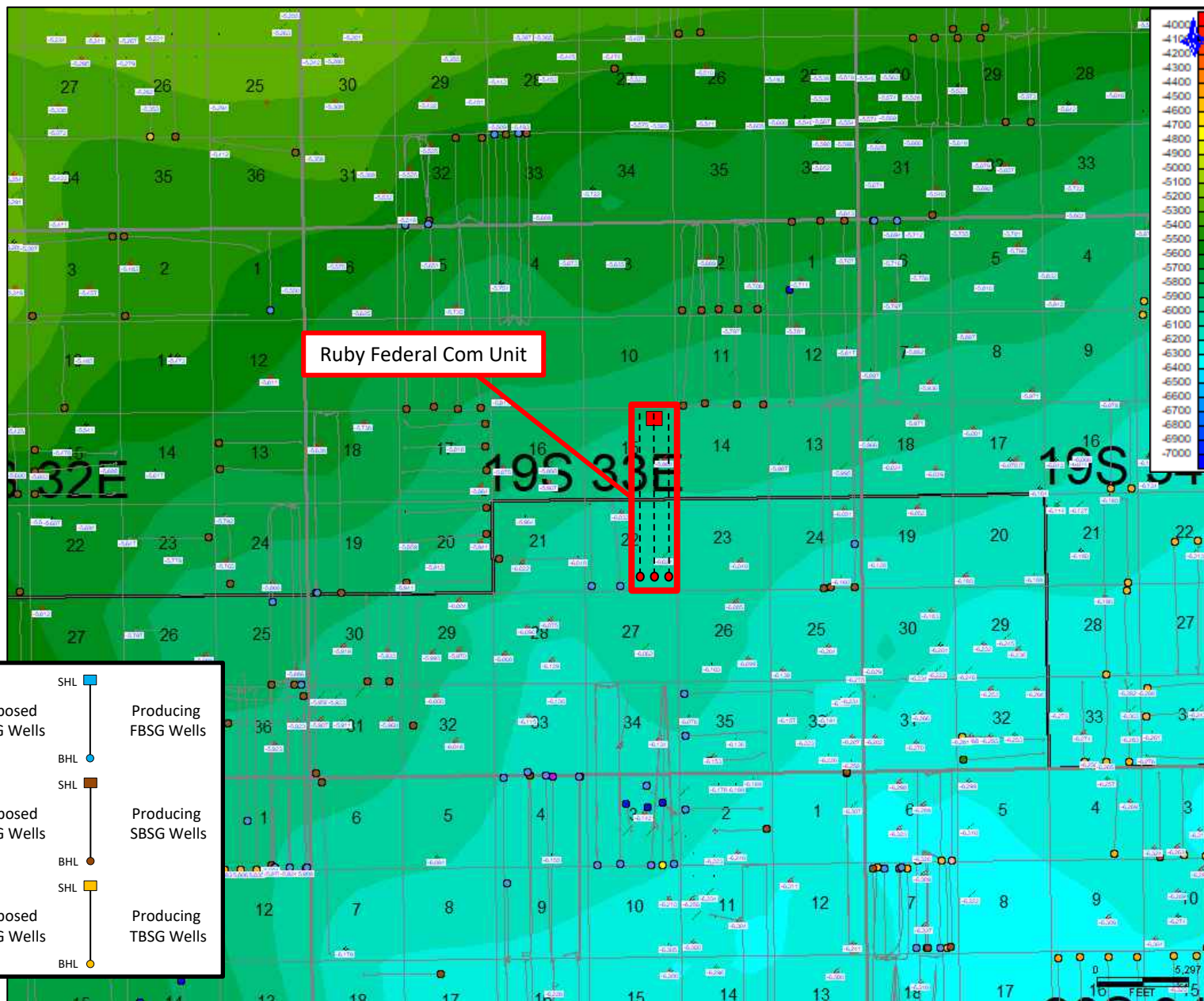
Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

Exhibit B-7



Cross-Section Locator Map (A-A')

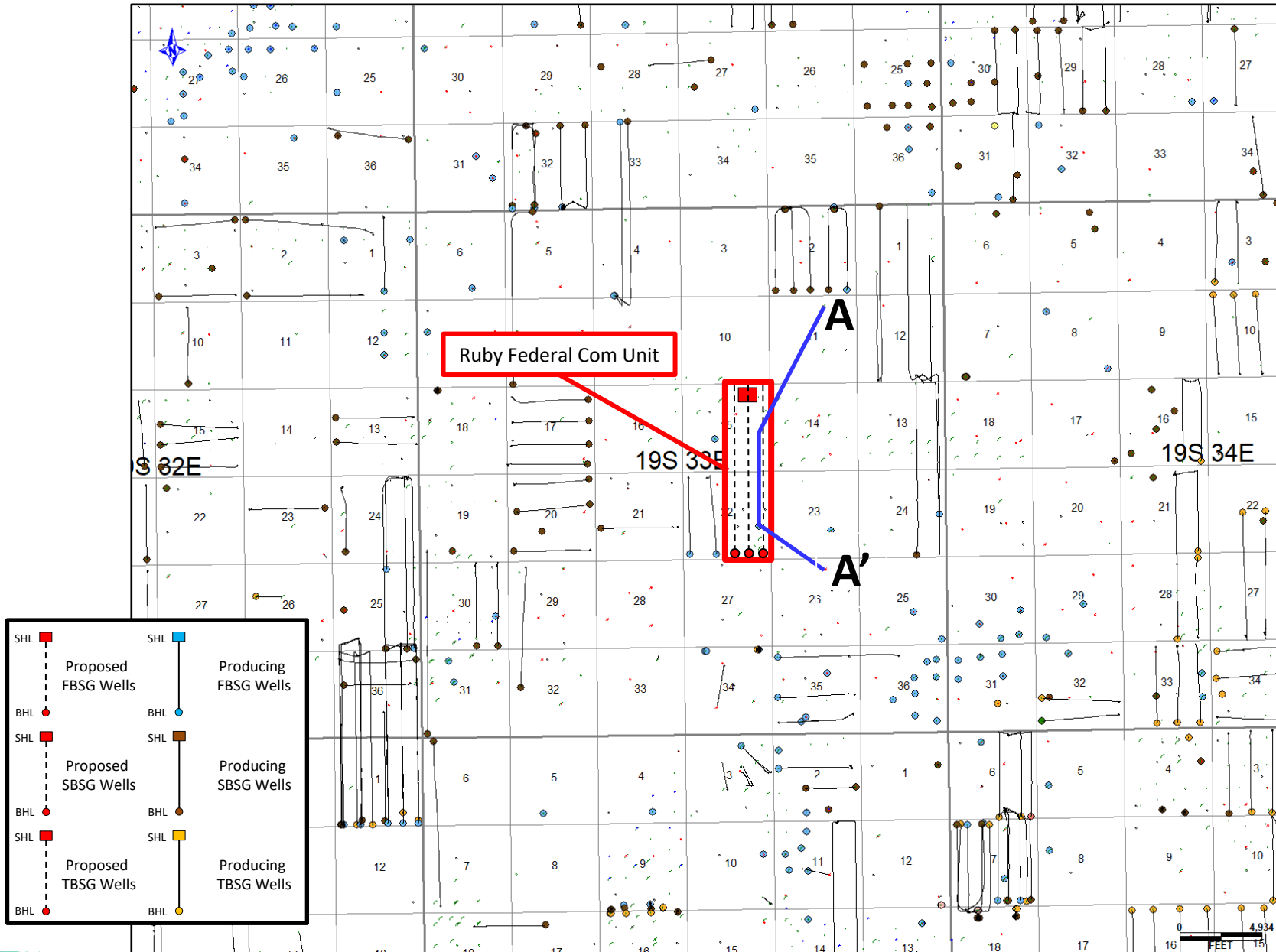
Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

Exhibit B-8



Stratigraphic Cross-Section A-A'

Ruby Federal Com #500H-#502H

Avant Operating, LLC

Case No. 24497

Exhibit B-9



A'
South

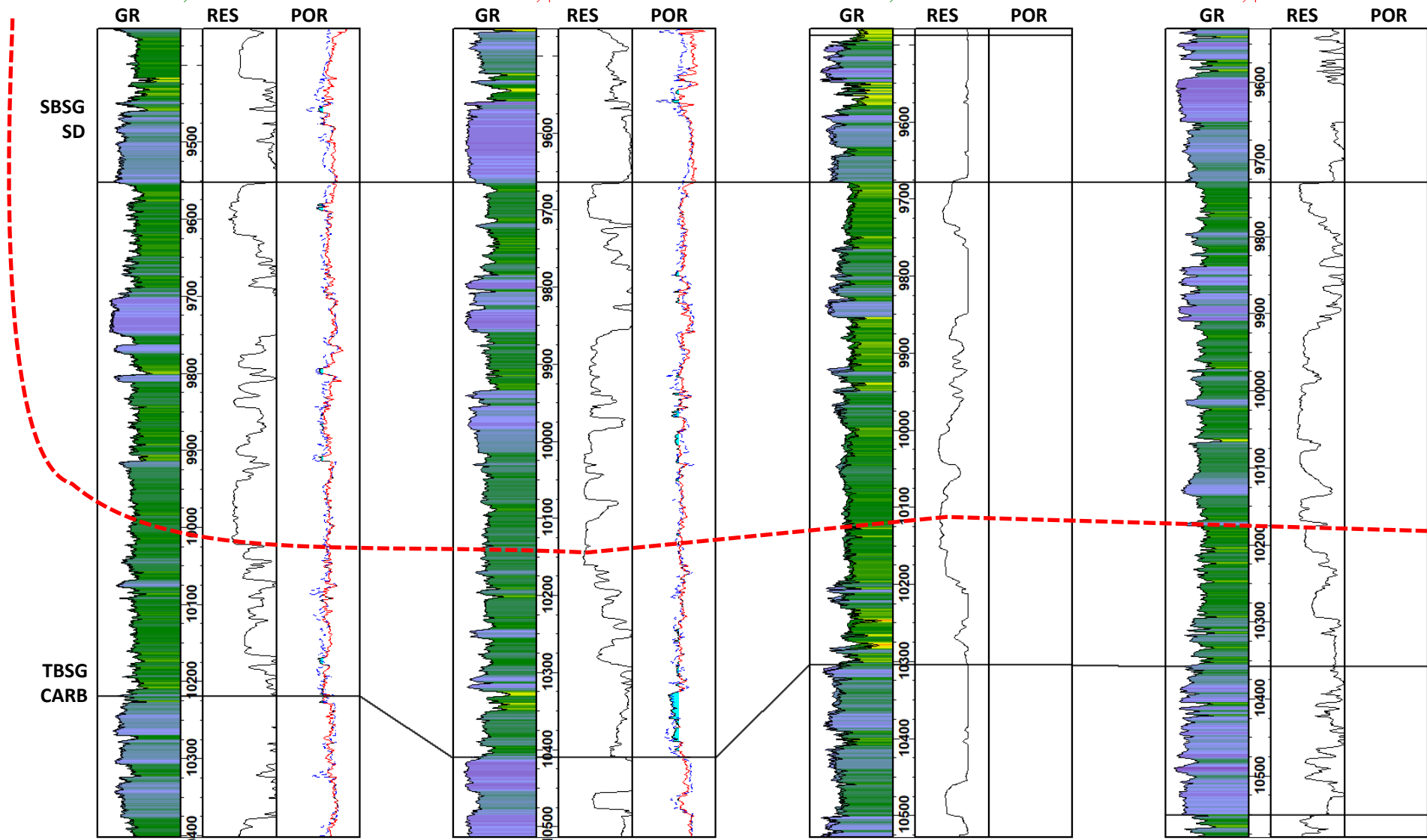
A
North

BUFFALO FEDERAL
30025301180000

WYNELL FEDERAL
30025305080000

LAGUNA PLATS-FED UN
30025016780000

LAGUNA DEEP UNIT FEDERAL
30025306950000



Ruby
Federal
Com
#500-
502H



Log Scaling: GR(Gamma Ray): 0-150, RES(Resistivity): 0.2-20000 (log₁₀), POR(Porosity): 30 to -10%

Gun Barrel Development Plan

TBSG – SBSG - FBSG

Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

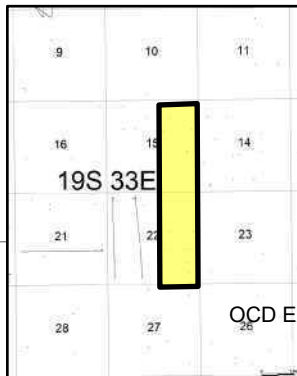
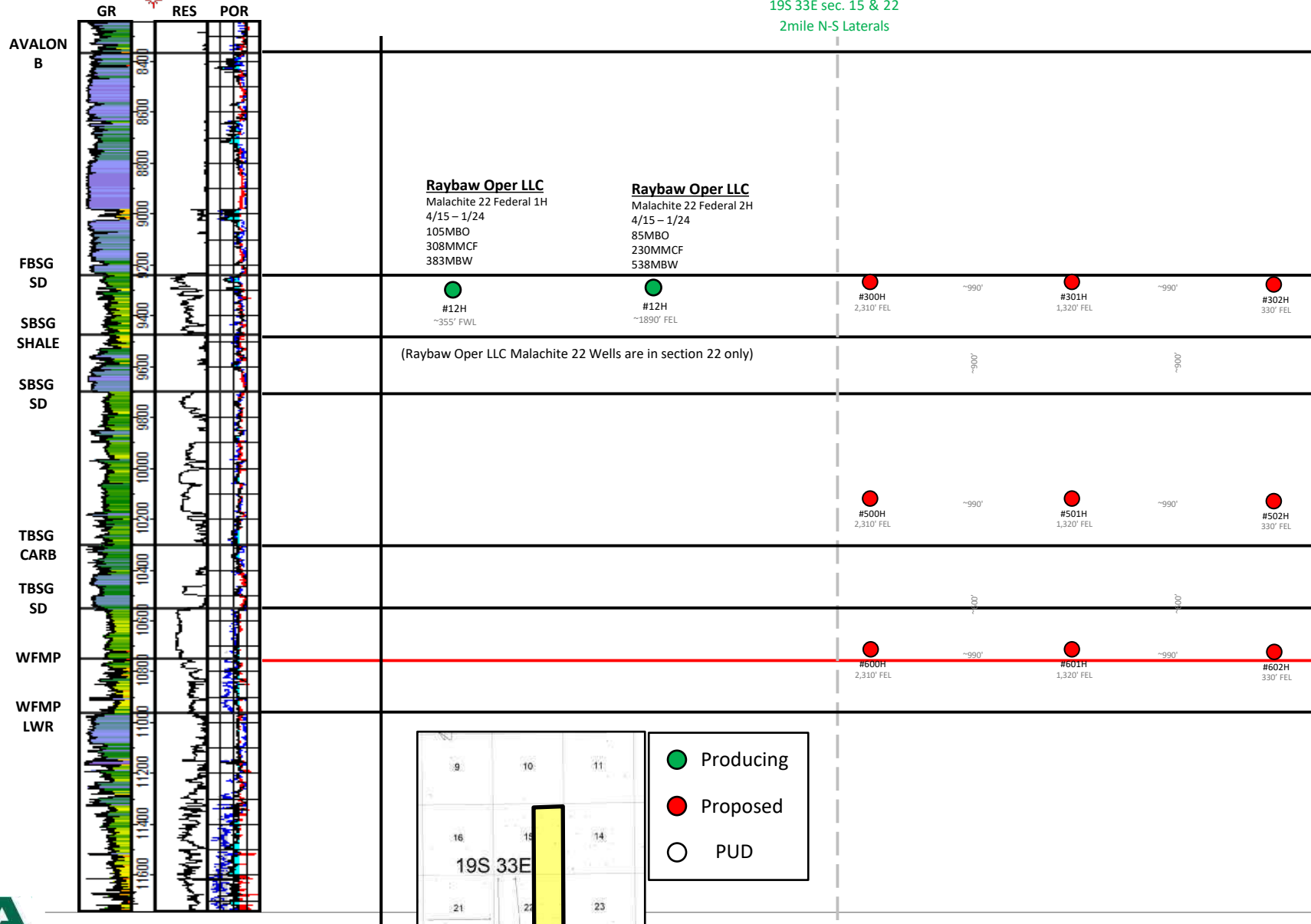
Exhibit B-10



AVANT OPERATING

RUBY FEDERAL COM
19S 33E sec. 15 & 22
2mile N-S Laterals

SAPPHIRE FEDERAL
300253031000000



- Producing
- Proposed
- PUD



Base of Bone Spring Structure Map (TVDSS')

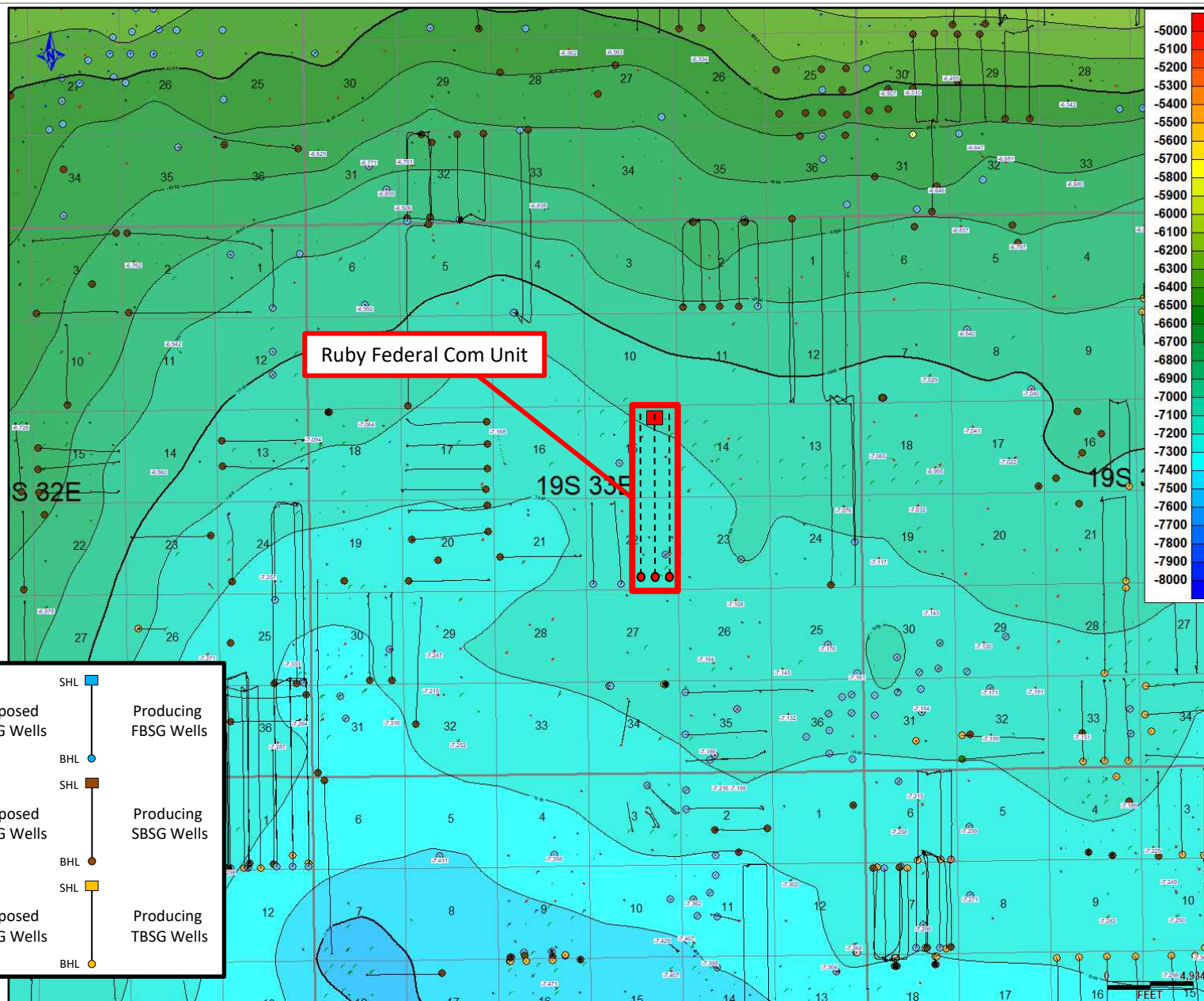
Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

Exhibit B-11



Ruby Federal Com Unit

SHL [Red Square]	Proposed FBSG Wells	SHL [Blue Square]	Producing FBSG Wells
BHL [Red Circle]		BHL [Blue Circle]	
SHL [Red Square]	Proposed SBSG Wells	SHL [Brown Square]	Producing SBSG Wells
BHL [Red Circle]		BHL [Brown Circle]	
SHL [Red Square]	Proposed TBSG Wells	SHL [Yellow Square]	Producing TBSG Wells
BHL [Red Circle]		BHL [Yellow Circle]	



Cross-Section Locator Map (A-A')

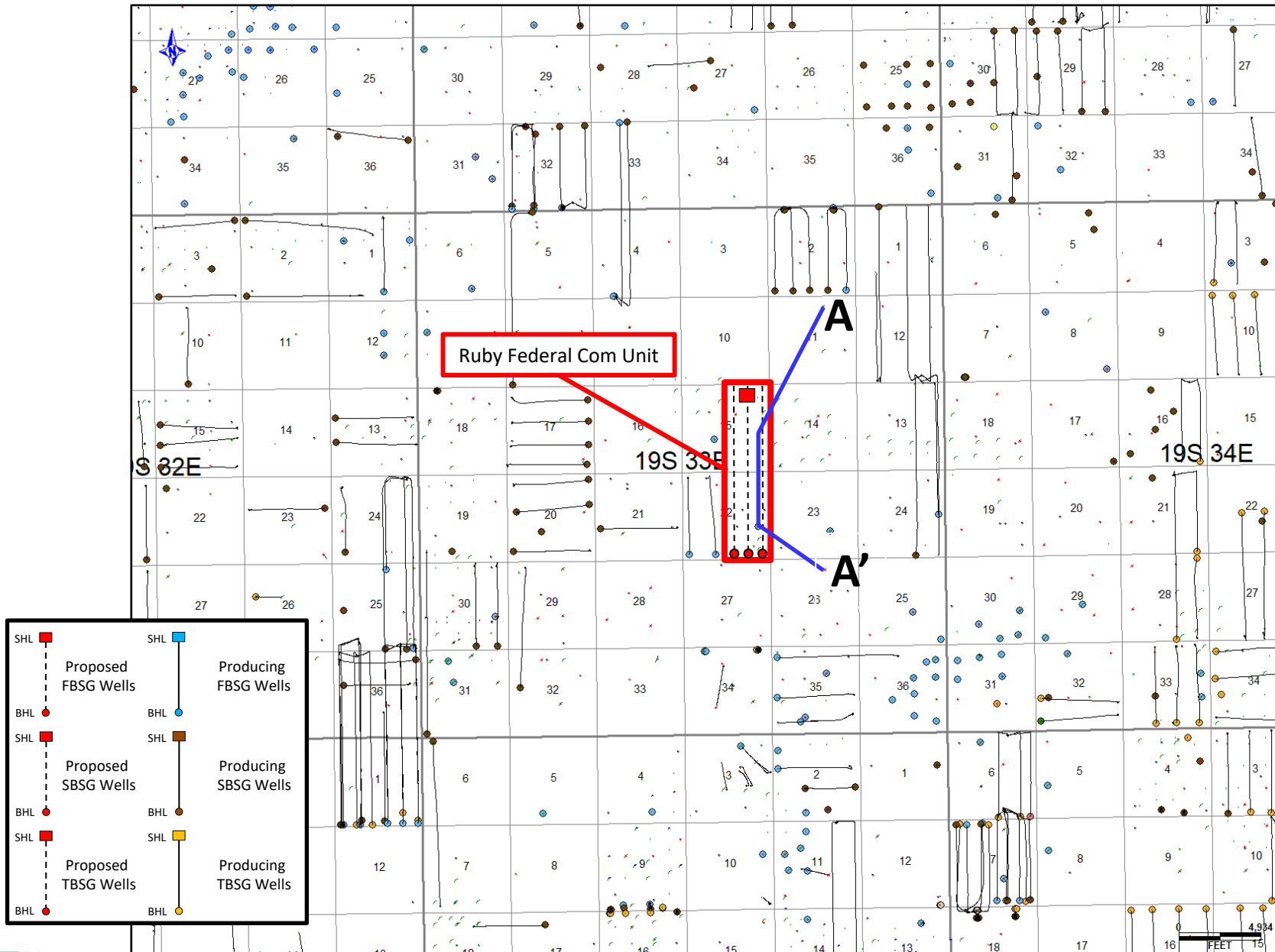
Ruby Federal Com

#300H-#302H / #500H-#502H / #600H-#602H

Avant Operating, LLC

Case No. 24497

Exhibit B-12



SHL	■	Proposed FBSG Wells	SHL	■	Producing FBSG Wells
BHL	●		BHL	●	
SHL	■	Proposed SBSG Wells	SHL	■	Producing SBSG Wells
BHL	●		BHL	●	
SHL	■	Proposed TBSG Wells	SHL	■	Producing TBSG Wells
BHL	●		BHL	●	



Stratigraphic Cross-Section A-A'

Ruby Federal Com #600H-#602H



A'
South

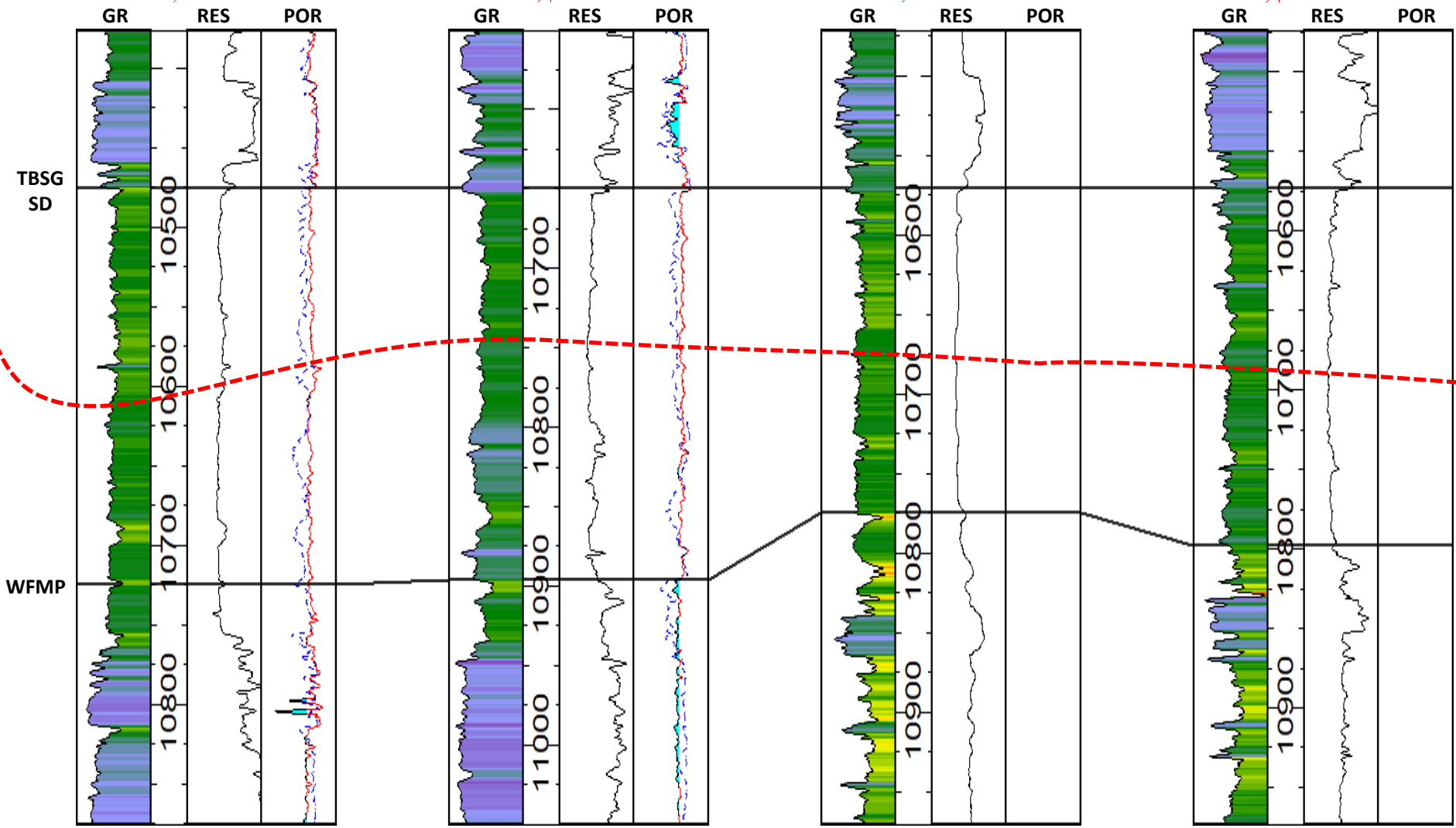
A
North

BUFFALO FEDERAL
30025301180000

WYNELL FEDERAL
30025305080000

LAGUNA PLATS-FED UN
30025016780000

LAGUNA DEEP UNIT FEDERAL
30025306950000



Ruby
Federal
Com
#600-
602H



Log Scaling: GR(Gamma Ray): 0-150, RES(Resistivity): 0.2-20000 (log₁₀), POR(Porosity): 30 to -10%

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

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

CASE NO. 24497

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 May 21, 2024, attached hereto, as Exhibit C-1.
- 2) Exhibit C-2 is the mailing list, which show the notice letter was delivered to the USPS for mailing on May 21, 2024.
- 3) Exhibit C-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 C-4 is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the June 13, 2024 hearing was published on May 23, 2024.
- 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: June 4, 2024



Deana M. Bennett

**Avant Operating, LLC
Case No. 24497
Exhibit C**

Avant Operating, LLC
Case No. 24497
Exhibit C-1



MODRALL SPERLING
LAWYERS

May 21, 2024

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

CASE NO. 24497

TO: AFFECTED PARTIES

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

In Case No. 24497, Avant seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22, and the **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby Federal Com #602H** wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22. The wells will be drilled at orthodox locations. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 24 miles west of Hobbs, New Mexico.

The hearing is set for June 13, 2024 beginning at 8:30 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the

Modrall Spierling
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

Page 2

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. 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 this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, 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 COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 24497

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, for an order pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 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 the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico to form a standard 640-acre, more or less, Bone Spring horizontal spacing unit.
3. Avant plans to drill the following wells:
 - a. **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22; and
 - b. **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby**

Federal Com #602H wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22.

4. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.

5. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

6. 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.

7. 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.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico;

B. Designating Avant as operator of this unit and the wells to be drilled thereon;

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

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

E. 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. 24497 : Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22, and the **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby Federal Com #602H** wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22. The wells will be drilled at orthodox locations. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 24 miles west of Hobbs, New Mexico.

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

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

CASE NO. 24497

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, for an order pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 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 the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico to form a standard 640-acre, more or less, Bone Spring horizontal spacing unit.
3. Avant plans to drill the following wells:
 - a. **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22; and
 - b. **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby**

Federal Com #602H wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22.

4. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.

5. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

6. 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.

7. 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.

WHEREFORE, Avant requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico;

B. Designating Avant as operator of this unit and the wells to be drilled thereon;

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

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

E. 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. 24497 : Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H** wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22, and the **Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby Federal Com #602H** wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22. The wells will be drilled at orthodox locations. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 24 miles west of Hobbs, New Mexico.

PS Form 3877

Type of Mailing: CERTIFIED MAIL
05/21/2024

Firm Mailing Book ID: 266439

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

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0121 4088 40	Cibolo Resources, LLC 3600 Bee Cave Rd., Suite 102 West Lake Hills TX 78746	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
2	9314 8699 0430 0121 4088 57	COG Operating LLC Attn: OBO Land 600 W. Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
3	9314 8699 0430 0121 4088 64	Daniel Brady Trustee of Daniel Brady Living Trust 518 Pier Ave., #7 Santa Monica CA 90405	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
4	9314 8699 0430 0121 4088 71	Erin E. Brady Trustee - Erin Brady Living Trust 4629 Clybourn Ave. Toluca Lake CA 91602	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
5	9314 8699 0430 0121 4088 88	Estate of Steven J. Marklin C/O Cibolo Royalties I, LLC 3600 Bee Cave Rd., Suite 102 West Lake Hills TX 78746	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
6	9314 8699 0430 0121 4088 95	Fasken Land and Minerals, Ltd. 6101 Holiday Hill Rd. Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
7	9314 8699 0430 0121 4089 01	Nancy Seaton Widener Trustee - Nancy Widener Living Trust 1834 Cinnabar Phoenix AZ 85020	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
8	9314 8699 0430 0121 4089 18	Nortex Corporation 3009 Post Oak Blvd., Suite 1212 Houston TX 77056	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
9	9314 8699 0430 0121 4089 25	Occidental Permian Limited Partnership 5 Greenway Plaza, Suite 110 Houston TX 77046	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
10	9314 8699 0430 0121 4089 32	Patrick Brady and Kimberly Brady Living Trust 330 Cherry Hill Ct. Thousand Oaks CA 91320	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
11	9314 8699 0430 0121 4089 49	Spencer Family Holdings, LLC 3379 S. Los Altos St. Millcreek UT 84109	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
12	9314 8699 0430 0121 4089 56	T.H. McElvain Oil & Gas LLLP 1819 Denver West Dr., Suite 260 Lakewood CO 80401	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
13	9314 8699 0430 0121 4089 63	Wills Royalty, Inc. PO Box 1358 Carlsbad NM 88220	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
14	9314 8699 0430 0121 4089 70	Wing Resources IV-B, LLC 2100 McKinney Ave., Suite 1540 Dallas TX 75201	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice

Released to Imaging: 6/6/2024 3:41:56 PM


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
05/21/2024

Firm Mailing Book ID: 266439

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
15	9314 8699 0430 0121 4089 87	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.63	\$4.40	\$2.32	\$0.00	10375.0005. Notice
Totals:			<u>\$24.45</u>	<u>\$66.00</u>	<u>\$34.80</u>	<u>\$0.00</u>	
Grand Total:						\$125.25	

List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
15	15		

Received by OCD: 6/6/2024 2:42:38 PM

Transaction Report Details - CertifiedPro.net
 Firm Mail Book ID= 266439
 Generated: 6/4/2024 10:43:50 AM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300121408987	2024-05-21 12:16 PM	10375.0005	United States of America	Bureau of Land Management	Santa Fe	NM	87508	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-23 11:34 AM
9314869904300121408970	2024-05-21 12:16 PM	10375.0005	Wing Resources IV-B, LLC		Dallas	TX	75201	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 9:27 AM
9314869904300121408963	2024-05-21 12:16 PM	10375.0005	Wills Royalty, Inc.		Carlsbad	NM	88220	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-28 9:50 AM
9314869904300121408956	2024-05-21 12:16 PM	10375.0005	T.H. McElvain Oil & Gas LLLP		Lakewood	CO	80401	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 12:29 PM
9314869904300121408949	2024-05-21 12:16 PM	10375.0005	Spencer Family Holdings, LLC		Millcreek	UT	84109	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 9:58 AM
9314869904300121408932	2024-05-21 12:16 PM	10375.0005	Patrick Brady and Kimberly Brady Living Trust		Thousand Oaks	CA	91320	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-25 12:35 PM
9314869904300121408925	2024-05-21 12:16 PM	10375.0005	Occidental Permian Limited Partnership		Houston	TX	77046	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300121408918	2024-05-21 12:16 PM	10375.0005	Nortex Corporation		Houston	TX	77056	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 1:28 PM
9314869904300121408901	2024-05-21 12:16 PM	10375.0005	Nancy Seaton Widener	Trustee - Nancy Widener Living Trust	Phoenix	AZ	85020	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 2:56 PM
9314869904300121408895	2024-05-21 12:16 PM	10375.0005	Fasken Land and Minerals, Ltd.		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 9:49 AM
9314869904300121408888	2024-05-21 12:16 PM	10375.0005	Estate of Steven J. Marklin	C/O Cibolo Royalties I, LLC	West Lake Hills	TX	78746	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300121408871	2024-05-21 12:16 PM	10375.0005	Erin E. Brady	Trustee - Erin Brady Living Trust	Toluca Lake	CA	91602	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-25 3:00 PM
9314869904300121408864	2024-05-21 12:16 PM	10375.0005	Daniel Brady	Trustee of Daniel Brady Living Trust	Santa Monica	CA	90405	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-25 10:29 AM
9314869904300121408857	2024-05-21 12:16 PM	10375.0005	COG Operating LLC	Attn: OBO Land	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-28 7:44 AM
9314869904300121408840	2024-05-21 12:16 PM	10375.0005	Cibolo Resources, LLC		West Lake Hills	TX	78746	Mailed	Return Receipt - Electronic, Certified Mail	

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
May 23, 2024
and ending with the issue dated
May 23, 2024.



Publisher

Sworn and subscribed to before me this
23rd day of May 2024.


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 May 23, 2024

CASE NO. 24497: Notice to all affected parties, as well as heirs and devisees of: Cibolo Resources, LLC; COG Operating LLC, Attn: OBO Land; Daniel Brady, Trustee of the Daniel Brady Living Trust; Erin E. Brady, Trustee of the Erin E. Brady Living Trust; Estate of Steven J. Marklin, c/o Cibolo Royalties I, LLC; Fasken Land and Minerals, Ltd.; Nancy Seaton Widener, Trustee of the Nancy Seaton Widener Living Trust; Nortex Corporation; Occidental Permian Limited Partnership; Patrick Brady and Kimberly Brady Living Trust; Spencer Family Holdings, LLC; T.H. McElvain Oil & Gas LLLP; Wills Royalty, Inc.; Wing Resources IV-B, LLC; United States of America Bureau of Land Management of the Application of Avant Operating, LLC for 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 8:30 a.m. on June 13, 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, Pecos 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 pooling all uncommitted interests within a standard 640-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 15 and 22, Township 19 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Ruby Federal Com #300H, Ruby Federal Com #500H, and Ruby Federal Com #600H wells with proposed first take points in the NW/4NE/4 (Unit B) of Section 15 and proposed last take points in the SW/4SE/4 (Unit O) of Section 22, and the Ruby Federal Com #301H, Ruby Federal Com #302H, Ruby Federal Com #501H, Ruby Federal Com #502H, Ruby Federal Com #601H, and Ruby Federal Com #602H wells with proposed first take points in the NE/4NE/4 (Unit A) of Section 15 and proposed last take points in the SE/4SE/4 (Unit P) of Section 22. The wells will be drilled at orthodox locations. The completed intervals for the Ruby Federal Com #301H, Ruby Federal Com #501H, and Ruby Federal Com #601H wells are expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 24 miles west of Hobbs, New Mexico.
#00290618

01104570

00290618

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

Avant Operating, LLC
Case No. 24497
Exhibit C-4