

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

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

CASE NO. 26331

NOTICE OF AMENDED EXHIBIT PACKET

Avant Operating II, LLC hereby submits this notice of amended exhibit packet, which includes the following revision to the exhibit packet:

- **Exhibit A:** Compulsory Pooling Checklist: Added pool and pool code.
- **Exhibit A:** C-102s: Added pool and pool code.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By: Deana M. Bennett

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**Compulsory Pooling Hearing- Case No. 26331
S2 of Section 12, All of Section 13
T18S-R34E (960-acre Unit, Penn (Cisco) Formation)**

Wells:

Cellini 12 13 State Com #811H
Cellini 12 13 State Com #812H
Cellini 12 13 State Com #813H
Cellini 12 13 State Com #821H
Cellini 12 13 State Com #822H
Cellini 12 13 State Com #823H
Cellini 12 13 State Com #824H

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CASE NO. 26331

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- Exhibit C-1: Mailing List of Interested Parties
- Exhibit C-1: Certified Mailing Tracking List
- Exhibit C-1: Affidavit of Publication for July 16, 2026

*Revised exhibits identified by italics.

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 26331	APPLICANT'S RESPONSE
Hearing Date:	September 3, 2026
Applicant	Avant Operating II, LLC
Designated Operator & OGRID (affiliation if applicable)	Avant Operating II, LLC (332947)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF AVANT OPERATING II, LLC FOR APPROVAL OF A NON-STANDARD UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Cellini 12 13 State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Cisco/Pennsylvanian
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Cisco
Pool Name and Pool Code:	WC-025 G-08 S183412L;CISCO (98419)
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	960
Building Blocks:	40
Orientation:	North-South
Description: TRS/County	S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	N: AO II seeks approval of a 960-acre non-standard spacing unit to allow efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.167(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	See 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: Cellini 12 13 State Com #811H	API No. Pending SHL: 2112' FSL & 1682' FWL, (Unit K), Section 12, T18S, R34E BHL: 100' FSL & 792' FWL, (Unit M), Section 13, T18S, R34E FTP: 2545' FSL & 792' FWL, Section 12, T18S, R34E LTP: 100' FSL & 792' FWL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx. 11,400' TVD) Orientation: North/South
Well #2: Cellini 12 13 State Com #812H	API No. Pending SHL: 2151' FSL & 1444' FEL, (Unit J), Section 12, T18S, R34E BHL: 100' FSL & 2310' FWL, (Unit N), Section 13, T18S, R34E FTP: 2546' FSL & 2310' FWL, Section 12, T18S, R34E LTP: 100' FSL & 2310' FWL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx. 11,400' TVD) Orientation: North/South
Well #3: Cellini 12 13 State Com #813H	API No. Pending SHL: 2151' FSL & 1404' FEL, (Unit J), Section 12, T18S, R34E BHL: 100' FSL & 1210' FEL, (Unit P), Section 13, T18S, R34E FTP: 2546' FSL & 1210' FEL, Section 12, T18S, R34E LTP: 100' FSL & 1210' FEL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx. 11,400' TVD) Orientation: North/South
Well #4: Cellini 12 13 State Com #821H	API No. Pending SHL: 2112' FSL & 1662' FWL, (Unit K), Section 12, T18S, R34E BHL: 100' FSL & 330' FWL, (Unit M), Section 13, T18S, R34E FTP: 2545' FSL & 330' FWL, Section 12, T18S, R34E LTP: 100' FSL & 330' FWL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx. 11,700' TVD) Orientation: North/South
Well #5: Cellini 12 13 State Com #822H	API No. Pending SHL: 2112' FSL & 1702' FWL, (Unit K), Section 12, T18S, R34E BHL: 100' FSL & 1254' FWL, (Unit M), Section 13, T18S, R34E FTP: 2545' FSL & 1254' FWL, Section 12, T18S, R34E LTP: 100' FSL & 1254' FWL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx.11,700' TVD) Orientation: North/South

Well #6: Cellini 12 13 State Com #823H	API No. Pending SHL: 2151' FSL & 1424' FEL, (Unit J), Section 12, T18S, R34E BHL: 100' FSL & 2090' FEL, (Unit O), Section 13, T18S, R34E FTP: 2546' FSL & 2090' FEL, Section 12, T18S, R34E LTP: 100' FSL & 2090' FEL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx. 11,700' TVD) Orientation: North/South
Well #7: Cellini 12 13 State Com #824H	API No. Pending SHL: 2151' FSL & 1384' FEL, (Unit J), Section 12, T18S, R34E BHL: 100' FSL & 330' FEL, (Unit P), Section 13, T18S, R34E FTP: 2546' FSL & 330' FEL, Section 12, T18S, R34E LTP: 100' FSL & 330' FEL, Section 13, T18S, R34E Completion Target: Cisco/Pennsylvanian (Approx. 11,700' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	Exhibit A.3
Completion Target (Formation, TVD and MD)	Exhibit A.6 (Proposal Letter)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$12,000. See Exhibit A.6 (Proposal Letter)
Production Supervision/Month \$	\$1,200. See Exhibit A. 6 (Proposal Letter)
Justification for Supervision Costs	See Exhibit A.2, Paragraph 19
Requested Risk Charge	200%. See Exhibit A.6 (Proposal Letter)
Notice of Hearing	
Proposed Notice of Hearing	Exhibits A.1; C
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C.2 & 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.	A.9
Pooled Parties (including ownership type)	Exhibit A.4/A.5
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/A.5
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
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Geology	
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	Exhibit B.2
Gunbarrel/Lateral Trajectory Schematic	
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Target Formation	Exhibit B.3
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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
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Structure Contour Map - Subsea Depth	Exhibit B.3
Cross Section Location Map (including wells)	Exhibit B.4
Cross Section (including Landing Zone)	Exhibit B.5
Additional Information	
Special Provisions/Stipulations	
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):	Deana M. Bennett
Date:	8/27/2026

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

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

CASE NO. 26331

APPLICATION

Avant Operating II, LLC (“AO II”), OGRID Number 332947, 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 (1) approving a non-standard spacing unit, and (2) pooling all uncommitted interests within a non-standard 960-acre, more or less Pennsylvanian (Cisco) horizontal spacing unit comprised of the S/2 Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. In support of this application, AO II states as follows:

1. AO II has an interest in the subject lands and has a right to drill and operate a well thereon.
2. AO II seeks to dedicate the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico to form a 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit in a Wildcat (Cisco) pool (the “Unit”).
3. AO II seeks approval of the 960-acre non-standard spacing unit to allow AO II to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing.
4. AO II seeks to dedicate the Unit to the following wells:
 - **Cellini 12 13 State Com #811H, Cellini 12 13 State Com #821H, and Cellini 12 13 State Com #822H** wells with proposed first take points in the NW/4

**EXHIBIT
A-1**

SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13;

- **Cellini 12 13 State Com #812H** well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13;
- **Cellini 12 13 State Com #823H** well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and
- **Cellini 12 13 State Com #813H and Cellini 12 13 State Com #824H** well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12, and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13.

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

6. AO II sought, but has been unable to obtain, a voluntary agreement from all interest owners in the 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 Unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

8. Approval of a non-standard spacing unit will allow AO II to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands and reduce surface disturbance.

WHEREFORE, AO II requests this application be set for hearing before an Examiner of the Oil Conservation Division on August 6, 2026, and after notice and hearing as required by law, the Division enter its order:

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

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Attorneys for Avant Operating II, LLC

CASE NO. 26331: Application of Avant Operating II, LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit and pooling all uncommitted interests in the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico in a Wildcat (Cisco) pool. This spacing unit will be dedicated to the following wells: **Cellini 12 13 State Com #811H, Cellini 12 13 State Com #821H, and Cellini 12 13 State Com #822H** wells with proposed first take points in the NW/4 SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13; **Cellini 12 13 State Com #812H** well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13; **Cellini 12 13 State Com #823H** well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and **Cellini 12 13 State Com #813H and Cellini 12 13 State Com #824H** well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12, and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating II, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles southwest of Lovington, New Mexico.

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AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26331

SELF-AFFIRMED STATEMENT OF SOPHIA GUERRA

Sophia Guerra hereby states and declares as follows:

1. I am over the age of 18, I am a senior landman for Avant Operating II, LLC ("AO II") 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 AO II includes the area Lea County in New Mexico.

4. I am familiar with the application filed by AO II 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. In this case, AO II seeks an order (1) approving a non-standard unit, and (2) pooling all uncommitted interests within a non-standard 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit comprised of the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico in a Wildcat (Cisco) pool.

8. AO II seeks approval of a 960-acre non-standard spacing unit to allow efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and

**EXHIBIT
A-2**

promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.167(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

9. AO II seeks to dedicate the unit to the following wells:

- **Cellini 12 13 State Com #811H, Cellini 12 13 State Com #821H, and Cellini 12 13 State Com #822H** wells with proposed first take points in the NW/4 SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13;
- **Cellini 12 13 State Com #812H** well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13;
- **Cellini 12 13 State Com #823H** well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and
- **Cellini 12 13 State Com #813H and Cellini 12 13 State Com #824H** well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12, and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13.

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

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.

13. The wells will be in a Wildcat (Cisco) pool, which AO II understands has not yet been defined.

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

15. There are no depth severances within the proposed spacing unit.

16. **Exhibit A-4** includes lease tract maps outlining the unit being pooled. Exhibit A-4 is a unit recapitulation with the working interest owners to be pooled highlighted in yellow.

17. **Exhibit A-5** is a list of the overriding royalty owners to be pooled.

18. **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.

19. AO II requests overhead and administrative rates of \$12,000.00/month for drilling a well and \$1,200.00/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. AO II requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

20. AO II requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

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

22. In my opinion, AO II 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**.

23. AO II requests that it be designated operator of the wells.

24. AO II seeks to pool overriding royalty interest owners, and they were also provided notice of this hearing.

25. The parties AO II is seeking to pool were notified of this hearing. **Exhibit A-8** identifies the owners in the proposed unit, whether they are committed or uncommitted, and, if uncommitted, the date notice was provided.

26. **Exhibit A-9** includes a tract map showing the location of the wells within AO II's proposed non-standard unit along with the pool name and pool code for each well. Exhibit A-9 also includes a map comparing standard units to the proposed non-standard unit scenario.

27. AO II also provided notice to offset affected parties for purposes of the non-standard unit application.

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

29. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

30. I attest under penalty of perjury 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 and I will adopt this testimony at the hearing in this matter.

[Signature Page Follows]

8/25/26

Date


Sophia Guerra

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	☒ Initial Submittal
			☐ Amended Report
			☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #811H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3999'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	12	18 S	34 E		2112' FSL	1682' FWL	32.760900°	-103.516978°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	13	18 S	34 E		100' FSL	792' FWL	32.740819°	-103.519839°	LEA

Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
K	12	18 S	34 E		2112' FSL	1682' FWL	32.760900°	-103.516978°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
L	12	18 S	34 E		2545' FSL	792' FWL	32.762073°	-103.519877°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	13	18 S	34 E		100' FSL	792' FWL	32.740819°	-103.519839°	LEA

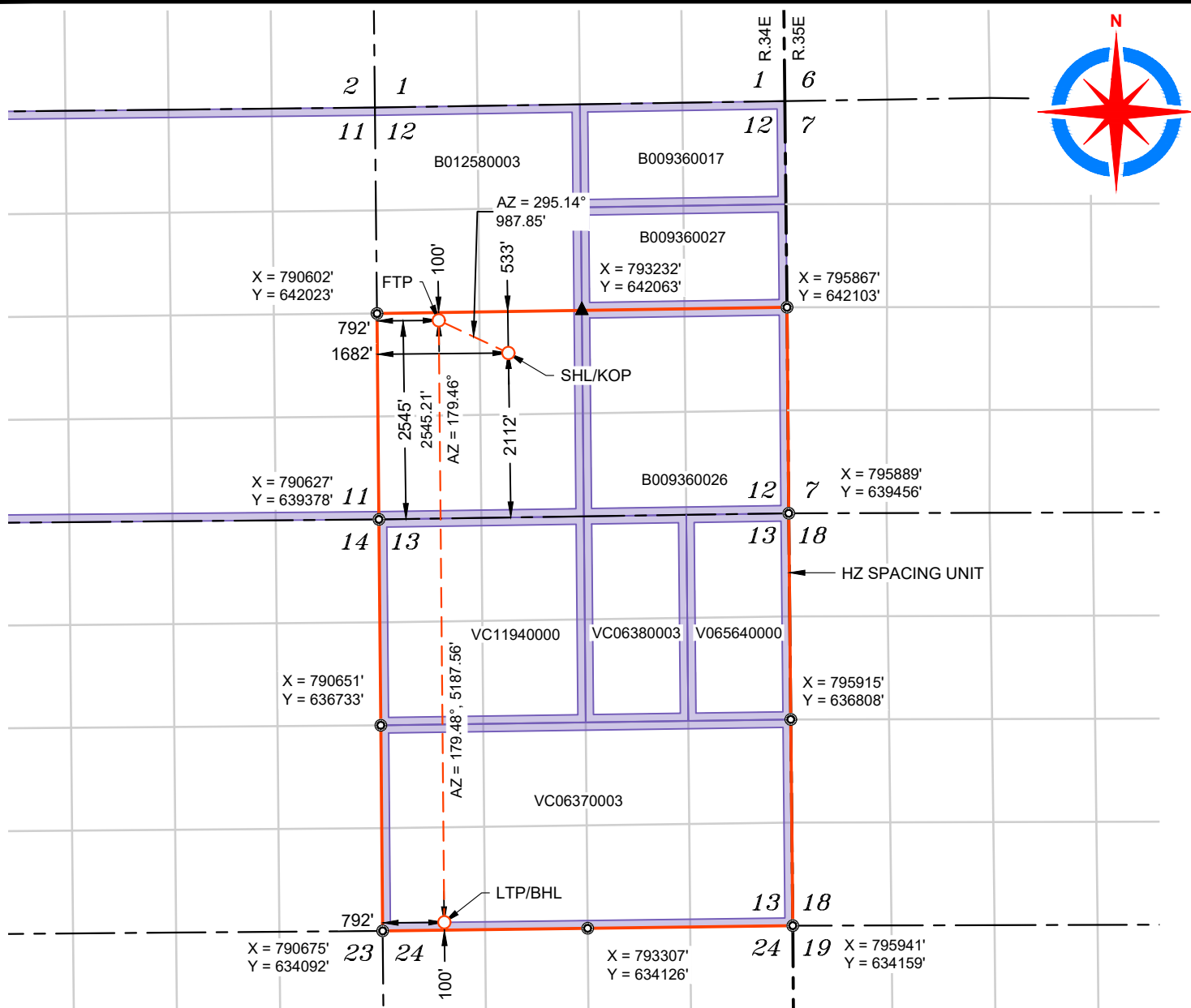
Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3999'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>   24 June 2026	
Signature	Date	Signature and Seal of Professional Surveyor	
		21209 JUNE 16, 2026	
Printed Name		Certificate Number	Date of Survey
Email Address			

Note: 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.

EXHIBIT

A-3



(SHL/KOP) 2112' FSL & 1682' FWL
 NEW MEXICO EAST - NAD 83
 X=792289.18 LAT.= 32.760900°
 Y=641514.94 LONG.= -103.516978°
 NEW MEXICO EAST - NAD 27
 X=751110.01 LAT.= 32.760776°
 Y=641450.08 LONG.= -103.516482°

(FTP) 2545' FSL & 792' FWL
 NEW MEXICO EAST - NAD 83
 X=791394.90 LAT.= 32.762073°
 Y=641934.61 LONG.= -103.519877°
 NEW MEXICO EAST - NAD 27
 X=750215.75 LAT.= 32.761949°
 Y=641869.76 LONG.= -103.519381°

(LTP/BHL) 100' FSL & 792' FWL
 NEW MEXICO EAST - NAD 83
 X=791465.96 LAT.= 32.740819°
 Y=634202.18 LONG.= -103.519839°
 NEW MEXICO EAST - NAD 27
 X=750286.61 LAT.= 32.740695°
 Y=634137.51 LONG.= -103.519343°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B012580003	2545.21'
VC11940000	2645.40'
VC06370003	2542.15'
TOTAL	7732.76'

WELL NAME: CELLINI 12 13 STATE COM #811H ELEVATION: 3999'

NOTES:

- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID(U.S. SURVEY FEET), BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
- THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JUNE, 2026. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENTATION OF DEEDS PROVIDED BY THE CLIENT.
- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND-SURVEY.

LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
- TOWNSHIP BOUNDARY
- STATE OIL & GAS LEASE
- BLM OIL & GAS LEASE
- ▲ CALCULATED POINT
- FOUND MONUMENT
- SET MONUMENT
- FOUND FENCE POST
- SHL / KOP / FTP / PPP / LTP / BHL

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 San Antonio, TX 78249
 Phone: 726-777-4240

0' 1000' 2000'
 SCALE: 1" = 2000'

DRAWN BY: JW

DATE: 06/16/2026

REV.

CHECKED BY: JH

DATE: 06/16/2026

0

PROJECT # 26-03-6509

SHEET 2 OF 2

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
	Submittal Type:	☒ Initial Submittal ☐ Amended Report ☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #812H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3983'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL J	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2151' FSL	Ft. from E/W 1444' FEL	Latitude 32.761050°	Longitude -103.510022°	County LEA
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Bottom Hole Location

UL N	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 2310' FWL	Latitude 32.740840°	Longitude -103.514902°	County LEA
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Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL J	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2151' FSL	Ft. from E/W 1444' FEL	Latitude 32.761050°	Longitude -103.510022°	County LEA
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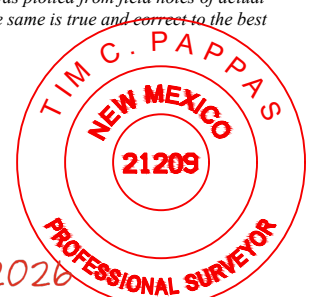
First Take Point (FTP)

UL K	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2546' FSL	Ft. from E/W 2310' FWL	Latitude 32.762104°	Longitude -103.514939°	County LEA
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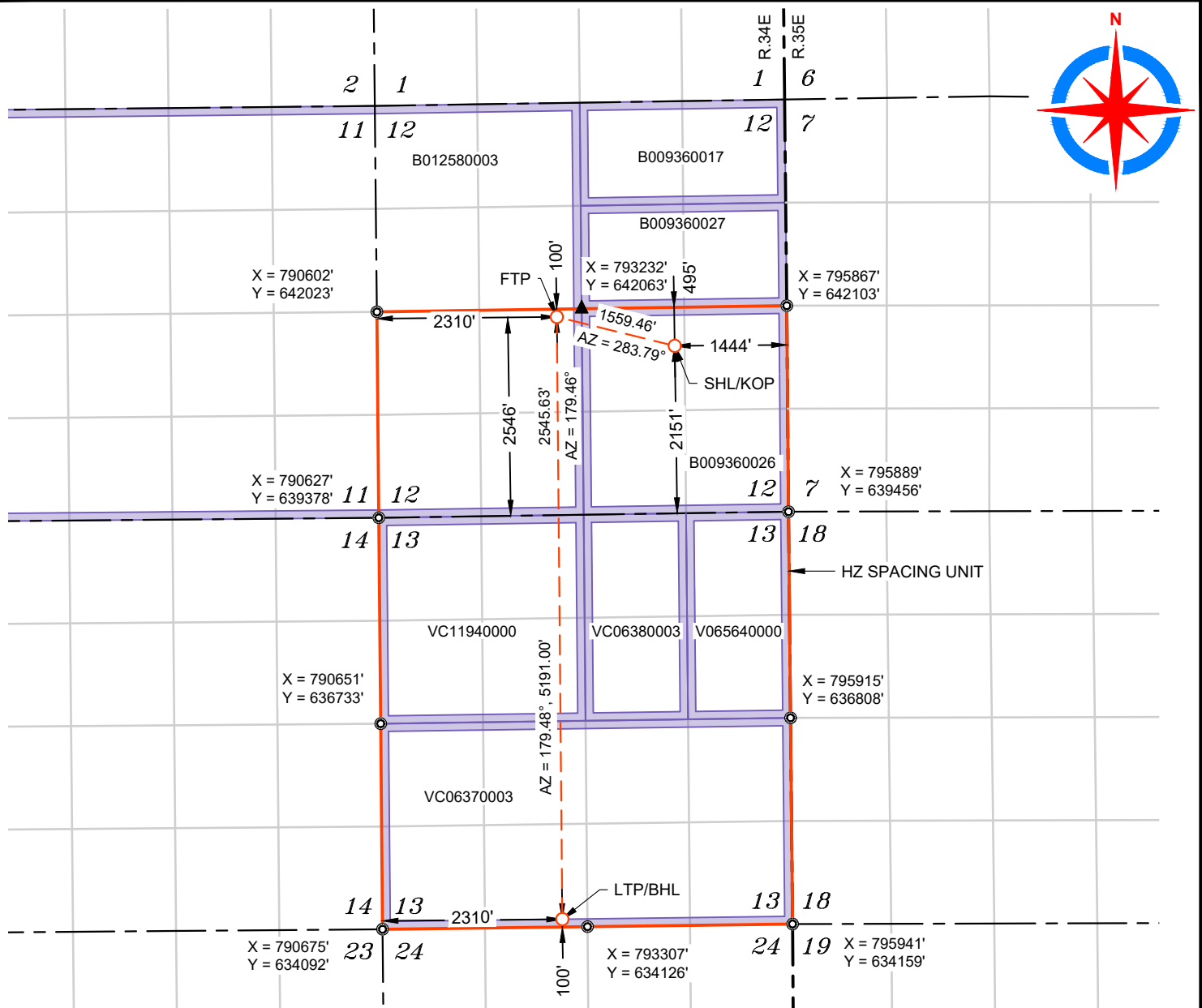
Last Take Point (LTP)

UL N	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 2310' FWL	Latitude 32.740840°	Longitude -103.514902°	County LEA
----------------	----------------------	-------------------------	----------------------	-----	---------------------------------	----------------------------------	-------------------------------	----------------------------------	----------------------

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3983'
---	--	---

OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor 	
Printed Name _____		Certificate Number	Date of Survey
Email Address _____			

Note: 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.



(SHL/KOP) 2151' FSL & 1444' FEL
 NEW MEXICO EAST - NAD 83
 X=794427.27 LAT.= 32.761050°
 Y=641586.10 LONG.= -103.510022°
 NEW MEXICO EAST - NAD 27
 X=753248.09 LAT.= 32.760926°
 Y=641521.21 LONG.= -103.509526°

(FTP) 2546' FSL & 2310' FWL
 NEW MEXICO EAST - NAD 83
 X=792912.75 LAT.= 32.762104°
 Y=641957.75 LONG.= -103.514939°
 NEW MEXICO EAST - NAD 27
 X=751733.59 LAT.= 32.761980°
 Y=641892.87 LONG.= -103.514443°

(LTP/BHL) 100' FSL & 2310' FWL
 NEW MEXICO EAST - NAD 83
 X=792983.85 LAT.= 32.740840°
 Y=634221.44 LONG.= -103.514902°
 NEW MEXICO EAST - NAD 27
 X=751804.49 LAT.= 32.740716°
 Y=634156.76 LONG.= -103.514407°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B012580003	2545.63'
VC11940000	2646.50'
VC06370003	2544.50'
TOTAL	7736.63'

WELL NAME: CELLINI 12 13 STATE COM #812H ELEVATION: 3983'

NOTES:

- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID(U.S. SURVEY FEET), BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
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- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND-SURVEY.

LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
- TOWNSHIP BOUNDARY
- STATE OIL & GAS LEASE
- BLM OIL & GAS LEASE
- ▲ CALCULATED POINT
- FOUND MONUMENT
- SET MONUMENT
- FOUND FENCE POST
- SHL / KOP / FTP / PPP / LTP / BHL

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0' 1000' 2000'
 SCALE: 1" = 2000'

DRAWN BY: JW	DATE: 06/16/2026	REV. 0
CHECKED BY: JH	DATE: 06/16/2026	
PROJECT # 26-03-6509		SHEET 2 OF 2

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
	Submittal Type:	☒ Initial Submittal ☐ Amended Report ☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #813H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3983'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL J	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2151' FSL	Ft. from E/W 1404' FEL	Latitude 32.761050°	Longitude -103.509892°	County LEA
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Bottom Hole Location

UL P	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 1210' FEL	Latitude 32.740865°	Longitude -103.509223°	County LEA
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Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL J	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2151' FSL	Ft. from E/W 1404' FEL	Latitude 32.761050°	Longitude -103.509892°	County LEA
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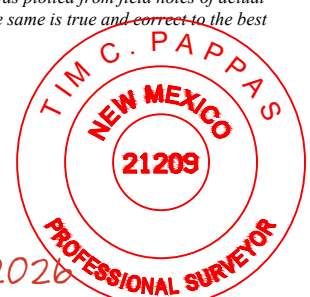
First Take Point (FTP)

UL I	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2546' FSL	Ft. from E/W 1210' FEL	Latitude 32.762140°	Longitude -103.509262°	County LEA
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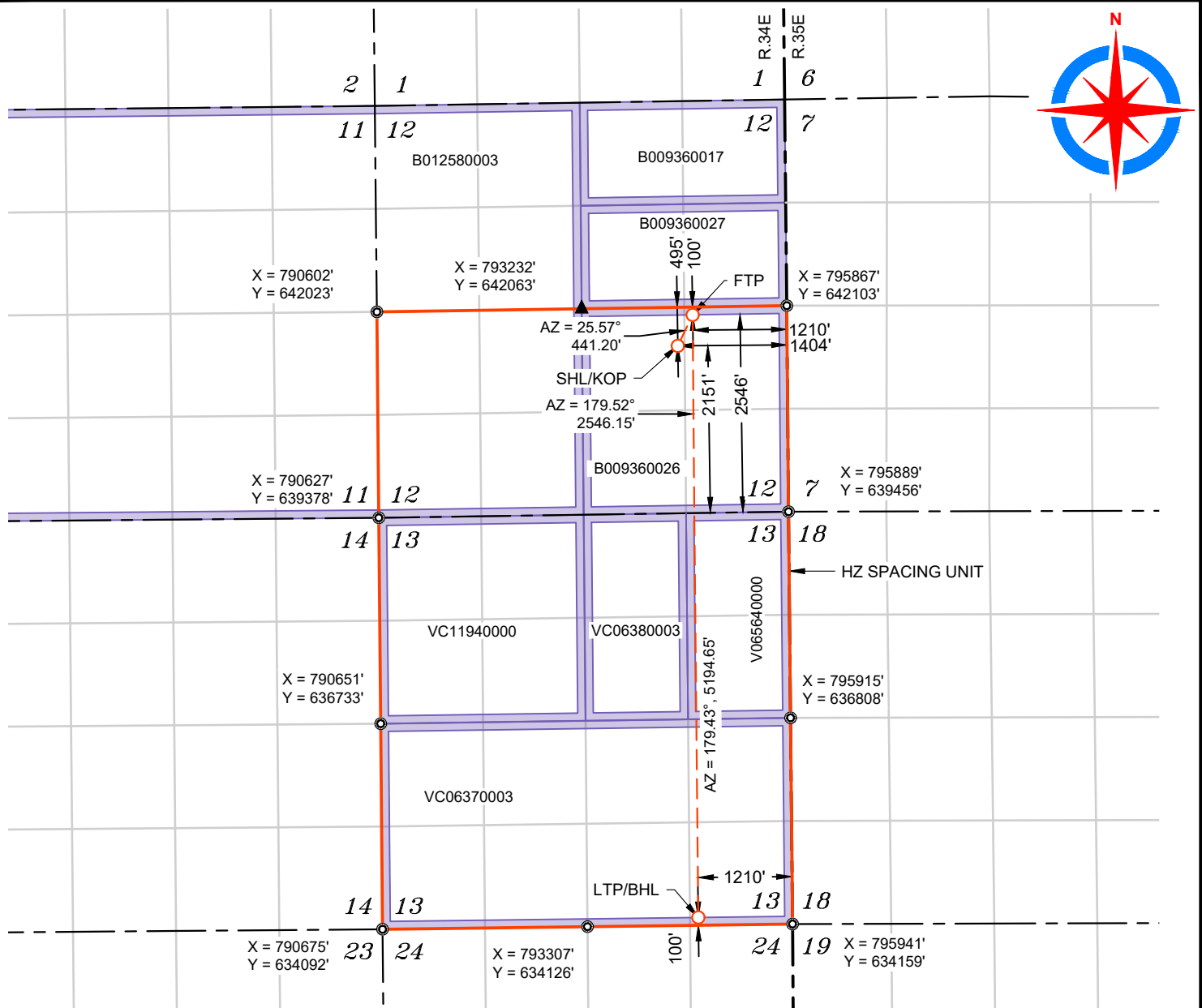
Last Take Point (LTP)

UL P	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 1210' FEL	Latitude 32.740865°	Longitude -103.509223°	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3983'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor 	
Printed Name _____		21209 JUNE 16, 2026	
Email Address _____		Certificate Number	Date of Survey

Note: 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.



(SHL/KOP) 2151' FSL & 1404' FEL
 NEW MEXICO EAST - NAD 83
 X=794467.27 LAT.= 32.761050°
 Y=641586.34 LONG.= -103.509892°
 NEW MEXICO EAST - NAD 27
 X=753288.09 LAT.= 32.760926°
 Y=641521.44 LONG.= -103.509396°

(FTP) 2546' FSL & 1210' FEL
 NEW MEXICO EAST - NAD 83
 X=794657.67 LAT.= 32.762140°
 Y=641984.34 LONG.= -103.509262°
 NEW MEXICO EAST - NAD 27
 X=753478.49 LAT.= 32.762016°
 Y=641919.43 LONG.= -103.508767°

(LTP/BHL) 100' FSL & 1210' FEL
 NEW MEXICO EAST - NAD 83
 X=794730.16 LAT.= 32.740865°
 Y=634243.88 LONG.= -103.509223°
 NEW MEXICO EAST - NAD 27
 X=753550.79 LAT.= 32.740741°
 Y=634179.17 LONG.= -103.508727°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B009360026	2546.15'
V065640000	2647.72'
VC06370003	2546.93'
TOTAL	7740.80'

WELL NAME: CELLINI 12 13 STATE COM #813H ELEVATION: 3983'

NOTES:

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LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
- TOWNSHIP BOUNDARY
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0' 1000' 2000'
 SCALE: 1" = 2000'

DRAWN BY: SR	DATE: 06/16/2026	REV. 0
CHECKED BY: JW	DATE: 06/16/2026	
PROJECT # 26-03-6509		SHEET 2 OF 2

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
	Submittal Type:	☒ Initial Submittal ☐ Amended Report ☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #821H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3999'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL K	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2112' FSL	Ft. from E/W 1662' FWL	Latitude 32.760900°	Longitude -103.517044°	County LEA
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Bottom Hole Location

UL M	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 330' FWL	Latitude 32.740813°	Longitude -103.521341°	County LEA
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Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL K	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2112' FSL	Ft. from E/W 1662' FWL	Latitude 32.760900°	Longitude -103.517044°	County LEA
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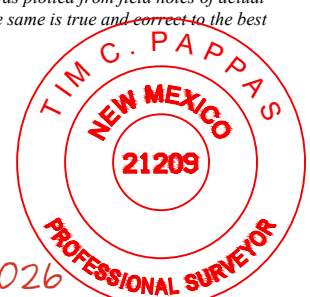
First Take Point (FTP)

UL L	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2545' FSL	Ft. from E/W 330' FWL	Latitude 32.762063°	Longitude -103.521380°	County LEA
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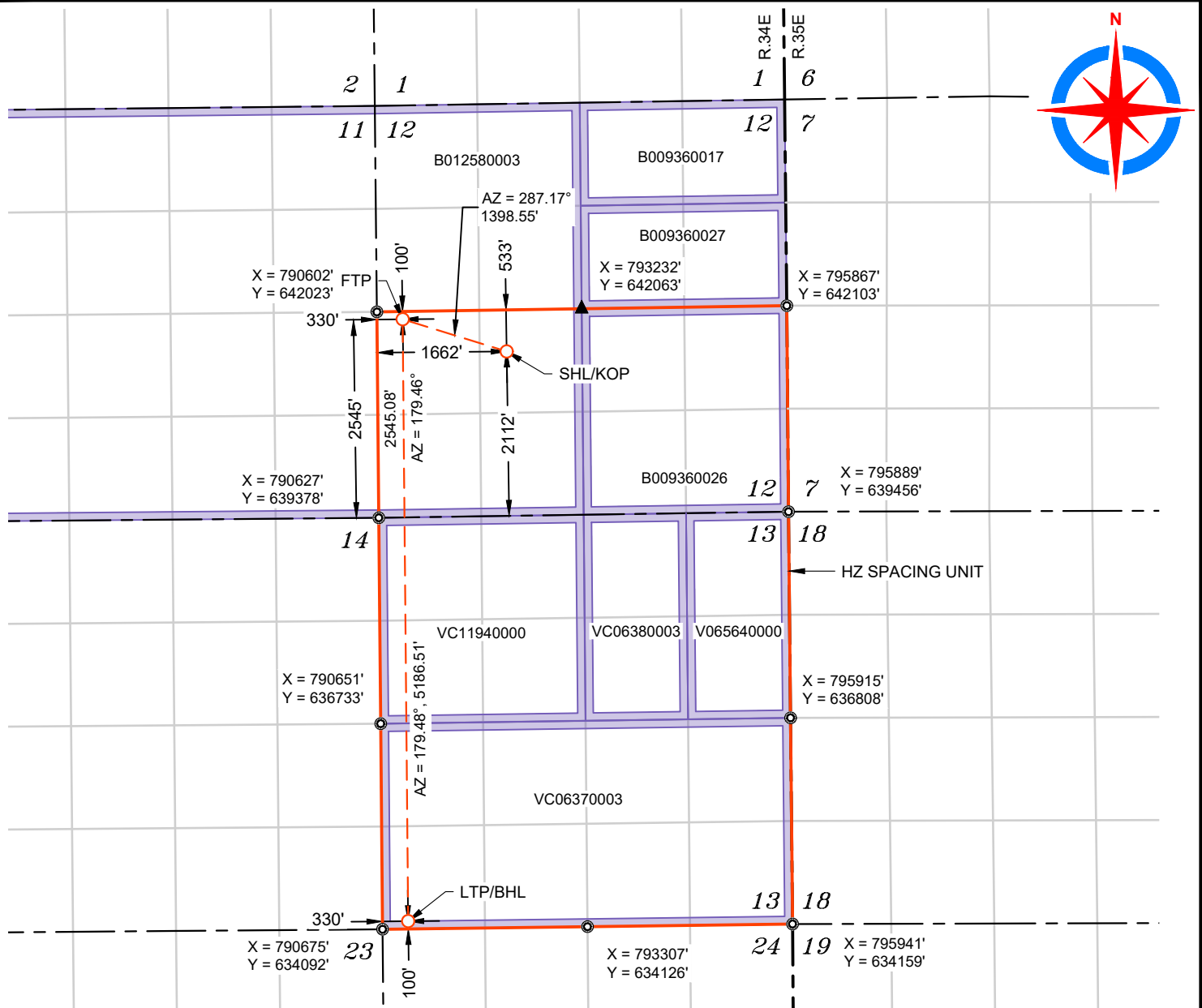
Last Take Point (LTP)

UL M	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 330' FWL	Latitude 32.740813°	Longitude -103.521341°	County LEA
----------------	----------------------	-------------------------	----------------------	-----	---------------------------------	---------------------------------	-------------------------------	----------------------------------	----------------------

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3999'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor 	
Printed Name _____		Certificate Number	Date of Survey
Email Address _____			

Note: 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.



(SHL/KOP) 2112' FSL & 1662' FWL
NEW MEXICO EAST - NAD 83
X=792269.18 LAT.= 32.760900°
Y=641514.73 LONG.= -103.517044°
NEW MEXICO EAST - NAD 27
X=751090.01 LAT.= 32.760776°
Y=641449.87 LONG.= -103.516547°

(FTP) 2545' FSL & 330' FWL
NEW MEXICO EAST - NAD 83
X=790932.95 LAT.= 32.762063°
Y=641927.57 LONG.= -103.521380°
NEW MEXICO EAST - NAD 27
X=749753.80 LAT.= 32.761939°
Y=641862.73 LONG.= -103.520883°

(LTP/BHL) 100' FSL & 330' FWL
NEW MEXICO EAST - NAD 83
X=791003.99 LAT.= 32.740813°
Y=634196.31 LONG.= -103.521341°
NEW MEXICO EAST - NAD 27
X=749824.65 LAT.= 32.740689°
Y=634131.65 LONG.= -103.520846°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B012580003	2545.08'
VC11940000	2645.07'
VC06370003	2541.44'
TOTAL	7731.59'

WELL NAME: CELLINI 12 13 STATE COM #821H ELEVATION: 3999'

NOTES:

- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID(U.S. SURVEY FEET), BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
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LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
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- STATE OIL & GAS LEASE
- BLM OIL & GAS LEASE
- ▲ CALCULATED POINT
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0' 1000' 2000'
SCALE: 1" = 2000'

DRAWN BY: JW	DATE: 06/15/2026	REV. 0
CHECKED BY: JH	DATE: 06/15/2026	
PROJECT # 26-03-6509		SHEET 2 OF 2

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	☒ Initial Submittal
				☐ Amended Report
		☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #822H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3999'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL K	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2112' FSL	Ft. from E/W 1702' FWL	Latitude 32.760900°	Longitude -103.516913°	County LEA
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Bottom Hole Location

UL M	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 1254' FWL	Latitude 32.740826°	Longitude -103.518336°	County LEA
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Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL K	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2112' FSL	Ft. from E/W 1702' FWL	Latitude 32.760900°	Longitude -103.516913°	County LEA
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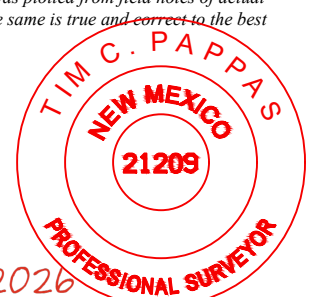
First Take Point (FTP)

UL L	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2545' FSL	Ft. from E/W 1254' FWL	Latitude 32.762082°	Longitude -103.518374°	County LEA
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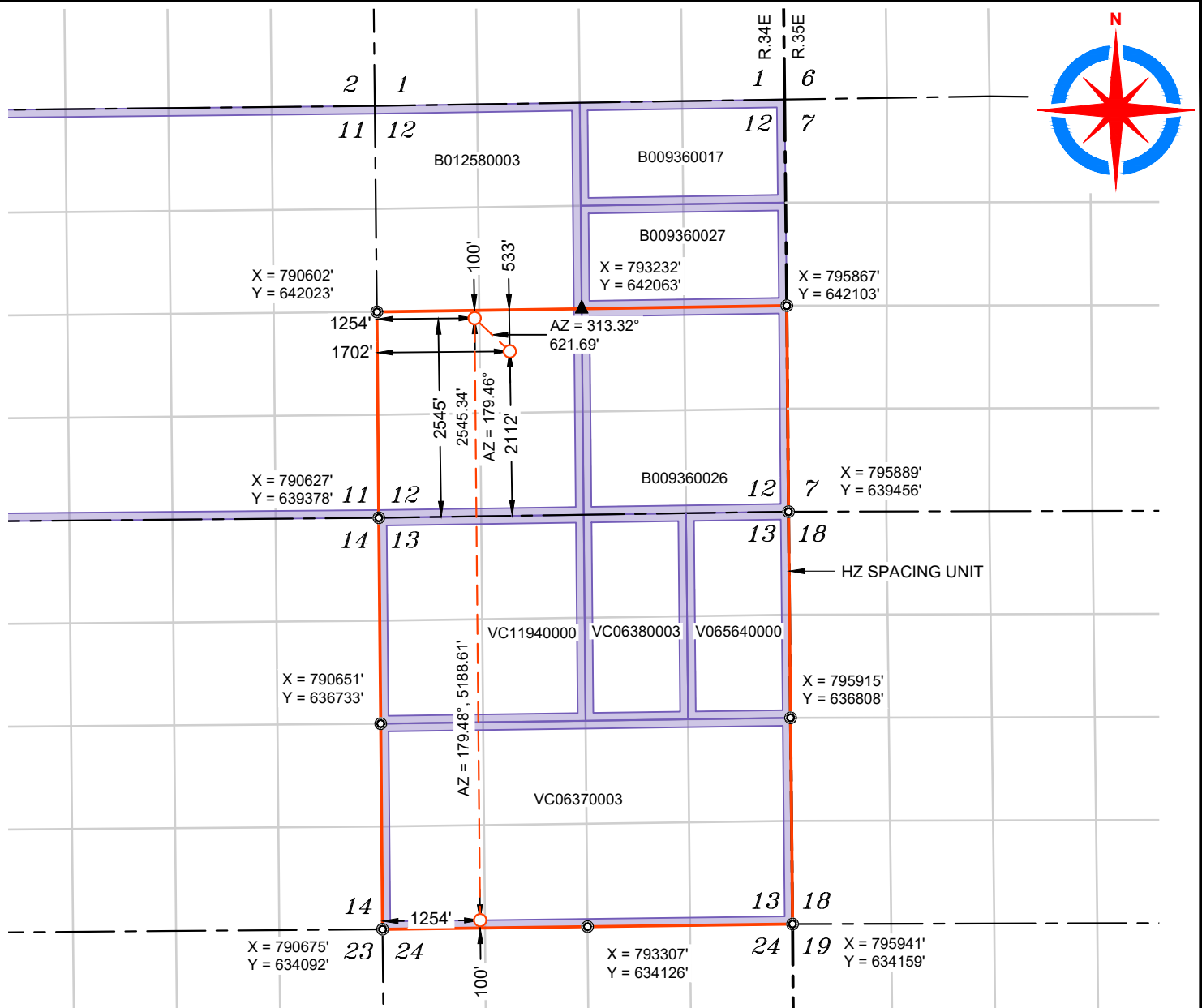
Last Take Point (LTP)

UL M	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 1254' FWL	Latitude 32.740826°	Longitude -103.518336°	County LEA
----------------	----------------------	-------------------------	----------------------	-----	---------------------------------	----------------------------------	-------------------------------	----------------------------------	----------------------

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3999'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor 	
Printed Name _____		Certificate Number	Date of Survey
Email Address _____			

Note: 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.



(SHL/KOP) 2112' FSL & 1702' FWL
NEW MEXICO EAST - NAD 83
X=792309.17 LAT.= 32.760900°
Y=641515.14 LONG.= -103.516913°
NEW MEXICO EAST - NAD 27
X=751130.01 LAT.= 32.760777°
Y=641450.28 LONG.= -103.516417°

(FTP) 2545' FSL & 1254' FWL
NEW MEXICO EAST - NAD 83
X=791856.86 LAT.= 32.762082°
Y=641941.65 LONG.= -103.518374°
NEW MEXICO EAST - NAD 27
X=750677.70 LAT.= 32.761958°
Y=641876.79 LONG.= -103.517878°

(LTP/BHL) 100' FSL & 1254' FWL
NEW MEXICO EAST - NAD 83
X=791927.93 LAT.= 32.740826°
Y=634208.04 LONG.= -103.518336°
NEW MEXICO EAST - NAD 27
X=750748.57 LAT.= 32.740702°
Y=634143.37 LONG.= -103.517841°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B012580003	2545.34'
VC11940000	2645.74'
VC06370003	2542.87'
TOTAL	7733.95'

WELL NAME: CELLINI 12 13 STATE COM #822H ELEVATION: 3999'

NOTES:

- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID(U.S. SURVEY FEET), BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
- THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JUNE, 2026. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENTATION OF DEEDS PROVIDED BY THE CLIENT.
- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND-SURVEY.

LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
- TOWNSHIP BOUNDARY
- STATE OIL & GAS LEASE
- BLM OIL & GAS LEASE
- ▲ CALCULATED POINT
- FOUND MONUMENT
- SET MONUMENT
- FOUND FENCE POST
- SHL / KOP / FTP / PPP / LTP / BHL

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San Antonio, TX 78249
Phone: 726-777-4240

0' 1000' 2000'
SCALE: 1" = 2000'

DRAWN BY: JW	DATE: 06/15/2026	REV. 0
CHECKED BY: JH	DATE: 06/15/2026	
PROJECT # 26-03-6509		SHEET 2 OF 2

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
	Submittal Type:	☒ Initial Submittal ☐ Amended Report ☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #823H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3983'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	12	18 S	34 E		2151' FSL	1424' FEL	32.761050°	-103.509957°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	13	18 S	34 E		100' FSL	2090' FEL	32.740852°	-103.512084°	LEA

Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	12	18 S	34 E		2151' FSL	1424' FEL	32.761050°	-103.509957°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	12	18 S	34 E		2546' FSL	2090' FEL	32.762122°	-103.512125°	LEA

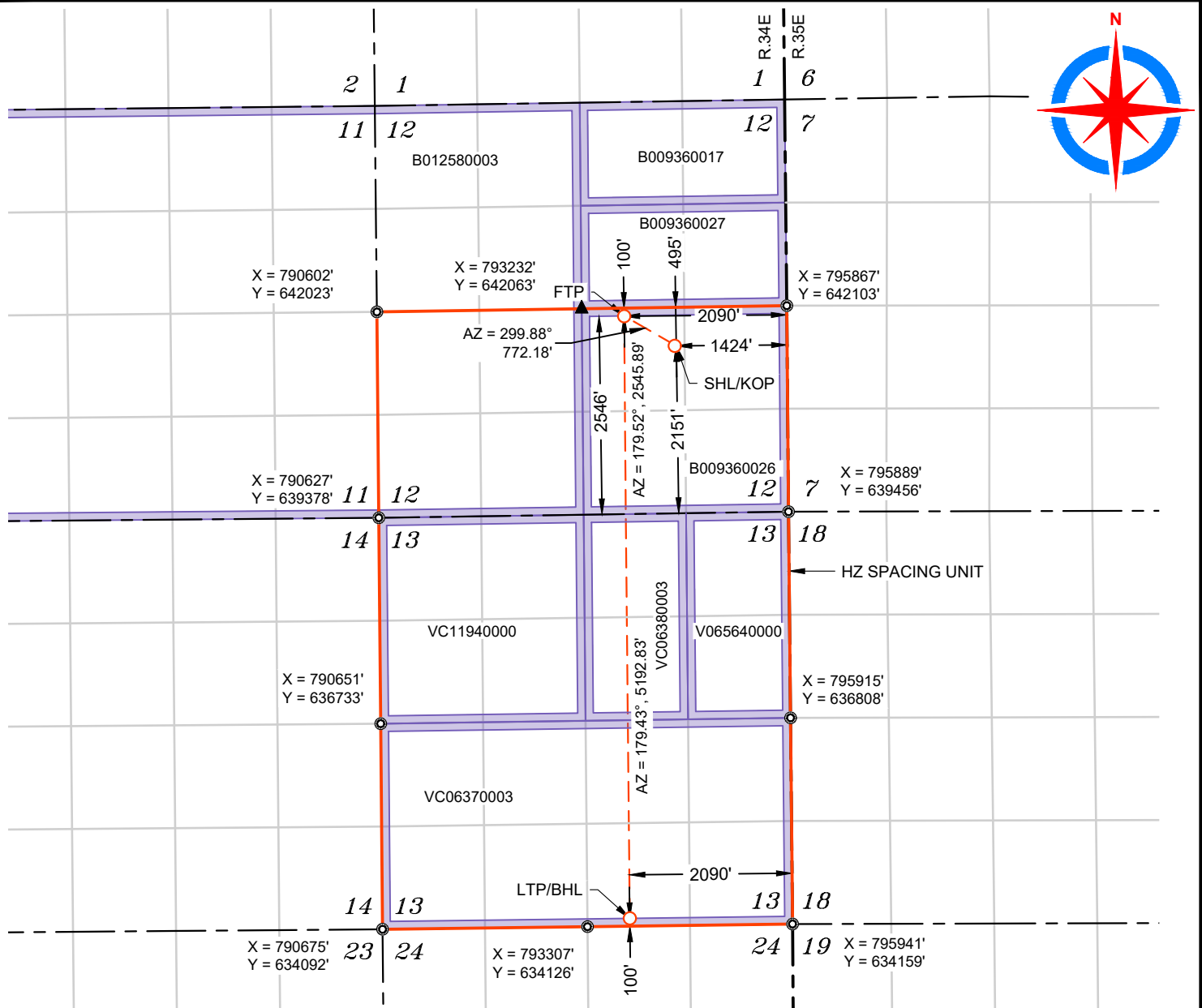
Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	13	18 S	34 E		100' FSL	2090' FEL	32.740852°	-103.512084°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3983'
---	--	---

OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor 	
Printed Name _____		21209 JUNE 16, 2026	
Email Address _____		Certificate Number	Date of Survey

Note: 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.



(SHL/KOP) 2151' FSL & 1424' FEL
 NEW MEXICO EAST - NAD 83
 X=794447.27 LAT.= 32.761050°
 Y=641586.22 LONG.= -103.509957°
 NEW MEXICO EAST - NAD 27
 X=753268.09 LAT.= 32.760926°
 Y=641521.32 LONG.= -103.509461°

(FTP) 2546' FSL & 2090' FEL
 NEW MEXICO EAST - NAD 83
 X=793777.75 LAT.= 32.762122°
 Y=641970.93 LONG.= -103.512125°
 NEW MEXICO EAST - NAD 27
 X=752598.58 LAT.= 32.761998°
 Y=641906.04 LONG.= -103.511629°

(LTP/BHL) 100' FSL & 2090' FEL
 NEW MEXICO EAST - NAD 83
 X=793850.23 LAT.= 32.740852°
 Y=634232.55 LONG.= -103.512084°
 NEW MEXICO EAST - NAD 27
 X=752670.86 LAT.= 32.740728°
 Y=634167.85 LONG.= -103.511589°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B009360026	2545.89'
VC06380003	2647.10'
VC06370003	2545.73'
TOTAL	7738.72'

WELL NAME: CELLINI 12 13 STATE COM #823H ELEVATION: 3983'

NOTES:

- ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID(U.S. SURVEY FEET), BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
- THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING JUNE, 2026. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENTATION OF DEEDS PROVIDED BY THE CLIENT.
- ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND-SURVEY.

LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
- TOWNSHIP BOUNDARY
- STATE OIL & GAS LEASE
- BLM OIL & GAS LEASE
- ▲ CALCULATED POINT
- FOUND MONUMENT
- SET MONUMENT
- FOUND FENCE POST
- SHL / KOP / FTP / PPP / LTP / BHL

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 San Antonio, TX 78249
 Phone: 726-777-4240

0' 1000' 2000'
 SCALE: 1" = 2000'

DRAWN BY: SR	DATE: 06/16/2026	REV. 0
CHECKED BY: JW	DATE: 06/16/2026	
PROJECT # 26-03-6509		SHEET 2 OF 2

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
	Submittal Type:	☒ Initial Submittal ☐ Amended Report ☐ As Drilled		

WELL LOCATION INFORMATION

API Number	Pool Code 98419	Pool Name WC-025 G-08 S183412L;CISCO
Property Code 339467	Property Name CELLINI 12 13 STATE COM	Well Number #824H
OGRID No. 332947	Operator Name AVANT OPERATING II, LLC	Ground Level Elevation 3983'
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL J	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2151' FSL	Ft. from E/W 1384' FEL	Latitude 32.761050°	Longitude -103.509827°	County LEA
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Bottom Hole Location

UL P	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 330' FEL	Latitude 32.740877°	Longitude -103.506361°	County LEA
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Dedicated Acres 960.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL J	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2151' FSL	Ft. from E/W 1384' FEL	Latitude 32.761050°	Longitude -103.509827°	County LEA
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First Take Point (FTP)

UL I	Section 12	Township 18 S	Range 34 E	Lot	Ft. from N/S 2546' FSL	Ft. from E/W 330' FEL	Latitude 32.762158°	Longitude -103.506400°	County LEA
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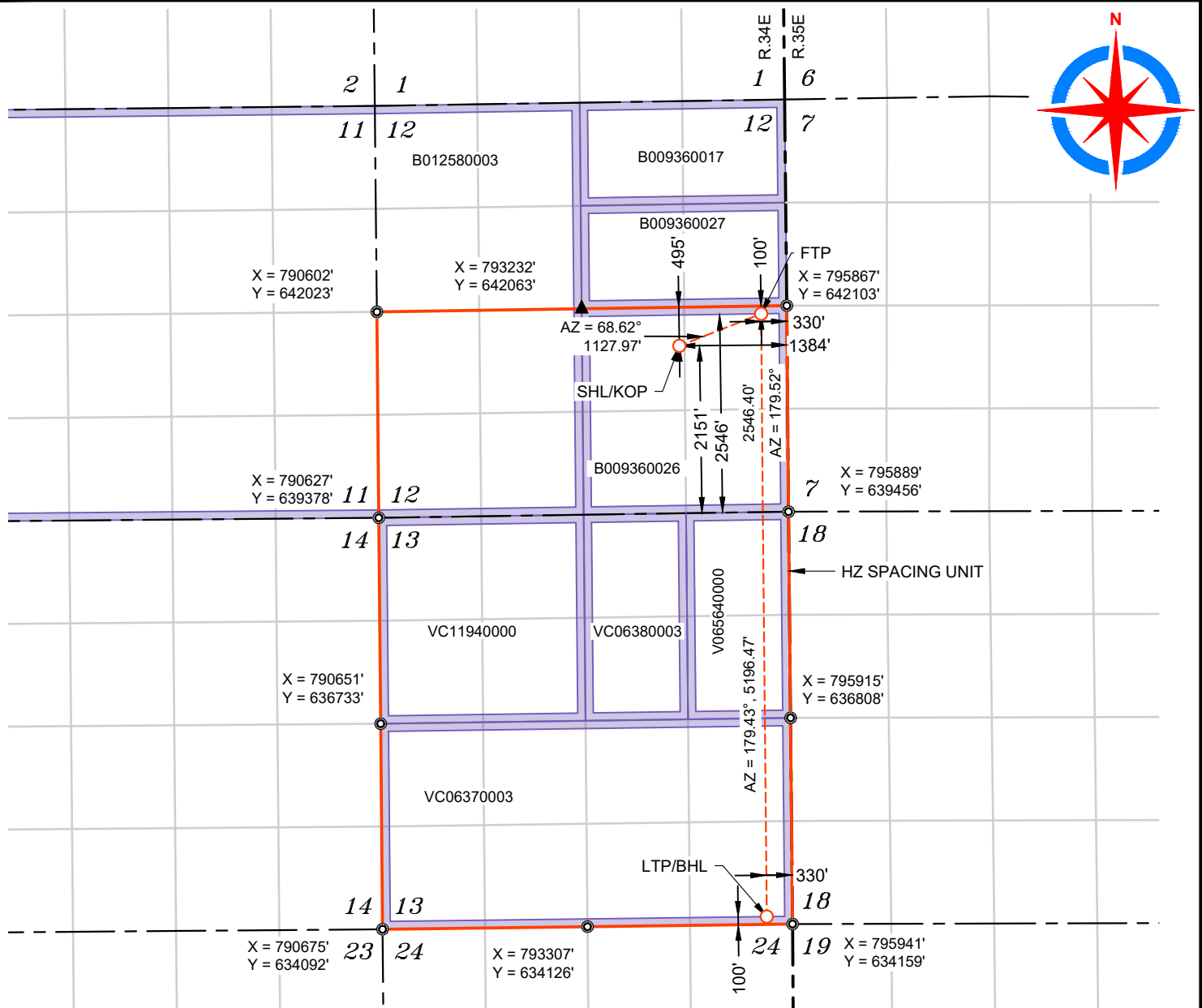
Last Take Point (LTP)

UL P	Section 13	Township 18 S	Range 34 E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 330' FEL	Latitude 32.740877°	Longitude -103.506361°	County LEA
----------------	----------------------	-------------------------	----------------------	-----	---------------------------------	---------------------------------	-------------------------------	----------------------------------	----------------------

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation: 3983'
---	--	---

OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>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.</i>	
Signature _____ Date _____		Signature and Seal of Professional Surveyor 	
Printed Name _____		21209 JUNE 16, 2026	
Email Address _____		Certificate Number _____	Date of Survey _____

Note: 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.



(SHL/KOP) 2151' FSL & 1384' FEL
NEW MEXICO EAST - NAD 83
X=794487.27 LAT.= 32.761050°
Y=641586.45 LONG.= -103.509827°
NEW MEXICO EAST - NAD 27
X=753308.09 LAT.= 32.760926°
Y=641521.56 LONG.= -103.509331°

(FTP) 2546' FSL & 330' FEL
NEW MEXICO EAST - NAD 83
X=795537.59 LAT.= 32.762158°
Y=641997.74 LONG.= -103.506400°
NEW MEXICO EAST - NAD 27
X=754358.40 LAT.= 32.762034°
Y=641932.83 LONG.= -103.505904°

(LTP/BHL) 100' FSL & 330' FEL
NEW MEXICO EAST - NAD 83
X=795610.10 LAT.= 32.740877°
Y=634255.22 LONG.= -103.506361°
NEW MEXICO EAST - NAD 27
X=754430.71 LAT.= 32.740753°
Y=634190.50 LONG.= -103.505866°

APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP	
B009360026	2546.40'
VC06380003	2648.34'
VC06370003	2548.12'
TOTAL	7742.86'

WELL NAME: CELLINI 12 13 STATE COM #824H ELEVATION: 3983'

NOTES:

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LEGEND

- WELL BORE
- HORIZONTAL SPACING UNIT
- SECTION BOUNDARY
- TOWNSHIP BOUNDARY
- STATE OIL & GAS LEASE
- BLM OIL & GAS LEASE
- ▲ CALCULATED POINT
- FOUND MONUMENT
- SET MONUMENT
- FOUND FENCE POST
- SHL / KOP / FTP / PPP / LTP / BHL

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0' 1000' 2000'
SCALE: 1" = 2000'

DRAWN BY: SR	DATE: 06/16/2026	REV. 0
CHECKED BY: JW	DATE: 06/16/2026	
PROJECT # 26-03-6509		SHEET 2 OF 2

Lease Tract Map

Cellini 12 13 State Com #811H-813H, #821-824H

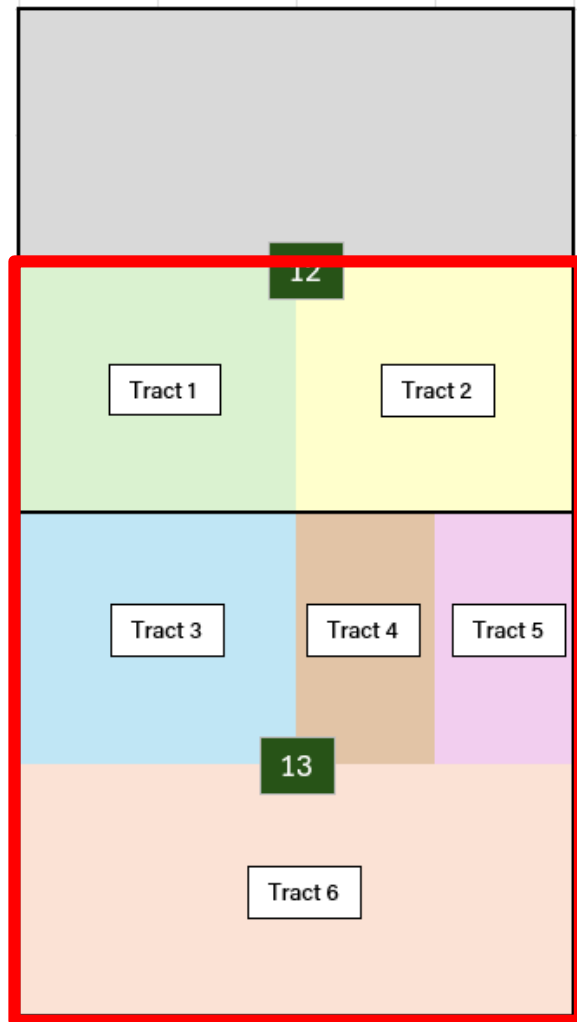
AO II

Case No. 26331

Exhibit A-4



S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico



Tract #	State/Fed/Fee	Lease #	Acres
1	State	B0-1258-3	160.00
2	State	B0-0936-26	160.00
3	State	VC-1194	160.00
4	State	VC-0638-3	80.00
5	State	V0-6564	80.00
6	State	VC-6373-3	320.00
			960.00



AO II CELLINI UNIT



Working Interest Owners to be Pooled
Cellini 12 13 State Com #811H-813H, #821-824H

AO II
Case No. 26331
Exhibit A-4



S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico

Summary of Working Interest Owners:

Unit Breakout by Owner	Owner Type	NMA	Unit WI	Tract No.	Status
AO II Permian, LLC	WI	560.00	58.33%	3, 4, 6	OPERATOR
Cross Timbers Energy, LLC	WI	80.00	8.33%	2	Uncommitted - Compulsory Pool
Hilcorp Permian, LLC	WI	80.00	8.33%	2	Uncommitted - Compulsory Pool
MorningStar Operating, LLC	WI	160.00	16.67%	1	Uncommitted - Compulsory Pool
Highland (Texas) Energy Company	WI	1.40	0.15%	5	Committed - JOA
The Allar Company	WI	40.00	4.17%	5	Uncommitted - Compulsory Pool
Sarvis Permian Land Fund I, LLC	WI	9.65	1.01%	5	Uncommitted - Compulsory Pool
Sarvis Rockmont Permian Land Fund, LLC	WI	11.79	1.23%	5	Uncommitted - Compulsory Pool
Sarvis Permian Land Fund I SC, LLC	WI	17.16	1.79%	5	Uncommitted - Compulsory Pool

960.00 100.00%

Avant Working Interest - 58.33%
Avant Working Interest Control - 58.48%

Highlighted = Parties to be Pooled

*AO II Permian, LLC is a subsidiary of Avant Operating II, LLC



**EXHIBIT
A-4 (cont)**

AVANT OPERATING II, |
LLC

Working Interest by Tract

Cellini 12 13 State Com #811H-813H, #821-824H

AO II

Case No. 26331

Exhibit A-4



S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico

Tract 1: SW4 of Section 12, T18S R34E				
Owner	Owner Type	NMA	Tract WI	Status
MorningStar Operating, LLC	WI	160.00	16.67%	Uncommitted - Compulsory Pool

Tract 2: SE4 of Section 12, T18S R34E				
Owner	Owner Type	NMA	Tract WI	Status
Cross Timbers Energy, LLC	WI	80.00	8.33%	Uncommitted - Compulsory Pool
Hilcorp Permian, LLC	WI	80.00	8.33%	Uncommitted - Compulsory Pool

Tract 3: NW4 of Section 13, T18S R34E				
Owner	Owner Type	NMA	Tract WI	Status
AO II Permian, LLC*	WI	160.00	16.67%	OPERATOR

Tract 4: W2NE4 of Section 13, T18S R34E				
Owner	Owner Type	NMA	Tract WI	Status
AO II Permian, LLC*	WI	80.00	8.33%	OPERATOR

Tract 5: E2NE4 of Section 13, T18S R34E				
Owner	Owner Type	NMA	Tract WI	Status
The Allar Company	WI	40.00	4.17%	Uncommitted - Compulsory Pool
Sarvis Permian Land Fund I, LLC	WI	9.65	1.01%	Uncommitted - Compulsory Pool
Sarvis Rockmont Permian Land Fund, LLC	WI	11.79	1.23%	Uncommitted - Compulsory Pool
Sarvis Permian Land Fund I SC, LLC	WI	17.16	1.79%	Uncommitted - Compulsory Pool
Highland (Texas) Energy Company	WI	1.40	0.15%	Uncommitted - Compulsory Pool

Tract 6: S2 of Section 13, T18S R34E				
Owner	Owner Type	NMA	Tract WI	Status
AO II Permian, LLC*	WI	320.00	33.33%	OPERATOR

*AO II Permian, LLC is a subsidiary of Avant Operating II, LLC

Highlighted = Parties to be Pooled



EXHIBIT
A-4 (cont)

AVANT OPERATING II, |
LLC

ORRI Ownership

Cellini 12 13 State Com #811H-813H, #821-824H

AO II

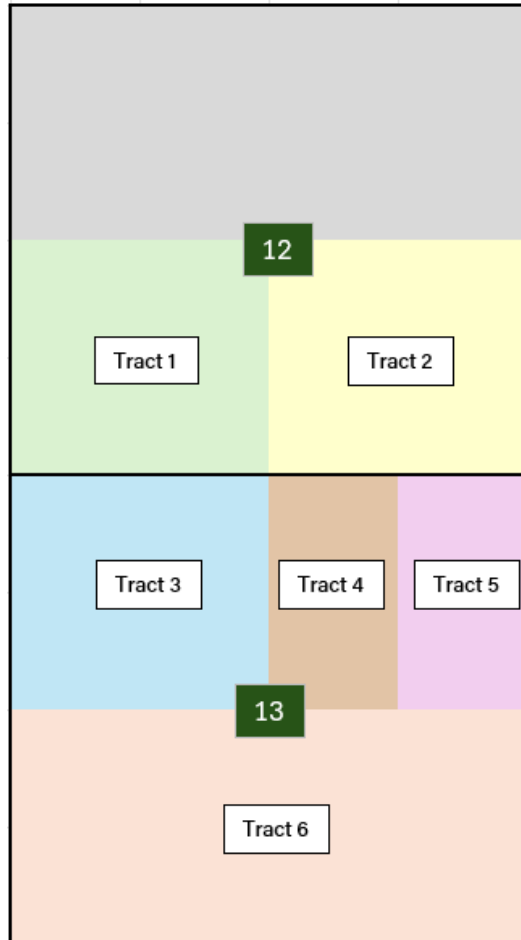
Case No. 26331

Exhibit A-5



S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico

Summary of ORRI Owners to be Pooled:



Owner Name	Tract No.	Owner Type
Hilcorp Permian, LLC	2	ORRI
John Kyle Thomas Trstee of The Cornerstone Family Trust	5	ORRI
CrownRock Minerals, LP	5	ORRI
John and Theresa Hillman Family Properties LP	4, 6	ORRI
DSD Energy II LLC	4, 6	ORRI
BlakeO'Donnel	4, 6	ORRI

Tract #	State/Fed/Fee	Lease #	Acres
1	State	B0-1258-3	160.00
2	State	B0-0936-26	160.00
3	State	VC-1194	160.00
4	State	VC-0638-3	80.00
5	State	V0-6564	80.00
6	State	VC-6373-3	320.00
			960.00


**EXHIBIT
A-5**

 AVANT OPERATING II, |
 LLC



May 15, 2026

MorningStar Operating, LLC
400 W 7th Street
Fort Worth, TX 76102

Sent via USPS

RE: Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, #824H
S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East
Lea County, New Mexico

Ladies and Gentlemen:

Avant Operating II, LLC ("Avant") hereby proposes to drill and complete the Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, and #824H wells in the South-Half of Section 12 and All of Section 13, Township 18 South, Range 34 East, Lea County, New Mexico. Avant is finalizing reports and 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") dated May 14, 2026.
- **Cellini 12 13 State Com #811H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1040' FWL and a BHL of S13-T18S-R34E 100' FSL, 792' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,000' TVD and will be drilled horizontally to a Measured Depth of approximately 18,923'.
- **Cellini 12 13 State Com #812H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1965' FEL and a BHL of S13-T18S-R34E 100' FSL, 2310' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,000' TVD and will be drilled horizontally to a Measured Depth of approximately 18,923'.
- **Cellini 12 13 State Com #813H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1925' FEL and a BHL of S13-T18S-R34E 100' FSL, 1210' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,000' TVD and will be drilled horizontally to a Measured Depth of approximately 18,923'.
- **Cellini 12 13 State Com #821H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1020' FWL and a BHL of S13-T18S-R34E 100' FSL, 330' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 19,323'.

1515 Wynkoop Street | Suite 700 | Denver, CO 80202

www.avantnr.com

EXHIBIT

A-6



- **Cellini 12 13 State Com #822H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1060' FWL and a BHL of S13-T18S-R34E 100' FSL, 1254' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 19,323'.
- **Cellini 12 13 State Com #823H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1945' FEL and a BHL of S13-T18S-R34E 100' FSL, 2090' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 19,323'.
- **Cellini 12 13 State Com #824H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1905' FEL and a BHL of S13-T18S-R34E 100' FSL, 330' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a Measured Depth of approximately 19,323'.

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

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

- 100%/300%/300% non-consent penalty
- \$12,000/\$1,200 drilling and producing monthly overhead rates
- Contract Area of S2 of Section 12-T18S-R34E and ALL of Section 13-T18S-R34E
- Limited to depths below the Bone Spring formation
- This proposed Operating Agreement 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.

In the event you do not wish to participate in this proposed development and would be interested in selling your interest, please let us know. Should you have any questions, please contact the undersigned at sophia@avantnr.com or (303) 519-2870.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sophia Guerra".

Sophia Guerra
Land Operations Manager

1515 Wynkoop Street | Suite 700 | Denver, CO 80202
www.avantnr.com



MorningStar Operating, LLC elects as follows:

Cellini 12 13 State Com #811H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #811H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #811H** well.

Cellini 12 13 State Com #812H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #812H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #812H** well.

Cellini 12 13 State Com #813H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #813H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #813H** well.

Cellini 12 13 State Com #821H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #821H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #821H** well.

Cellini 12 13 State Com #822H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #822H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #822H** well.

Cellini 12 13 State Com #823H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #823H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #823H** well.

Cellini 12 13 State Com #824H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #824H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #824H** well.

MorningStar Operating, LLC

By: _____
Printed Name: _____
Title: _____
Date: _____



June 15, 2026

The Allar Company
Po Box 1567
Graham, TX 76450

Sent via USPS

RE: Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, #824H
S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East
Lea County, New Mexico

Ladies and Gentlemen:

AO II Permian, LLC, through its operating affiliate, Avant Operating II, LLC ("Avant"), hereby proposes to drill and complete the Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, and #824H wells in the South-Half of Section 12 and All of Section 13, Township 18 South, Range 34 East, Lea County, New Mexico. Avant is finalizing reports and 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") dated June 10, 2026.
- **Cellini 12 13 State Com #811H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1040' FWL and a BHL of S13-T18S-R34E 100' FSL, 792' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a measured depth of approximately 19,323'.
- **Cellini 12 13 State Com #812H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1965' FEL and a BHL of S13-T18S-R34E 100' FSL, 2310' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a measured depth of approximately 19,423'.
- **Cellini 12 13 State Com #813H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1925' FEL and a BHL of S13-T18S-R34E 100' FSL, 1210' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a measured depth of approximately 19,323'.
- **Cellini 12 13 State Com #821H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1020' FWL and a BHL of S13-T18S-R34E 100' FSL, 330' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.
- **Cellini 12 13 State Com #822H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1060' FWL and a BHL of S13-T18S-R34E 100' FSL, 1254' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.
- **Cellini 12 13 State Com #823H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1945' FEL and a BHL of S13-T18S-R34E 100' FSL, 2090' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.

1515 Wynkoop Street | Suite 700 | Denver, CO 80202
www.avantnr.com



- **Cellini 12 13 State Com #824H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1905' FEL and a BHL of S13-T18S-R34E 100' FSL, 330' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.

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

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

- 100%/300%/300% non-consent penalty
- \$12,000/\$1,200 drilling and producing monthly overhead rates
- Contract Area of S2 of Section 12-T18S-R34E and ALL of Section 13-T18S-R34E
- Limited to depths below the Bone Spring formation
- This proposed Operating Agreement 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.

In the event you do not wish to participate in this proposed development and would be interested in selling your interest, please let us know. Should you have any questions, please contact the undersigned at sophia@avantnr.com or (303) 519-2870.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sophia Guerra".

Sophia Guerra
Land Operations Manager



The Allar Company elects as follows:

Cellini 12 13 State Com #811H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #811H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #811H** well.

Cellini 12 13 State Com #812H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #812H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #812H** well.

Cellini 12 13 State Com #813H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #813H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #813H** well.

Cellini 12 13 State Com #821H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #821H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #821H** well.

Cellini 12 13 State Com #822H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #822H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #822H** well.

Cellini 12 13 State Com #823H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #823H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #823H** well.

Cellini 12 13 State Com #824H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #824H** well.

_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #824H** well.

The Allar Company

By: _____

Printed Name: _____

Title: _____

Date: _____



AUTHORIZATION FOR EXPENDITURE

AFE: NM1698

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #811H

Projected MD/TVD: 19323/11400

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1040' FWL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 792' FWL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #811H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1698

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #811H

Projected MD/TVD: 19323/11400

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1040' FWL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 792' FWL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200.165	Safety/Environmental	\$ 1,415	\$ -	\$ -	\$ 1,415
	8200.167	Consulting Services	\$ 125,952	\$ -	\$ -	\$ 125,952
	8200.168	Roustabout Services	\$ 2,393	\$ -	\$ -	\$ 2,393
	8200.169	Mud-Brine	\$ 19,654	\$ -	\$ -	\$ 19,654
	8200.170	Mud-Diesel	\$ 67,536	\$ -	\$ -	\$ 67,536
Intangible Completion			\$ -	\$ 3,053,232	\$ -	\$ 3,053,232
	8300.203	Fuel	\$ -	\$ 300,026	\$ -	\$ 300,026
	8300.205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300.207	Fresh Water	\$ -	\$ 312,832	\$ -	\$ 312,832
	8300.209	Chemicals	\$ -	\$ 191,801	\$ -	\$ 191,801
	8300.210	Surface Rental Equip	\$ -	\$ 214,292	\$ -	\$ 214,292
	8300.212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300.214	Perforating & Plugs	\$ -	\$ 225,923	\$ -	\$ 225,923
	8300.220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300.229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300.232	Disposal	\$ -	\$ 14,162	\$ -	\$ 14,162
	8300.240	Pump Down Services	\$ -	\$ 46,605	\$ -	\$ 46,605
	8300.248	Mancamp	\$ -	\$ 28,929	\$ -	\$ 28,929
	8300.250	Downhole Rental Equip	\$ -	\$ 36,062	\$ -	\$ 36,062
	8300.270	Frac - Equipment	\$ -	\$ 859,988	\$ -	\$ 859,988
	8300.271	Coil Tubing	\$ -	\$ 83,891	\$ -	\$ 83,891
	8300.273	Flowback	\$ -	\$ 20,015	\$ -	\$ 20,015
	8300.274	Water Transfer	\$ -	\$ 46,333	\$ -	\$ 46,333
	8300.275	Frac - Sand	\$ -	\$ 579,660	\$ -	\$ 579,660
	8300.276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300.277	Consulting Services	\$ -	\$ 60,382	\$ -	\$ 60,382
	8300.278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300.279	Completions Overhead	\$ -	\$ 1,643	\$ -	\$ 1,643
Intangible Workover			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320.602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320.605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320.610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320.611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320.612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320.621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320.625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320.628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
Intangible Flowback			\$ -	\$ 452,587	\$ -	\$ 452,587
	8360.805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360.810	Frac Water Recovery	\$ -	\$ 111,243	\$ -	\$ 111,243
	8360.815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360.820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360.825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360.845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360.850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
Intangible Facility			\$ -	\$ -	\$ 645,566	\$ 645,566
	8350.403	Roads/Location	\$ -	\$ -	\$ 76,833	\$ 76,833
	8350.404	Equipment Rental	\$ -	\$ -	\$ 29,200	\$ 29,200
	8350.410	Transportation/Trucking	\$ -	\$ -	\$ 15,367	\$ 15,367
	8350.411	Safety & Environmental	\$ -	\$ -	\$ 17,300	\$ 17,300
	8350.415	Engineering / Technical	\$ -	\$ -	\$ 55,733	\$ 55,733
	8350.416	Supervision	\$ -	\$ -	\$ 26,900	\$ 26,900
	8350.417	Overhead Power Labor	\$ -	\$ -	\$ 43,233	\$ 43,233
	8350.418	Mechanical Labor	\$ -	\$ -	\$ 157,000	\$ 157,000
	8350.419	Automation Labor	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350.420	Electrical Labor	\$ -	\$ -	\$ 87,400	\$ 87,400
	8350.421	Commissioning	\$ -	\$ -	\$ 3,267	\$ 3,267
	8350.422	Flowline Labor	\$ -	\$ -	\$ 103,733	\$ 103,733
TOTAL INTANGIBLE COSTS >>>			\$ 2,358,647	\$ 3,615,969	\$ 645,566	\$ 6,620,181
TOTAL PROJECT COSTS >>>			\$ 3,268,807	\$ 4,175,264	\$ 1,592,965	\$ 9,037,036
			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: NM1699

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #812H

Projected MD/TVD: 19423/11400

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1965' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 2310' FWL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #812H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1699

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #812H

Projected MD/TVD: 19423/11400

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1965' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 2310' FWL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200,165	Safety/Environmental	\$ 1,415	\$ -	\$ -	\$ 1,415
	8200,167	Consulting Services	\$ 125,952	\$ -	\$ -	\$ 125,952
	8200,168	Roustabout Services	\$ 2,393	\$ -	\$ -	\$ 2,393
	8200,169	Mud-Brine	\$ 19,654	\$ -	\$ -	\$ 19,654
	8200,170	Mud-Diesel	\$ 67,536	\$ -	\$ -	\$ 67,536
Intangible Completion			\$ -	\$ 3,053,232	\$ -	\$ 3,053,232
	8300,203	Fuel	\$ -	\$ 300,026	\$ -	\$ 300,026
	8300,205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300,207	Fresh Water	\$ -	\$ 312,832	\$ -	\$ 312,832
	8300,209	Chemicals	\$ -	\$ 191,801	\$ -	\$ 191,801
	8300,210	Surface Rental Equip	\$ -	\$ 214,292	\$ -	\$ 214,292
	8300,212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300,214	Perforating & Plugs	\$ -	\$ 225,923	\$ -	\$ 225,923
	8300,220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300,229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300,232	Disposal	\$ -	\$ 14,162	\$ -	\$ 14,162
	8300,240	Pump Down Services	\$ -	\$ 46,605	\$ -	\$ 46,605
	8300,248	Mancamp	\$ -	\$ 28,929	\$ -	\$ 28,929
	8300,250	Downhole Rental Equip	\$ -	\$ 36,062	\$ -	\$ 36,062
	8300,270	Frac - Equipment	\$ -	\$ 859,988	\$ -	\$ 859,988
	8300,271	Coil Tubing	\$ -	\$ 83,891	\$ -	\$ 83,891
	8300,273	Flowback	\$ -	\$ 20,015	\$ -	\$ 20,015
	8300,274	Water Transfer	\$ -	\$ 46,333	\$ -	\$ 46,333
	8300,275	Frac - Sand	\$ -	\$ 579,660	\$ -	\$ 579,660
	8300,276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300,277	Consulting Services	\$ -	\$ 60,382	\$ -	\$ 60,382
	8300,278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300,279	Completions Overhead	\$ -	\$ 1,643	\$ -	\$ 1,643
Intangible Workover			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320,602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320,605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320,610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320,611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320,612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320,617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320,621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320,625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320,628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
Intangible Flowback			\$ -	\$ 452,587	\$ -	\$ 452,587
	8360,805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360,810	Frac Water Recovery	\$ -	\$ 111,243	\$ -	\$ 111,243
	8360,815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360,820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360,825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360,845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360,850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
Intangible Facility			\$ -	\$ -	\$ 645,566	\$ 645,566
	8350,403	Roads/Location	\$ -	\$ -	\$ 76,833	\$ 76,833
	8350,404	Equipment Rental	\$ -	\$ -	\$ 29,200	\$ 29,200
	8350,410	Transportation/Trucking	\$ -	\$ -	\$ 15,367	\$ 15,367
	8350,411	Safety & Environmental	\$ -	\$ -	\$ 17,300	\$ 17,300
	8350,415	Engineering / Technical	\$ -	\$ -	\$ 55,733	\$ 55,733
	8350,416	Supervision	\$ -	\$ -	\$ 26,900	\$ 26,900
	8350,417	Overhead Power Labor	\$ -	\$ -	\$ 43,233	\$ 43,233
	8350,418	Mechanical Labor	\$ -	\$ -	\$ 157,000	\$ 157,000
	8350,419	Automation Labor	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350,420	Electrical Labor	\$ -	\$ -	\$ 87,400	\$ 87,400
	8350,421	Commissioning	\$ -	\$ -	\$ 3,267	\$ 3,267
	8350,422	Flowline Labor	\$ -	\$ -	\$ 103,733	\$ 103,733
TOTAL INTANGIBLE COSTS >>>			\$ 2,358,647	\$ 3,615,969	\$ 645,566	\$ 6,620,181
TOTAL PROJECT COSTS >>>			\$ 3,268,807	\$ 4,175,264	\$ 1,592,965	\$ 9,037,036
			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: NM1700

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #813H

Projected MD/TVD: 19323/11400

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1925' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 1210' FEL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #813H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1700

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #813H

Projected MD/TVD: 19323/11400

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1925' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 1210' FEL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200,165	Safety/Environmental	\$	1,415	\$	-	\$	-	\$	1,415
	8200,167	Consulting Services	\$	125,952	\$	-	\$	-	\$	125,952
	8200,168	Roustabout Services	\$	2,393	\$	-	\$	-	\$	2,393
	8200,169	Mud-Brine	\$	19,654	\$	-	\$	-	\$	19,654
	8200,170	Mud-Diesel	\$	67,536	\$	-	\$	-	\$	67,536
Intangible Completion			\$	-	\$	3,053,232	\$	-	\$	3,053,232
	8300,203	Fuel	\$	-	\$	300,026	\$	-	\$	300,026
	8300,205	Location & Roads	\$	-	\$	5,288	\$	-	\$	5,288
	8300,207	Fresh Water	\$	-	\$	312,832	\$	-	\$	312,832
	8300,209	Chemicals	\$	-	\$	191,801	\$	-	\$	191,801
	8300,210	Surface Rental Equip	\$	-	\$	214,292	\$	-	\$	214,292
	8300,212	Contract Labor	\$	-	\$	12,783	\$	-	\$	12,783
	8300,214	Perforating & Plugs	\$	-	\$	225,923	\$	-	\$	225,923
	8300,220	Engineering & Supervision	\$	-	\$	5,052	\$	-	\$	5,052
	8300,229	Transportation	\$	-	\$	2,631	\$	-	\$	2,631
	8300,232	Disposal	\$	-	\$	14,162	\$	-	\$	14,162
	8300,240	Pump Down Services	\$	-	\$	46,605	\$	-	\$	46,605
	8300,248	Mancamp	\$	-	\$	28,929	\$	-	\$	28,929
	8300,250	Downhole Rental Equip	\$	-	\$	36,062	\$	-	\$	36,062
	8300,270	Frac - Equipment	\$	-	\$	859,988	\$	-	\$	859,988
	8300,271	Coil Tubing	\$	-	\$	83,891	\$	-	\$	83,891
	8300,273	Flowback	\$	-	\$	20,015	\$	-	\$	20,015
	8300,274	Water Transfer	\$	-	\$	46,333	\$	-	\$	46,333
	8300,275	Frac - Sand	\$	-	\$	579,660	\$	-	\$	579,660
	8300,276	Safety & Environmental	\$	-	\$	3,355	\$	-	\$	3,355
	8300,277	Consulting Services	\$	-	\$	60,382	\$	-	\$	60,382
	8300,278	Roustabouts	\$	-	\$	1,579	\$	-	\$	1,579
	8300,279	Completions Overhead	\$	-	\$	1,643	\$	-	\$	1,643
Intangible Workover			\$	-	\$	110,150	\$	-	\$	110,150
	8320,602	Workover Rig	\$	-	\$	30,000	\$	-	\$	30,000
	8320,605	Fuel / Power	\$	-	\$	5,263	\$	-	\$	5,263
	8320,610	Inspection & Testing	\$	-	\$	4,000	\$	-	\$	4,000
	8320,611	Trucking/Vacuum/Transportation	\$	-	\$	10,000	\$	-	\$	10,000
	8320,612	Kill Truck	\$	-	\$	5,000	\$	-	\$	5,000
	8320,617	Contract Labor/Roustabout	\$	-	\$	30,887	\$	-	\$	30,887
	8320,621	Rental Equipment	\$	-	\$	15,000	\$	-	\$	15,000
	8320,625	Wellsite Supervision	\$	-	\$	5,000	\$	-	\$	5,000
	8320,628	Chemicals	\$	-	\$	5,000	\$	-	\$	5,000
Intangible Flowback			\$	-	\$	452,587	\$	-	\$	452,587
	8360,805	Trucked Water Disposal	\$	-	\$	21,464	\$	-	\$	21,464
	8360,810	Frac Water Recovery	\$	-	\$	111,243	\$	-	\$	111,243
	8360,815	Trucking/Vacuum/Transp	\$	-	\$	14,334	\$	-	\$	14,334
	8360,820	Well Testing / Flowback	\$	-	\$	60,746	\$	-	\$	60,746
	8360,825	Rental Equipment	\$	-	\$	190,000	\$	-	\$	190,000
	8360,845	Wellsite Supervision	\$	-	\$	50,400	\$	-	\$	50,400
	8360,850	Safety / Environmental	\$	-	\$	4,400	\$	-	\$	4,400
Intangible Facility			\$	-	\$	-	\$	645,566	\$	645,566
	8350,403	Roads/Location	\$	-	\$	-	\$	76,833	\$	76,833
	8350,404	Equipment Rental	\$	-	\$	-	\$	29,200	\$	29,200
	8350,410	Transportation/Trucking	\$	-	\$	-	\$	15,367	\$	15,367
	8350,411	Safety & Environmental	\$	-	\$	-	\$	17,300	\$	17,300
	8350,415	Engineering / Technical	\$	-	\$	-	\$	55,733	\$	55,733
	8350,416	Supervision	\$	-	\$	-	\$	26,900	\$	26,900
	8350,417	Overhead Power Labor	\$	-	\$	-	\$	43,233	\$	43,233
	8350,418	Mechanical Labor	\$	-	\$	-	\$	157,000	\$	157,000
	8350,419	Automation Labor	\$	-	\$	-	\$	29,600	\$	29,600
	8350,420	Electrical Labor	\$	-	\$	-	\$	87,400	\$	87,400
	8350,421	Commissioning	\$	-	\$	-	\$	3,267	\$	3,267
	8350,422	Flowline Labor	\$	-	\$	-	\$	103,733	\$	103,733
TOTAL INTANGIBLE COSTS >>>			\$	2,358,647	\$	3,615,969	\$	645,566	\$	6,620,181
TOTAL PROJECT COSTS >>>			\$	3,268,807	\$	4,175,264	\$	1,592,965	\$	9,037,036
				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: NM1690

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #821H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1020' FWL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 330' FWL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #821H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1690

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #821H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1020' FWL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 330' FWL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200,165	Safety/Environmental	\$ 1,415	\$ -	\$ -	\$ 1,415
	8200,167	Consulting Services	\$ 125,952	\$ -	\$ -	\$ 125,952
	8200,168	Roustabout Services	\$ 2,393	\$ -	\$ -	\$ 2,393
	8200,169	Mud-Brine	\$ 19,654	\$ -	\$ -	\$ 19,654
	8200,170	Mud-Diesel	\$ 67,536	\$ -	\$ -	\$ 67,536
Intangible Completion			\$ -	\$ 3,053,232	\$ -	\$ 3,053,232
	8300,203	Fuel	\$ -	\$ 300,026	\$ -	\$ 300,026
	8300,205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300,207	Fresh Water	\$ -	\$ 312,832	\$ -	\$ 312,832
	8300,209	Chemicals	\$ -	\$ 191,801	\$ -	\$ 191,801
	8300,210	Surface Rental Equip	\$ -	\$ 214,292	\$ -	\$ 214,292
	8300,212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300,214	Perforating & Plugs	\$ -	\$ 225,923	\$ -	\$ 225,923
	8300,220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300,229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300,232	Disposal	\$ -	\$ 14,162	\$ -	\$ 14,162
	8300,240	Pump Down Services	\$ -	\$ 46,605	\$ -	\$ 46,605
	8300,248	Mancamp	\$ -	\$ 28,929	\$ -	\$ 28,929
	8300,250	Downhole Rental Equip	\$ -	\$ 36,062	\$ -	\$ 36,062
	8300,270	Frac - Equipment	\$ -	\$ 859,988	\$ -	\$ 859,988
	8300,271	Coil Tubing	\$ -	\$ 83,891	\$ -	\$ 83,891
	8300,273	Flowback	\$ -	\$ 20,015	\$ -	\$ 20,015
	8300,274	Water Transfer	\$ -	\$ 46,333	\$ -	\$ 46,333
	8300,275	Frac - Sand	\$ -	\$ 579,660	\$ -	\$ 579,660
	8300,276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300,277	Consulting Services	\$ -	\$ 60,382	\$ -	\$ 60,382
	8300,278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300,279	Completions Overhead	\$ -	\$ 1,643	\$ -	\$ 1,643
Intangible Workover			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320,602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320,605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320,610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320,611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320,612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320,617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320,621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320,625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320,628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
Intangible Flowback			\$ -	\$ 452,587	\$ -	\$ 452,587
	8360,805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360,810	Frac Water Recovery	\$ -	\$ 111,243	\$ -	\$ 111,243
	8360,815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360,820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360,825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360,845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360,850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
Intangible Facility			\$ -	\$ -	\$ 645,566	\$ 645,566
	8350,403	Roads/Location	\$ -	\$ -	\$ 76,833	\$ 76,833
	8350,404	Equipment Rental	\$ -	\$ -	\$ 29,200	\$ 29,200
	8350,410	Transportation/Trucking	\$ -	\$ -	\$ 15,367	\$ 15,367
	8350,411	Safety & Environmental	\$ -	\$ -	\$ 17,300	\$ 17,300
	8350,415	Engineering / Technical	\$ -	\$ -	\$ 55,733	\$ 55,733
	8350,416	Supervision	\$ -	\$ -	\$ 26,900	\$ 26,900
	8350,417	Overhead Power Labor	\$ -	\$ -	\$ 43,233	\$ 43,233
	8350,418	Mechanical Labor	\$ -	\$ -	\$ 157,000	\$ 157,000
	8350,419	Automation Labor	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350,420	Electrical Labor	\$ -	\$ -	\$ 87,400	\$ 87,400
	8350,421	Commissioning	\$ -	\$ -	\$ 3,267	\$ 3,267
	8350,422	Flowline Labor	\$ -	\$ -	\$ 103,733	\$ 103,733
TOTAL INTANGIBLE COSTS >>>			\$ 2,358,647	\$ 3,615,969	\$ 645,566	\$ 6,620,181
TOTAL PROJECT COSTS >>>			\$ 3,268,807	\$ 4,175,264	\$ 1,592,965	\$ 9,037,036
			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: NM1691

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #822H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1060' FWL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 1254' FWL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #822H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1691

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #822H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1060' FWL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 1254' FWL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200,165	Safety/Environmental	\$ 1,415	\$ -	\$ -	\$ 1,415
	8200,167	Consulting Services	\$ 125,952	\$ -	\$ -	\$ 125,952
	8200,168	Roustabout Services	\$ 2,393	\$ -	\$ -	\$ 2,393
	8200,169	Mud-Brine	\$ 19,654	\$ -	\$ -	\$ 19,654
	8200,170	Mud-Diesel	\$ 67,536	\$ -	\$ -	\$ 67,536
Intangible Completion			\$ -	\$ 3,053,232	\$ -	\$ 3,053,232
	8300,203	Fuel	\$ -	\$ 300,026	\$ -	\$ 300,026
	8300,205	Location & Roads	\$ -	\$ 5,288	\$ -	\$ 5,288
	8300,207	Fresh Water	\$ -	\$ 312,832	\$ -	\$ 312,832
	8300,209	Chemicals	\$ -	\$ 191,801	\$ -	\$ 191,801
	8300,210	Surface Rental Equip	\$ -	\$ 214,292	\$ -	\$ 214,292
	8300,212	Contract Labor	\$ -	\$ 12,783	\$ -	\$ 12,783
	8300,214	Perforating & Plugs	\$ -	\$ 225,923	\$ -	\$ 225,923
	8300,220	Engineering & Supervision	\$ -	\$ 5,052	\$ -	\$ 5,052
	8300,229	Transportation	\$ -	\$ 2,631	\$ -	\$ 2,631
	8300,232	Disposal	\$ -	\$ 14,162	\$ -	\$ 14,162
	8300,240	Pump Down Services	\$ -	\$ 46,605	\$ -	\$ 46,605
	8300,248	Mancamp	\$ -	\$ 28,929	\$ -	\$ 28,929
	8300,250	Downhole Rental Equip	\$ -	\$ 36,062	\$ -	\$ 36,062
	8300,270	Frac - Equipment	\$ -	\$ 859,988	\$ -	\$ 859,988
	8300,271	Coil Tubing	\$ -	\$ 83,891	\$ -	\$ 83,891
	8300,273	Flowback	\$ -	\$ 20,015	\$ -	\$ 20,015
	8300,274	Water Transfer	\$ -	\$ 46,333	\$ -	\$ 46,333
	8300,275	Frac - Sand	\$ -	\$ 579,660	\$ -	\$ 579,660
	8300,276	Safety & Environmental	\$ -	\$ 3,355	\$ -	\$ 3,355
	8300,277	Consulting Services	\$ -	\$ 60,382	\$ -	\$ 60,382
	8300,278	Roustabouts	\$ -	\$ 1,579	\$ -	\$ 1,579
	8300,279	Completions Overhead	\$ -	\$ 1,643	\$ -	\$ 1,643
Intangible Workover			\$ -	\$ 110,150	\$ -	\$ 110,150
	8320,602	Workover Rig	\$ -	\$ 30,000	\$ -	\$ 30,000
	8320,605	Fuel / Power	\$ -	\$ 5,263	\$ -	\$ 5,263
	8320,610	Inspection & Testing	\$ -	\$ 4,000	\$ -	\$ 4,000
	8320,611	Trucking/Vacuum/Transportation	\$ -	\$ 10,000	\$ -	\$ 10,000
	8320,612	Kill Truck	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320,617	Contract Labor/Roustabout	\$ -	\$ 30,887	\$ -	\$ 30,887
	8320,621	Rental Equipment	\$ -	\$ 15,000	\$ -	\$ 15,000
	8320,625	Wellsite Supervision	\$ -	\$ 5,000	\$ -	\$ 5,000
	8320,628	Chemicals	\$ -	\$ 5,000	\$ -	\$ 5,000
Intangible Flowback			\$ -	\$ 452,587	\$ -	\$ 452,587
	8360,805	Trucked Water Disposal	\$ -	\$ 21,464	\$ -	\$ 21,464
	8360,810	Frac Water Recovery	\$ -	\$ 111,243	\$ -	\$ 111,243
	8360,815	Trucking/Vacuum/Transp	\$ -	\$ 14,334	\$ -	\$ 14,334
	8360,820	Well Testing / Flowback	\$ -	\$ 60,746	\$ -	\$ 60,746
	8360,825	Rental Equipment	\$ -	\$ 190,000	\$ -	\$ 190,000
	8360,845	Wellsite Supervision	\$ -	\$ 50,400	\$ -	\$ 50,400
	8360,850	Safety / Environmental	\$ -	\$ 4,400	\$ -	\$ 4,400
Intangible Facility			\$ -	\$ -	\$ 645,566	\$ 645,566
	8350,403	Roads/Location	\$ -	\$ -	\$ 76,833	\$ 76,833
	8350,404	Equipment Rental	\$ -	\$ -	\$ 29,200	\$ 29,200
	8350,410	Transportation/Trucking	\$ -	\$ -	\$ 15,367	\$ 15,367
	8350,411	Safety & Environmental	\$ -	\$ -	\$ 17,300	\$ 17,300
	8350,415	Engineering / Technical	\$ -	\$ -	\$ 55,733	\$ 55,733
	8350,416	Supervision	\$ -	\$ -	\$ 26,900	\$ 26,900
	8350,417	Overhead Power Labor	\$ -	\$ -	\$ 43,233	\$ 43,233
	8350,418	Mechanical Labor	\$ -	\$ -	\$ 157,000	\$ 157,000
	8350,419	Automation Labor	\$ -	\$ -	\$ 29,600	\$ 29,600
	8350,420	Electrical Labor	\$ -	\$ -	\$ 87,400	\$ 87,400
	8350,421	Commissioning	\$ -	\$ -	\$ 3,267	\$ 3,267
	8350,422	Flowline Labor	\$ -	\$ -	\$ 103,733	\$ 103,733
TOTAL INTANGIBLE COSTS >>>			\$ 2,358,647	\$ 3,615,969	\$ 645,566	\$ 6,620,181
TOTAL PROJECT COSTS >>>			\$ 3,268,807	\$ 4,175,264	\$ 1,592,965	\$ 9,037,036
			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:** NM1696

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #823H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1945' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 2090' FEL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #823H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1696

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #823H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1945' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 2090' FEL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200.165	Safety/Environmental	\$	1,415	\$	-	\$	1,415		
	8200.167	Consulting Services	\$	125,952	\$	-	\$	125,952		
	8200.168	Roustabout Services	\$	2,393	\$	-	\$	2,393		
	8200.169	Mud-Brine	\$	19,654	\$	-	\$	19,654		
	8200.170	Mud-Diesel	\$	67,536	\$	-	\$	67,536		
Intangible Completion			\$	-	\$	3,053,232	\$	3,053,232		
	8300.203	Fuel	\$	-	\$	300,026	\$	300,026		
	8300.205	Location & Roads	\$	-	\$	5,288	\$	5,288		
	8300.207	Fresh Water	\$	-	\$	312,832	\$	312,832		
	8300.209	Chemicals	\$	-	\$	191,801	\$	191,801		
	8300.210	Surface Rental Equip	\$	-	\$	214,292	\$	214,292		
	8300.212	Contract Labor	\$	-	\$	12,783	\$	12,783		
	8300.214	Perforating & Plugs	\$	-	\$	225,923	\$	225,923		
	8300.220	Engineering & Supervision	\$	-	\$	5,052	\$	5,052		
	8300.229	Transportation	\$	-	\$	2,631	\$	2,631		
	8300.232	Disposal	\$	-	\$	14,162	\$	14,162		
	8300.240	Pump Down Services	\$	-	\$	46,605	\$	46,605		
	8300.248	Mancamp	\$	-	\$	28,929	\$	28,929		
	8300.250	Downhole Rental Equip	\$	-	\$	36,062	\$	36,062		
	8300.270	Frac - Equipment	\$	-	\$	859,988	\$	859,988		
	8300.271	Coil Tubing	\$	-	\$	83,891	\$	83,891		
	8300.273	Flowback	\$	-	\$	20,015	\$	20,015		
	8300.274	Water Transfer	\$	-	\$	46,333	\$	46,333		
	8300.275	Frac - Sand	\$	-	\$	579,660	\$	579,660		
	8300.276	Safety & Environmental	\$	-	\$	3,355	\$	3,355		
	8300.277	Consulting Services	\$	-	\$	60,382	\$	60,382		
8300.278	Roustabouts	\$	-	\$	1,579	\$	1,579			
8300.279	Completions Overhead	\$	-	\$	1,643	\$	1,643			
Intangible Workover			\$	-	\$	110,150	\$	110,150		
	8320.602	Workover Rig	\$	-	\$	30,000	\$	30,000		
	8320.605	Fuel / Power	\$	-	\$	5,263	\$	5,263		
	8320.610	Inspection & Testing	\$	-	\$	4,000	\$	4,000		
	8320.611	Trucking/Vacuum/Transportation	\$	-	\$	10,000	\$	10,000		
	8320.612	Kill Truck	\$	-	\$	5,000	\$	5,000		
	8320.617	Contract Labor/Roustabout	\$	-	\$	30,887	\$	30,887		
	8320.621	Rental Equipment	\$	-	\$	15,000	\$	15,000		
	8320.625	Wellsite Supervision	\$	-	\$	5,000	\$	5,000		
8320.628	Chemicals	\$	-	\$	5,000	\$	5,000			
Intangible Flowback			\$	-	\$	452,587	\$	452,587		
	8360.805	Trucked Water Disposal	\$	-	\$	21,464	\$	21,464		
	8360.810	Frac Water Recovery	\$	-	\$	111,243	\$	111,243		
	8360.815	Trucking/Vacuum/Transp	\$	-	\$	14,334	\$	14,334		
	8360.820	Well Testing / Flowback	\$	-	\$	60,746	\$	60,746		
	8360.825	Rental Equipment	\$	-	\$	190,000	\$	190,000		
	8360.845	Wellsite Supervision	\$	-	\$	50,400	\$	50,400		
	8360.850	Safety / Environmental	\$	-	\$	4,400	\$	4,400		
Intangible Facility			\$	-	\$	645,566	\$	645,566		
	8350.403	Roads/Location	\$	-	\$	76,833	\$	76,833		
	8350.404	Equipment Rental	\$	-	\$	29,200	\$	29,200		
	8350.410	Transportation/Trucking	\$	-	\$	15,367	\$	15,367		
	8350.411	Safety & Environmental	\$	-	\$	17,300	\$	17,300		
	8350.415	Engineering / Technical	\$	-	\$	55,733	\$	55,733		
	8350.416	Supervision	\$	-	\$	26,900	\$	26,900		
	8350.417	Overhead Power Labor	\$	-	\$	43,233	\$	43,233		
	8350.418	Mechanical Labor	\$	-	\$	157,000	\$	157,000		
	8350.419	Automation Labor	\$	-	\$	29,600	\$	29,600		
	8350.420	Electrical Labor	\$	-	\$	87,400	\$	87,400		
	8350.421	Commissioning	\$	-	\$	3,267	\$	3,267		
	8350.422	Flowline Labor	\$	-	\$	103,733	\$	103,733		
TOTAL INTANGIBLE COSTS >>>			\$	2,358,647	\$	3,615,969	\$	6,620,181		
TOTAL PROJECT COSTS >>>			\$	3,268,807	\$	4,175,264	\$	1,592,965	\$	9,037,036
				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:** NM1697

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #824H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1905' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 330' FEL

State: NM

PROJECT DESCRIPTION:

The proposed AFE is for the Cellini 12 13 State Com #824H, a 1.5 section Penn horizontal well to be drilled in Lea County, NM.

	<u>TOTAL</u>
DRILLING:	\$3,268,807
COMPLETIONS:	\$4,175,264
FACILITIES:	\$1,592,965
COMPLETED WELL COST:	\$9,037,036

OPERATOR APPROVAL:



AUTHORIZATION FOR EXPENDITURE

AFE: NM1697

Date: June 10, 2026

Well Name: Cellini 12 13 State Com #824H

Projected MD/TVD: 19623/11700

Target: Pennsylvanian

SHL: S12-T18S-R34E 2350' FSL, 1905' FEL

County: Lea

BHL: S13-T18S-R34E 100' FSL, 330' FEL

State: NM

TANGIBLE COSTS			Drilling	Completion	Facility	Total
Tangible Drilling			\$ 910,160	\$ -	\$ -	\$ 910,160
	8400.301	Surface Casing	\$ 73,570	\$ -	\$ -	\$ 73,570
	8400.302	Intermediate 1 Casing	\$ 380,374	\$ -	\$ -	\$ 380,374
	8400.303	Production Casing	\$ 409,907	\$ -	\$ -	\$ 409,907
	8400.340	Wellhead	\$ 46,310	\$ -	\$ -	\$ 46,310
Tangible Completion			\$ -	\$ 15,788	\$ -	\$ 15,788
	8400.352	Wellhead & Equipment	\$ -	\$ 15,788	\$ -	\$ 15,788
Tangible Workover			\$ -	\$ 543,508	\$ -	\$ 543,508
	8325.702	Tubing	\$ -	\$ 90,000	\$ -	\$ 90,000
	8325.704	Downhole Artificial Lift Eqpt	\$ -	\$ 350,000	\$ -	\$ 350,000
	8325.705	ESP Equipment/Install	\$ -	\$ 40,000	\$ -	\$ 40,000
	8325.711	Wellhead Equipment	\$ -	\$ 63,508	\$ -	\$ 63,508
Tangible Facility			\$ -	\$ -	\$ 947,399	\$ 947,399
	8355.500	Vessels	\$ -	\$ -	\$ 213,100	\$ 213,100
	8355.510	Tanks	\$ -	\$ -	\$ 164,033	\$ 164,033
	8355.515	Flare	\$ -	\$ -	\$ 30,733	\$ 30,733
	8355.520	PVF	\$ -	\$ -	\$ 152,733	\$ 152,733
	8355.525	Containment	\$ -	\$ -	\$ 26,900	\$ 26,900
	8355.530	Compressors	\$ -	\$ -	\$ 10,700	\$ 10,700
	8355.535	Instrumentation / Meters	\$ -	\$ -	\$ 61,533	\$ 61,533
	8355.540	Electrical Supplies	\$ -	\$ -	\$ 88,367	\$ 88,367
	8355.550	Overhead Power Material	\$ -	\$ -	\$ 81,667	\$ 81,667
	8355.555	Pump / Supplies	\$ -	\$ -	\$ 50,733	\$ 50,733
	8355.560	Pipeline	\$ -	\$ -	\$ 15,367	\$ 15,367
	8355.565	Flowline	\$ -	\$ -	\$ 51,533	\$ 51,533
TOTAL TANGIBLE COSTS >>>			\$ 910,160	\$ 559,296	\$ 947,399	\$ 2,416,854

INTANGIBLE COSTS			Drilling	Completion	Facility	Total
Intangible Drilling			\$ 2,358,647	\$ -	\$ -	\$ 2,358,647
	8200.102	Drilling - Daywork	\$ 437,289	\$ -	\$ -	\$ 437,289
	8200.103	Drilling - Rig Move	\$ 94,550	\$ -	\$ -	\$ 94,550
	8200.104	Fuel - Rig	\$ 82,611	\$ -	\$ -	\$ 82,611
	8200.106	Transportation	\$ 69,870	\$ -	\$ -	\$ 69,870
	8200.111	Survey, Stake/Permit	\$ 5,263	\$ -	\$ -	\$ 5,263
	8200.112	Location & Roads, Conductor	\$ 141,956	\$ -	\$ -	\$ 141,956
	8200.113	Damages/Row	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.114	Disposal	\$ 159,104	\$ -	\$ -	\$ 159,104
	8200.115	Mud-Drill Water	\$ 4,626	\$ -	\$ -	\$ 4,626
	8200.116	Drill Bits & BHA	\$ 82,532	\$ -	\$ -	\$ 82,532
	8200.117	Mud & Chemicals	\$ 90,546	\$ -	\$ -	\$ 90,546
	8200.119	Mud-Auxiliary	\$ 24,490	\$ -	\$ -	\$ 24,490
	8200.124	Equipment Rental	\$ 124,574	\$ -	\$ -	\$ 124,574
	8200.125	Inspection	\$ 45,258	\$ -	\$ -	\$ 45,258
	8200.127	Contract Labor	\$ 21,533	\$ -	\$ -	\$ 21,533
	8200.128	Drilling - Directional	\$ 281,929	\$ -	\$ -	\$ 281,929
	8200.136	Mudlogging	\$ 12,882	\$ -	\$ -	\$ 12,882
	8200.137	Casing Services	\$ 95,062	\$ -	\$ -	\$ 95,062
	8200.138	Cementing Services	\$ 219,797	\$ -	\$ -	\$ 219,797
	8200.143	Geological Services	\$ 17,461	\$ -	\$ -	\$ 17,461
	8200.144	Company Supervision	\$ 2,400	\$ -	\$ -	\$ 2,400
	8200.147	Drilling Overhead	\$ 3,220	\$ -	\$ -	\$ 3,220
	8200.149	Legal, Title, Etc	\$ 10,525	\$ -	\$ -	\$ 10,525
	8200.152	Well Control Ins.	\$ 7,894	\$ -	\$ -	\$ 7,894
	8200.162	Mancamp	\$ 32,079	\$ -	\$ -	\$ 32,079
	8200.164	Solids Control & Closed Loop	\$ 66,354	\$ -	\$ -	\$ 66,354



AUTHORIZATION FOR EXPENDITURE

	8200,165	Safety/Environmental	\$	1,415	\$	-	\$	-	\$	1,415
	8200,167	Consulting Services	\$	125,952	\$	-	\$	-	\$	125,952
	8200,168	Roustabout Services	\$	2,393	\$	-	\$	-	\$	2,393
	8200,169	Mud-Brine	\$	19,654	\$	-	\$	-	\$	19,654
	8200,170	Mud-Diesel	\$	67,536	\$	-	\$	-	\$	67,536
Intangible Completion			\$	-	\$	3,053,232	\$	-	\$	3,053,232
	8300,203	Fuel	\$	-	\$	300,026	\$	-	\$	300,026
	8300,205	Location & Roads	\$	-	\$	5,288	\$	-	\$	5,288
	8300,207	Fresh Water	\$	-	\$	312,832	\$	-	\$	312,832
	8300,209	Chemicals	\$	-	\$	191,801	\$	-	\$	191,801
	8300,210	Surface Rental Equip	\$	-	\$	214,292	\$	-	\$	214,292
	8300,212	Contract Labor	\$	-	\$	12,783	\$	-	\$	12,783
	8300,214	Perforating & Plugs	\$	-	\$	225,923	\$	-	\$	225,923
	8300,220	Engineering & Supervision	\$	-	\$	5,052	\$	-	\$	5,052
	8300,229	Transportation	\$	-	\$	2,631	\$	-	\$	2,631
	8300,232	Disposal	\$	-	\$	14,162	\$	-	\$	14,162
	8300,240	Pump Down Services	\$	-	\$	46,605	\$	-	\$	46,605
	8300,248	Mancamp	\$	-	\$	28,929	\$	-	\$	28,929
	8300,250	Downhole Rental Equip	\$	-	\$	36,062	\$	-	\$	36,062
	8300,270	Frac - Equipment	\$	-	\$	859,988	\$	-	\$	859,988
	8300,271	Coil Tubing	\$	-	\$	83,891	\$	-	\$	83,891
	8300,273	Flowback	\$	-	\$	20,015	\$	-	\$	20,015
	8300,274	Water Transfer	\$	-	\$	46,333	\$	-	\$	46,333
	8300,275	Frac - Sand	\$	-	\$	579,660	\$	-	\$	579,660
	8300,276	Safety & Environmental	\$	-	\$	3,355	\$	-	\$	3,355
	8300,277	Consulting Services	\$	-	\$	60,382	\$	-	\$	60,382
	8300,278	Roustabouts	\$	-	\$	1,579	\$	-	\$	1,579
	8300,279	Completions Overhead	\$	-	\$	1,643	\$	-	\$	1,643
Intangible Workover			\$	-	\$	110,150	\$	-	\$	110,150
	8320,602	Workover Rig	\$	-	\$	30,000	\$	-	\$	30,000
	8320,605	Fuel / Power	\$	-	\$	5,263	\$	-	\$	5,263
	8320,610	Inspection & Testing	\$	-	\$	4,000	\$	-	\$	4,000
	8320,611	Trucking/Vacuum/Transportation	\$	-	\$	10,000	\$	-	\$	10,000
	8320,612	Kill Truck	\$	-	\$	5,000	\$	-	\$	5,000
	8320,617	Contract Labor/Roustabout	\$	-	\$	30,887	\$	-	\$	30,887
	8320,621	Rental Equipment	\$	-	\$	15,000	\$	-	\$	15,000
	8320,625	Wellsite Supervision	\$	-	\$	5,000	\$	-	\$	5,000
	8320,628	Chemicals	\$	-	\$	5,000	\$	-	\$	5,000
Intangible Flowback			\$	-	\$	452,587	\$	-	\$	452,587
	8360,805	Trucked Water Disposal	\$	-	\$	21,464	\$	-	\$	21,464
	8360,810	Frac Water Recovery	\$	-	\$	111,243	\$	-	\$	111,243
	8360,815	Trucking/Vacuum/Transp	\$	-	\$	14,334	\$	-	\$	14,334
	8360,820	Well Testing / Flowback	\$	-	\$	60,746	\$	-	\$	60,746
	8360,825	Rental Equipment	\$	-	\$	190,000	\$	-	\$	190,000
	8360,845	Wellsite Supervision	\$	-	\$	50,400	\$	-	\$	50,400
	8360,850	Safety / Environmental	\$	-	\$	4,400	\$	-	\$	4,400
Intangible Facility			\$	-	\$	-	\$	645,566	\$	645,566
	8350,403	Roads/Location	\$	-	\$	-	\$	76,833	\$	76,833
	8350,404	Equipment Rental	\$	-	\$	-	\$	29,200	\$	29,200
	8350,410	Transportation/Trucking	\$	-	\$	-	\$	15,367	\$	15,367
	8350,411	Safety & Environmental	\$	-	\$	-	\$	17,300	\$	17,300
	8350,415	Engineering / Technical	\$	-	\$	-	\$	55,733	\$	55,733
	8350,416	Supervision	\$	-	\$	-	\$	26,900	\$	26,900
	8350,417	Overhead Power Labor	\$	-	\$	-	\$	43,233	\$	43,233
	8350,418	Mechanical Labor	\$	-	\$	-	\$	157,000	\$	157,000
	8350,419	Automation Labor	\$	-	\$	-	\$	29,600	\$	29,600
	8350,420	Electrical Labor	\$	-	\$	-	\$	87,400	\$	87,400
	8350,421	Commissioning	\$	-	\$	-	\$	3,267	\$	3,267
	8350,422	Flowline Labor	\$	-	\$	-	\$	103,733	\$	103,733
TOTAL INTANGIBLE COSTS >>>			\$	2,358,647	\$	3,615,969	\$	645,566	\$	6,620,181
TOTAL PROJECT COSTS >>>			\$	3,268,807	\$	4,175,264	\$	1,592,965	\$	9,037,036
				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: _____



June 15, 2026

MorningStar Operating, LLC
400 W 7th Street
Fort Worth, TX 76102

Sent via USPS

RE: REVISED Well Proposals
Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, #824H
S2 of Section 12 and All of Section 13, Township 18 South, Range 34 East
Lea County, New Mexico

Ladies and Gentlemen:

Avant Operating II, LLC previously sent well proposals to working interest owners for the Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, and #824H wells in the South-Half of Section 12 and All of Section 13, Township 18 South, Range 34 East, Lea County, New Mexico. Avant has since made minor revisions to the development plan for the subject wells. The revisions are limited solely to the estimated total vertical depth ("TVD") and measured depth of the proposed wells. No other changes have been made to the well proposals or the associated Authorizations for Expenditure ("AFE"). Accordingly, the previously distributed well proposals should be disregarded and replaced in their entirety by the enclosed revised well proposals.

AO II Permian, LLC, through its operating affiliate, Avant Operating II, LLC ("Avant"), hereby proposes to drill and complete the Cellini 12 13 State Com #811H, #812H, #813H, #821H, #822H, #823H, and #824H wells in the South-Half of Section 12 and All of Section 13, Township 18 South, Range 34 East, Lea County, New Mexico. Avant is finalizing reports and 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") dated June 10, 2026.
- **Cellini 12 13 State Com #811H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1040' FWL and a BHL of S13-T18S-R34E 100' FSL, 792' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a measured depth of approximately 19,323'.
- **Cellini 12 13 State Com #812H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1965' FEL and a BHL of S13-T18S-R34E 100' FSL, 2310' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a measured depth of approximately 19,423'.
- **Cellini 12 13 State Com #813H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1925' FEL and a BHL of S13-T18S-R34E 100' FSL, 1210' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,400' TVD and will be drilled horizontally to a measured depth of approximately 19,323'.

1515 Wynkoop Street | Suite 700 | Denver, CO 80202
www.avantnr.com



- **Cellini 12 13 State Com #821H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1020' FWL and a BHL of S13-T18S-R34E 100' FSL, 330' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.
- **Cellini 12 13 State Com #822H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1060' FWL and a BHL of S13-T18S-R34E 100' FSL, 1254' FWL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.
- **Cellini 12 13 State Com #823H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1945' FEL and a BHL of S13-T18S-R34E 100' FSL, 2090' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.
- **Cellini 12 13 State Com #824H:** to be drilled from a SHL of S12-T18S-R34E 2350' FSL, 1905' FEL and a BHL of S13-T18S-R34E 100' FSL, 330' FEL. The Well will have a targeted interval within the Pennsylvanian formation at a depth of approximately 11,700' TVD and will be drilled horizontally to a measured depth of approximately 19,623'.

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

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

- 100%/300%/300% non-consent penalty
- \$12,000/\$1,200 drilling and producing monthly overhead rates
- Contract Area of S2 of Section 12-T18S-R34E and ALL of Section 13-T18S-R34E
- Limited to depths below the Bone Spring formation
- This proposed Operating Agreement 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.

In the event you do not wish to participate in this proposed development and would be interested in selling your interest, please let us know. Should you have any questions, please contact the undersigned at sophia@avantnr.com or (303) 519-2870.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sophia Guerra".

Sophia Guerra

Land Operations Manager

1515 Wynkoop Street | Suite 700 | Denver, CO 80202
www.avantnr.com



MorningStar Operating, LLC elects as follows:

Cellini 12 13 State Com #811H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #811H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #811H** well.

Cellini 12 13 State Com #812H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #812H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #812H** well.

Cellini 12 13 State Com #813H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #813H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #813H** well.

Cellini 12 13 State Com #821H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #821H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #821H** well.

Cellini 12 13 State Com #822H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #822H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #822H** well.

Cellini 12 13 State Com #823H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #823H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #823H** well.

Cellini 12 13 State Com #824H:

_____ I/We hereby elect to participate in the **Cellini 12 13 State Com #824H** well.
_____ I/We hereby elect **NOT** to participate in the **Cellini 12 13 State Com #824H** well.

MorningStar Operating, LLC

By: _____
Printed Name: _____
Title: _____
Date: _____

Summary of Contacts

Cellini 12 13 State Com #811H-813H, #821-824H

AO II

Case No. 26331

Exhibit A-7



Summary of Contacts

- AO II searched public records, phone directory, LexisNexis subscription and conducted various internet searches.
- AOII sent original well proposals on or around May 15, 2026, with follow up well proposals sent on June 15, 2026.
- AO II proposed general terms of a Joint Operating Agreement (JOA) within the well proposal letters sent to all working interest owners.
- AO II sent working interest owners a JOA upon request.
- AOII had multiple communications with uncommitted working interest owners, outlined in the following slides.
- AO II counsel sent notices of force pooling applications to the address of record for uncommitted interest owners and overriding royalty owners.
- AO II counsel published notice in a newspaper of general circulation in the County where the wells will be located.



Summary of Contacts

Cellini 12 13 State Com #811H-813H, #821-824H

AO II

Case No. 26331

Exhibit A-7



AO II has been proactive and consistently engaged with all working interest owners.

Owner Name	Follow-Up / Comments
Cross Timbers Energy, LLC	5/15: Sent well proposal to owner. 6/15: Sent owner revised well proposal with revised total vertical depth information. 6/18: Avant landman reaches out to owner to discuss agreement to sell interest. Owner agrees to initial terms of agreement. 8/24: Continue to negotiate terms of agreement with owner.
Hilcorp Permian, LLC	6/15: Sent well proposal to owner. 6/18: Owner sent email requesting ownership in unit. 6/30: Sent email to owner with title information. Offered to send over formal offer to purchase and/or JOA for review. 7/1: Exchanged emails with owner re assignment into owner to confirm ownership in unit. 7/10: Exchanged emails with owner re spud timing. 8/4: Sent owner copy of unit JOA for review. Owner replied expressing interest in seeing offer to purchase. 8/10: Sent owner offer to purchase unit WI. 8/18: Sent owner email requesting update on offer to purchase. 8/21: Exchanged emails with owner re offer to purchase.
MorningStar Operating, LLC	5/15: Sent well proposal to owner. 6/15: Sent owner revised well proposal with updated total vertical depth information. 7/7: Owner agrees to enter into agreement with Avant to assign their interest. Begin working on closing paperwork. 8/24: Continue to negotiate terms of agreement with owner.
Highland (Texas) Energy Company	5/15: Sent well proposal to owner. 5/27: Sent unit JOA to owner for review upon request. 6/15: Sent revised proposal letter with updated total vertical depth information. 6/29: Owner sent signed JOA pages.
The Allar Company	6/15: Sent well proposal to owner. 7/20: Avant landman reached out to owner to see if they were interested in selling. 7/28: Avant landman followed up via email.
Sarvis Permian Land Fund I, LLC	6/15: Sent well proposal to owner.
Sarvis Rockmont Permian Land Fund, LLC	6/15: Sent well proposal to owner.
Sarvis Permian Land Fund I SC, LLC	6/15: Sent well proposal to owner.



**EXHIBIT
A-7 (cont)**

AVANT OPERATING II, |
LLC

Committed/Uncommitted Notice Exhibit

Owner Name	Owner Type (WIO, UMI, ORRI)	Ownership Status (Committed/Uncommitted)	Commitment Type (JOA, Letter of Support, Etc.)	Date of Hearing Notice Letter	Date of Publication	Exhibit
AO II Permian, LLC	OPERATOR	OPERATOR	OPERATOR	N/A	N/A	N/A
Cross Timbers Energy, LLC	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
MorningStar Operating, LLC	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
Highland (Texas) Energy Company	WIO	Committed	JOA	7/14/2026	7/16/2026	C
Hilcorp Permian, LLC	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
The Allar Company	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
Sarvis Permian Land Fund I, LLC	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
Sarvis Rockmont Permian Land Fund, LLC	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
Sarvis Permian Land Fund I SC, LLC	WIO	Uncommitted	N/A	7/14/2026	7/16/2026	C
Hilcorp Permian, LLC	ORRI	Uncommitted	N/A	7/14/2026	7/16/2026	C
John Kyle Thomas Trstee of The Cornerstone Family Trust	ORRI	Uncommitted	N/A	7/14/2026	7/16/2026	C
CrownRock Minerals, LP	ORRI	Uncommitted	N/A	7/14/2026	7/16/2026	C
John and Theresa Hillman Family Properties LP	ORRI	Uncommitted	N/A	7/14/2026	7/16/2026	C
DSD Energy II LLC	ORRI	Uncommitted	N/A	7/14/2026	7/16/2026	C
BlakeO'Donnel	ORRI	Uncommitted	N/A	7/14/2026	7/16/2026	C

EXHIBIT
A-8

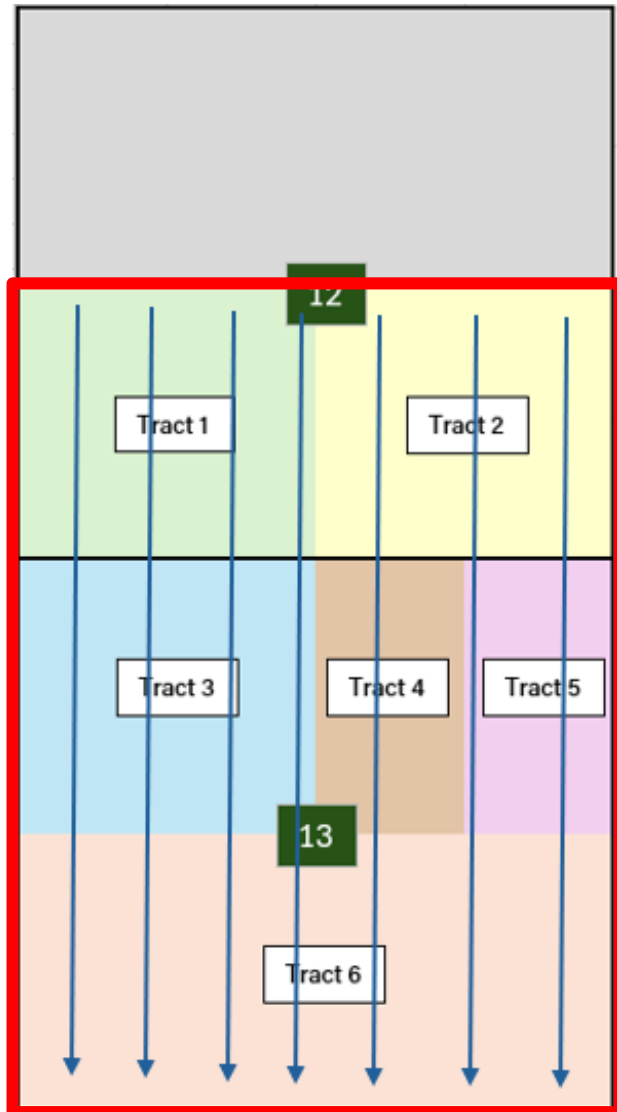
Lease Tract Map

Cellini 12 13 State Com #811H-813H, #821-824H

AO II
Case No. 26331
Exhibit A-9



Tract Map with approx. well locations



Pennsylvanian

Well Name	Pool Code / Pool Name
Cellini 12 13 State Com #811H	Wildcat (Cisco)
Cellini 12 13 State Com #812H	Wildcat (Cisco)
Cellini 12 13 State Com #813H	Wildcat (Cisco)
Cellini 12 13 State Com #821H	Wildcat (Cisco)
Cellini 12 13 State Com #822H	Wildcat (Cisco)
Cellini 12 13 State Com #823H	Wildcat (Cisco)
Cellini 12 13 State Com #824H	Wildcat (Cisco)



AO II CELLINI UNIT



Standard vs. Non-Standard Unit Comparison

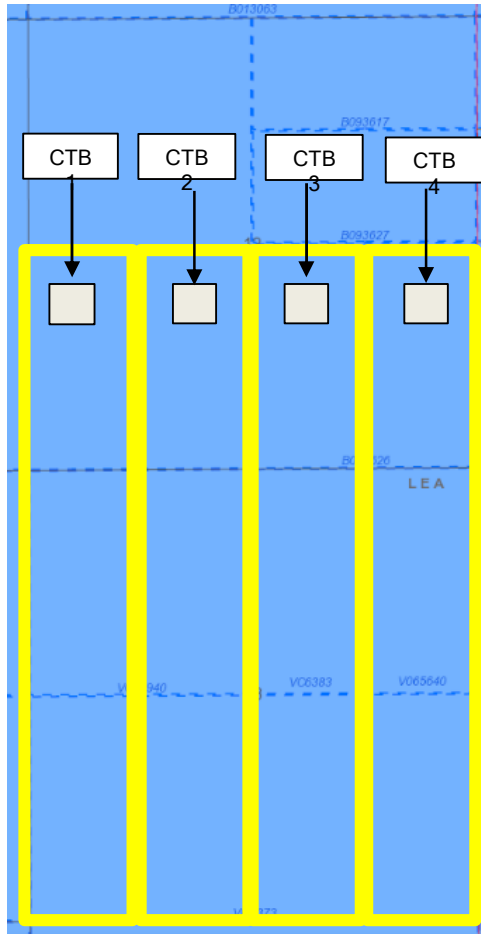
Cellini 12 13 State Com #811H-813H, #821-824H

AO II
Case No. 26331
Exhibit A-9

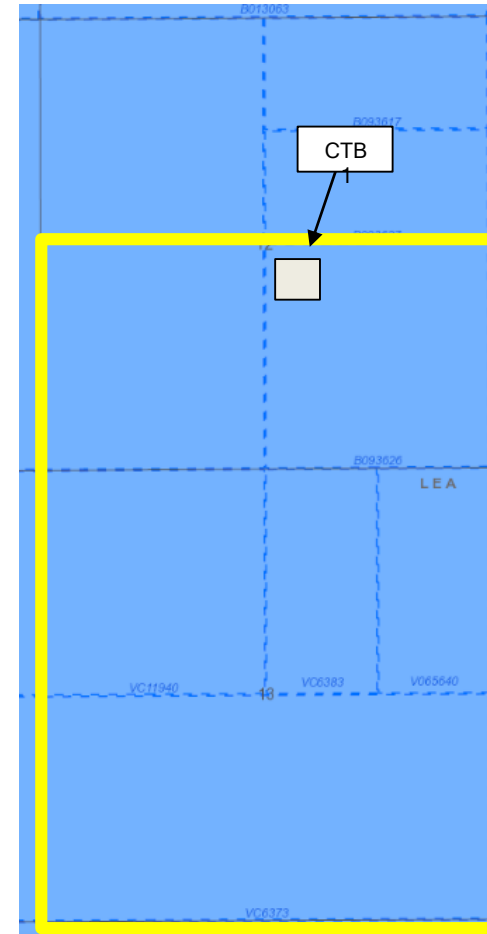


NSSU reduces surface facilities and surface impacts

Standard Unit Development



Non-Standard Unit Development



NSU Offset Notice

Cellini 12 13 State Com #811H-813H, #821-824H

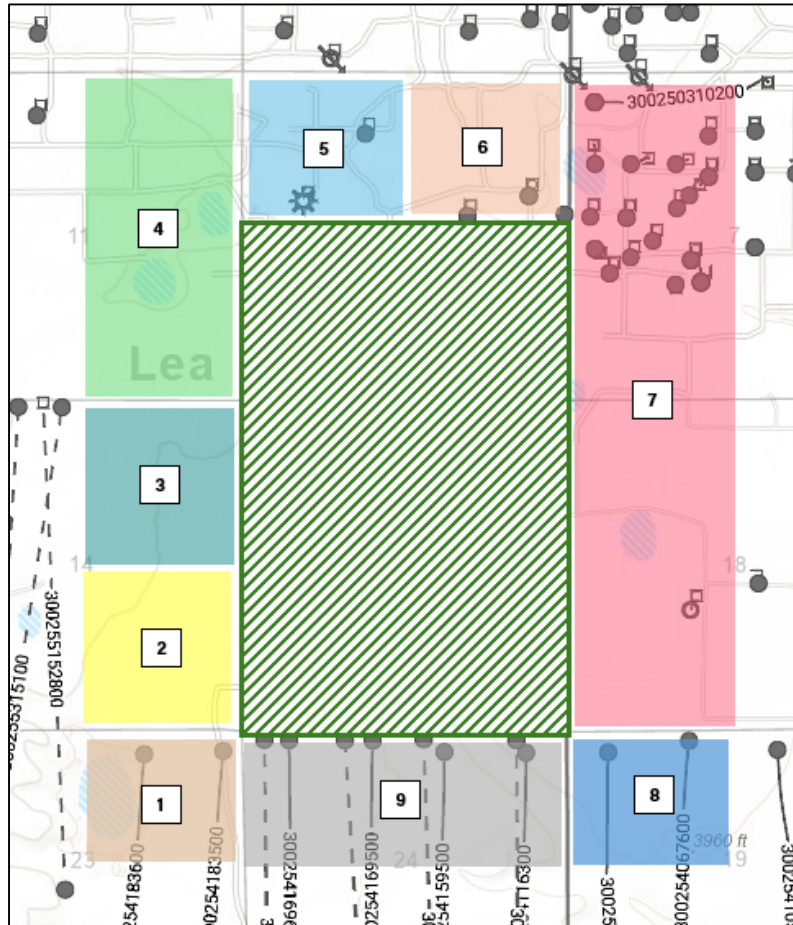
AO II

Case No. 26331

Exhibit A-9



NSSU reduces surface facilities and surface impacts



Tract	Description	Notice Party Name	Address
1	NE Sec 23 T18S R34E Offset Operator / Record Title	MRC Permian Co Matador Resources	5400 LBJ Freeway, Suite 1500 Dallas, TX 75240
2	SE Sec 14 T18S R34E Record Title	Chevron USA Inc	1500 Louisiana Street Houston, TX 77002
3	NE Sec 14 T18S R34E Record Title	Lario Oil & Gas	260 Josephine Street Denver, CO 80206
4	E2 Sec 11 T18S R34E Record Title	Chevron USA Inc	1500 Louisiana Street Houston, TX 77002
5	NW Sec 12 T18S R34E Offset Operator	TXO Partners LP	400 W 7th St Fort Worth, TX 76102
6	NE Sec 12 T18S R34E Offset Operator	CTOC Energy, LLC	400 W 7th St Fort Worth, TX 76102
6	NE Sec 12 T18S R34E Record Title	J M Leonard and Sohio Pet Co	1100 Penn Tower Oklahoma City, OK 73118
6	NE Sec 12 T18S R34E Record Title	XTO Holdings LLC	22777 Springwoods Village Pkwy Spring, TX 77389
7	W2 Sec 7 & 18 T18S R35E Offset Operator	Mack Energy	11352 Lovington Hwy Artesia, NM 88210
7	W2 Sec 7 & 18 T18S R35E Record Title	Chase Oil Corp	11352 Lovington Hwy Artesia, NM 88210
8	NW Sec 19 T18S R35E Offset Operator	Devon Energy	840 Gessner Road, Suite 1400 Houston, TX 77024
8	NW Sec 19 T18S R35E Record Title	Coterra Energy Operating Co	6001 Deauville Blvd, Suite 300 Midland, TX 79706
9	N2 Sec 24 T18S R34E Offset Operator	Devon Energy	840 Gessner Road, Suite 1400 Houston, TX 77024



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

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

CASE NO. 26331

SELF-AFFIRMED STATEMENT OF JOHN HARPER

John Harper hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Avant Operating II, LLC ("AO II"), 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 AO II includes the area of Lea County in New Mexico.
3. I am familiar with the application filed by AO II in this case.
4. **Exhibit B-1** is a locator map showing the approximate location of the proposed unit in relation to the Northern Delaware Basin.
5. **Exhibit B-2** is a wellbore schematic showing AO II's development plan.
6. **Exhibit B-3** is a structure map of the Pennsylvanian Strawn formation. The proposed spacing unit is identified by a red box. The proposed 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 to the south.
7. **Exhibit B-4** includes 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'.

**EXHIBIT
B**

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

9. 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.

10. In my opinion, the preferred well orientation in this area is North South due to the S_{Hmax} direction.

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

12. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

13. I attest under penalty of perjury 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 and I will adopt this testimony at the hearing in this matter.

[Signature Page Follows]

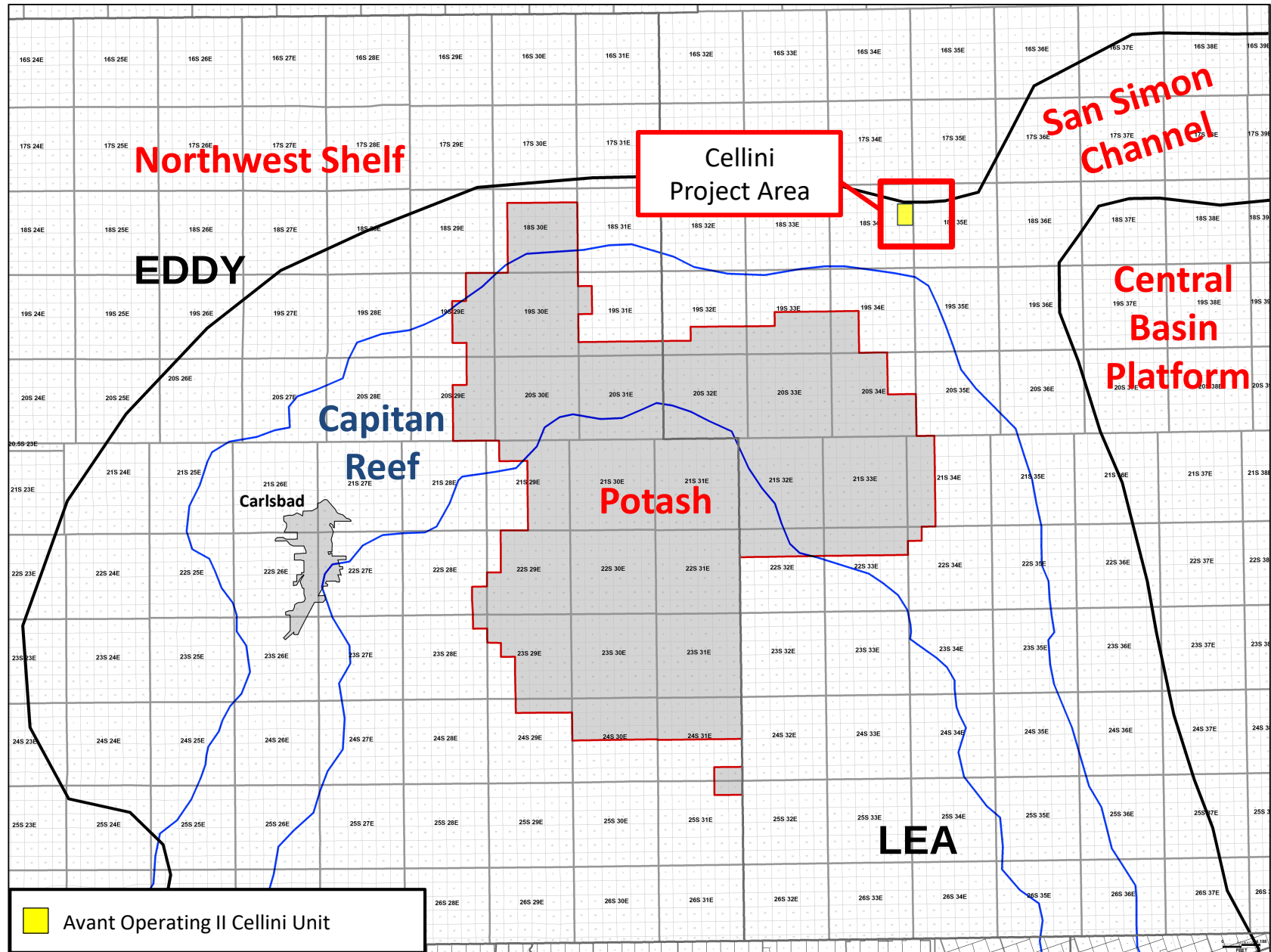
8-25-26

Date


John Harper

Regional Locator Map
Cellini 12 13 State Com
#811-813, 821-824H

Avant Operating II, LLC Exhibit B-1



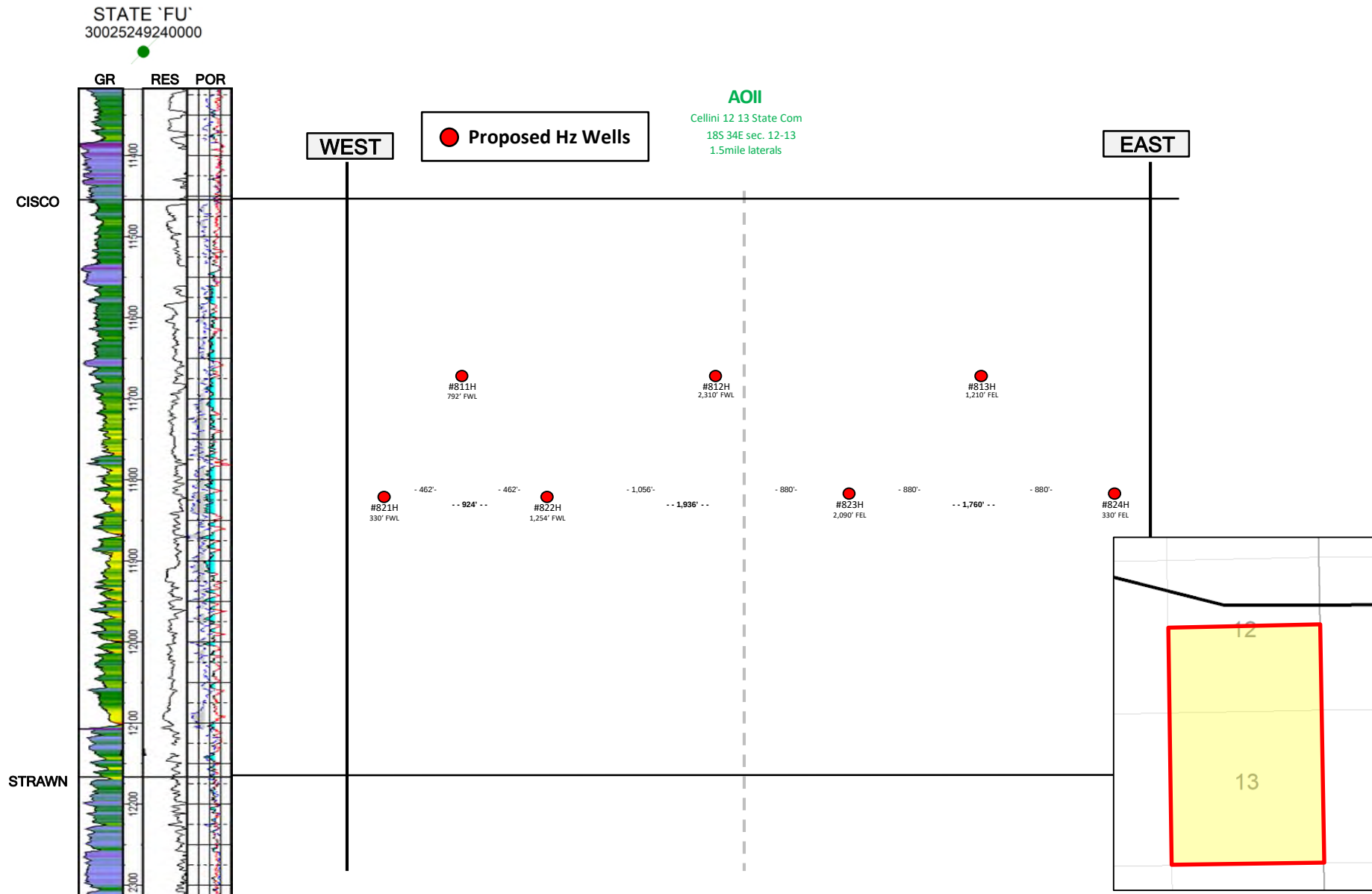
**EXHIBIT
B-1**

AVANT OPERATING II, LLC |

Wellbore Schematic

Cellini 12 13 State Com

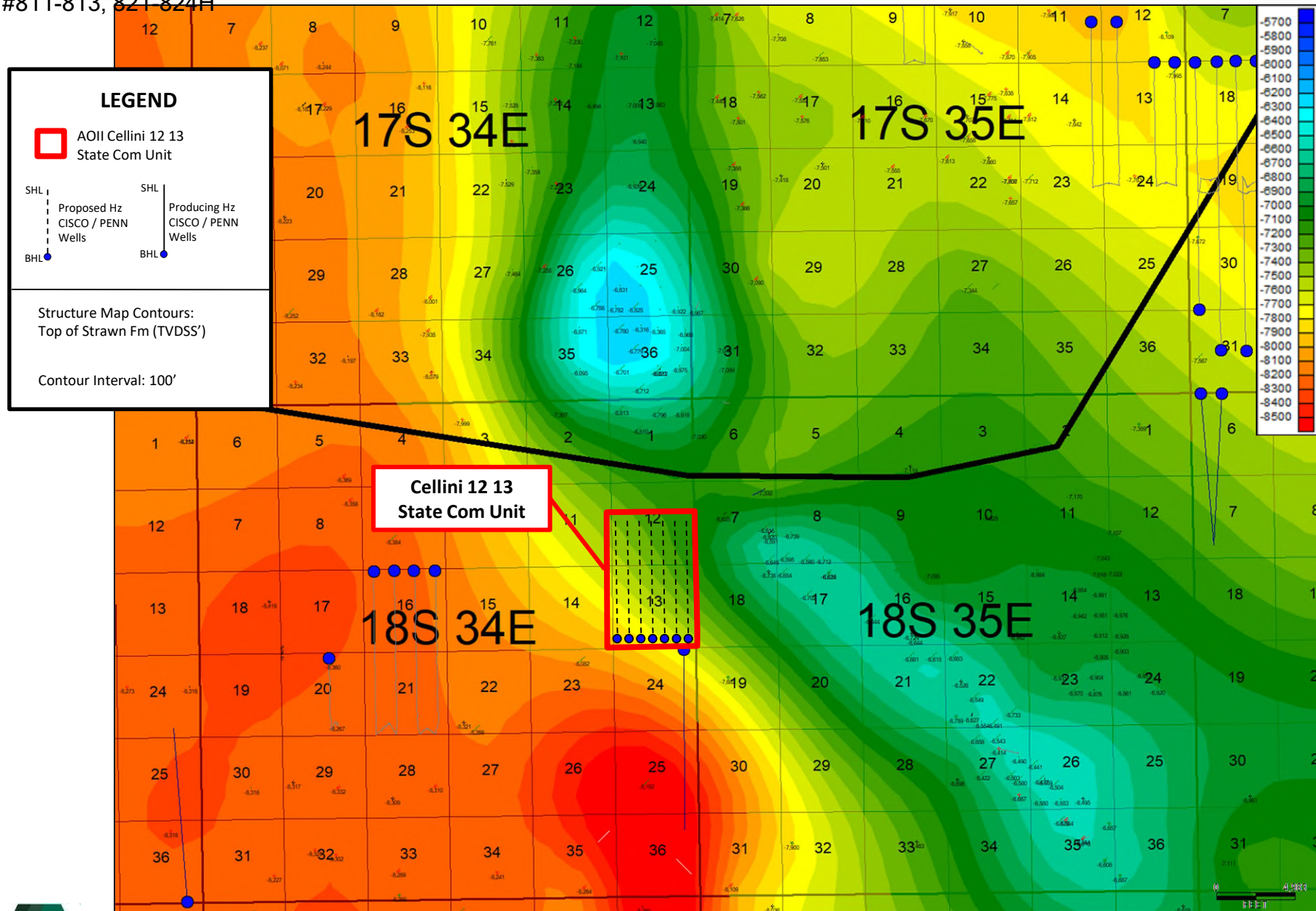
#811-813, 821-824H

Avant Operating II, LLC
Exhibit B-2EXHIBIT
B-2Proposed Cellini 12 13 State Com
#811-813, 821-824H

AVANT OPERATING II, LLC |

Structure Map - Top Strawn
(TVDS')
Cellini 12 13 State Com
#811-813, 821-824H

Avant Operating II, LLC
Exhibit B-3



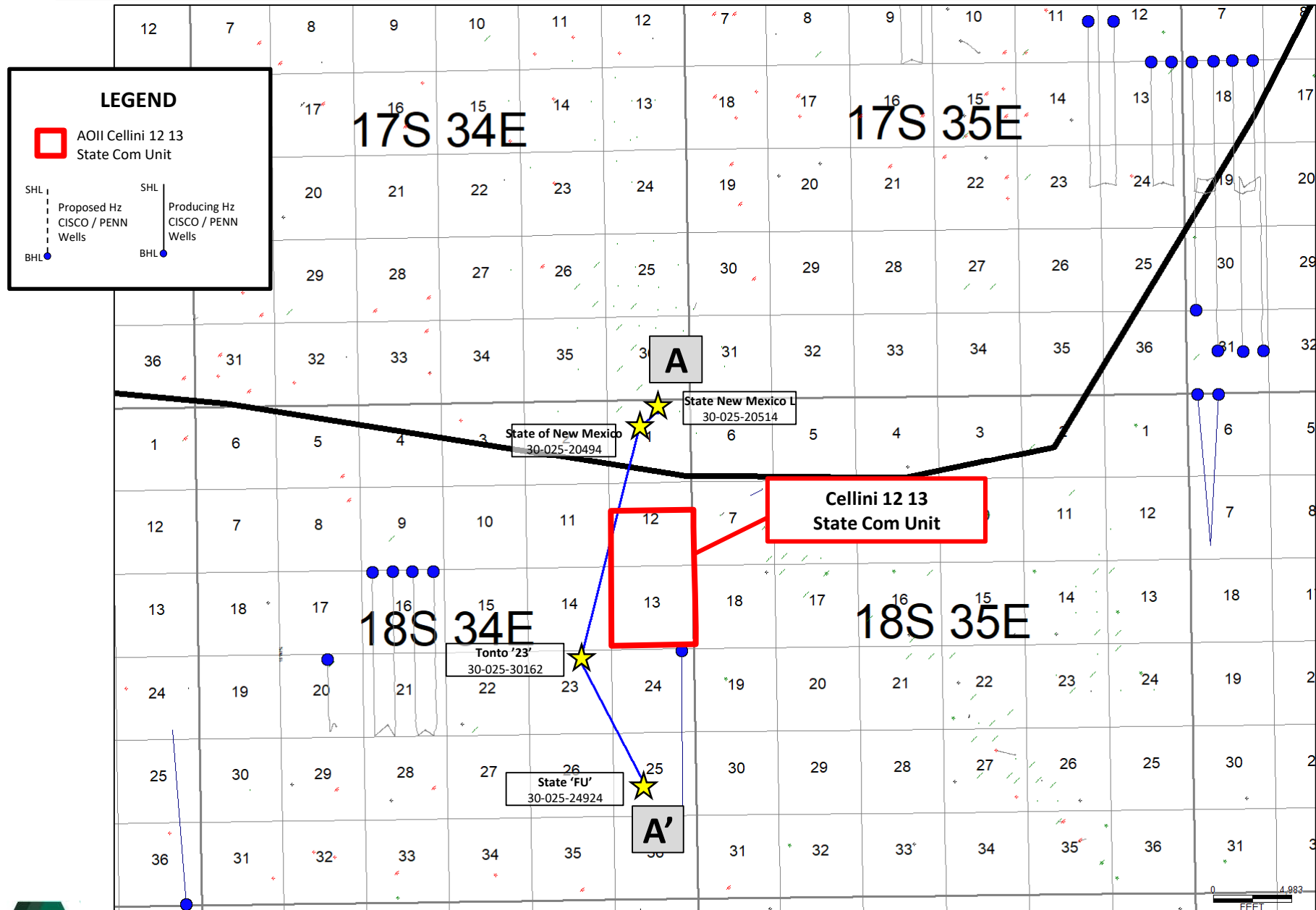
**EXHIBIT
B-3**

AVANT OPERATING II, LLC

Cross-Section Locator Map (A-A')

Cellini 12 13 State Com

#811-813, 821-824H

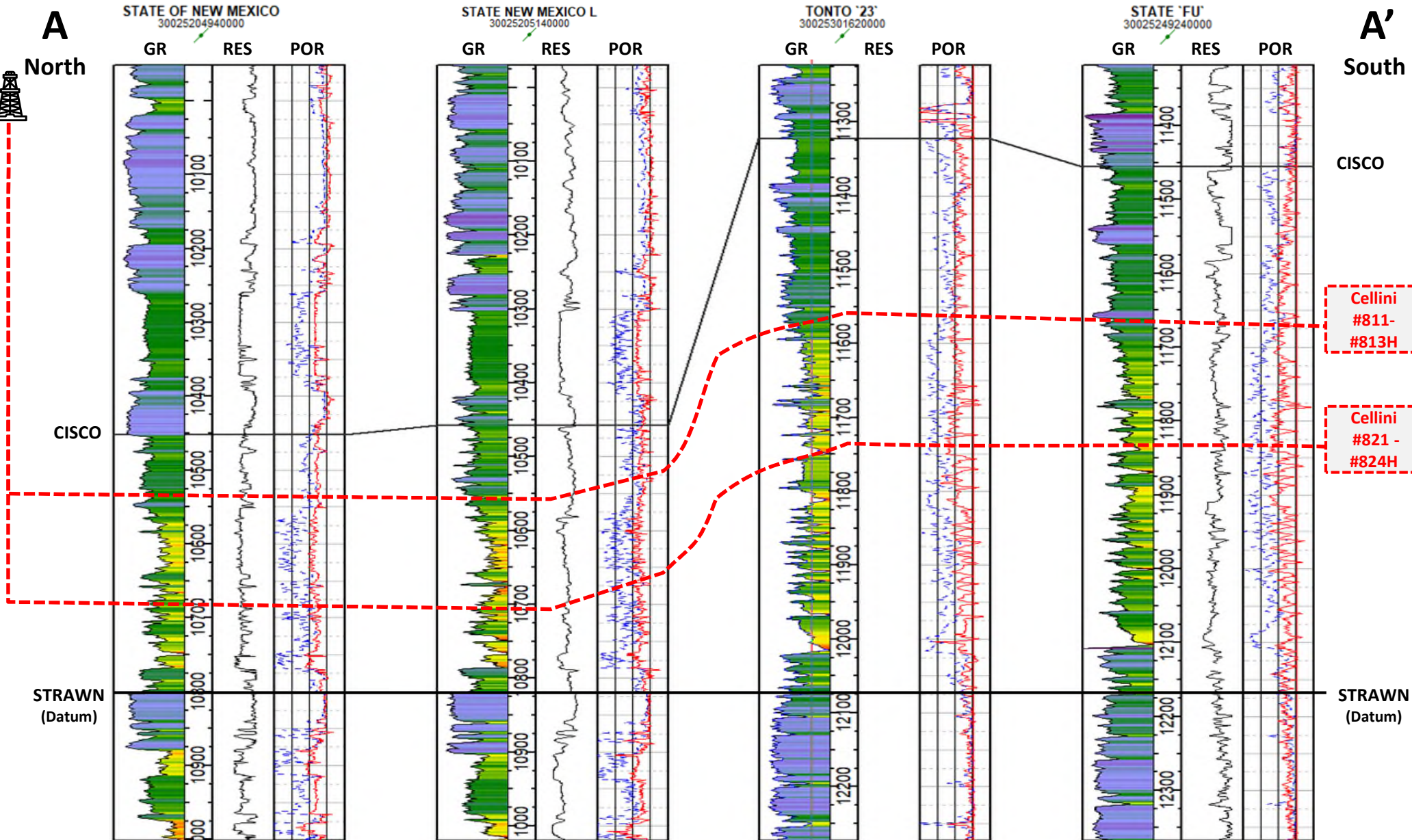
Avant Operating II, LLC
Exhibit B-4EXHIBIT
B-4

AVANT OPERATING II, LLC |

Stratigraphic Cross-Section A-A'

Cellini 12 13 State Com

#811-813, 821-824H

Avant Operating II, LLC
Exhibit B-5

Log Scaling: GR(Gamma Ray): 0-150, RES(Resistivity): 0.2-20000 ($\log_{10}$), POR(Porosity): 30 to -10%, PEF(Photoelectric Factor: 1-6) Depth Scale: Major / Minor Depth Ticks: 500' / 100'

EXHIBIT
B-5

AVANT OPERATING II, LLC

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

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

CASE NO. 26331

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

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

- 1) The above-referenced Application was provided to affected parties under notice letter, dated July 14, 2026, attached hereto, and labeled Exhibit C.1.
- 2) Exhibit C.2 is the certified mailing list, which show the notice letters were delivered to the USPS for mailing on July 14, 2026.
- 3) Exhibit C.3 is the certified mailing tracking information, which is automatically compiled by CertifiedPro, the software Modrall uses to track the mailings. The 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 August 6, 2026 hearing was published on July 16, 2026.
- 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.

EXHIBIT C

Dated: August 26, 2026

By: Deana M. Bennett
Deana M. Bennett



MODRALL SPERLING

L A W Y E R S

July 14, 2026

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

CASE NO. 26331

TO: AFFECTED PARTIES

This letter is to advise you that Avant Operating II, LLC ("AO II") has filed the enclosed application.

In Case No. 26331, AO II seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit and pooling all uncommitted interests in the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico in a Wildcat (Cisco) pool. This spacing unit will be dedicated to the following wells: **Cellini 12 13 State Com #811H, Cellini 12 13 State Com #821H, and Cellini 12 13 State Com #822H** wells with proposed first take points in the NW/4 SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13; **Cellini 12 13 State Com #812H** well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13; **Cellini 12 13 State Com #823H** well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and **Cellini 12 13 State Com #813H and Cellini 12 13 State Com #824H** well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12, and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating II, LLC as operator of the wells, and a 200% charge for risk

Modrall Sperling
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

EXHIBIT C.1

Page 2

involved in drilling said wells. Said area is located approximately 14 miles southwest of Lovington, New Mexico.

The hearing is set for August 6, 2026 beginning at 8:30 a.m. 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/>.

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 II, LLC
FOR APPROVAL OF A NON-STANDARD
SPACING UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26331

APPLICATION

Avant Operating II, LLC ("AO II"), OGRID Number 332947, 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 (1) approving a non-standard spacing unit, and (2) pooling all uncommitted interests within a non-standard 960-acre, more or less Pennsylvanian (Cisco) horizontal spacing unit comprised of the S/2 Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. In support of this application, AO II states as follows:

1. AO II has an interest in the subject lands and has a right to drill and operate a well thereon.
2. AO II seeks to dedicate the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico to form a 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit in a Wildcat (Cisco) pool (the "Unit").
3. AO II seeks approval of the 960-acre non-standard spacing unit to allow AO II to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing.
4. AO II seeks to dedicate the Unit to the following wells:
 - Cellini 12 13 State Com #811H, Cellini 12 13 State Com #821H, and Cellini 12 13 State Com #822H wells with proposed first take points in the NW/4

SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13;

- **Cellini 12 13 State Com #812H** well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13;
- **Cellini 12 13 State Com #823H** well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and
- **Cellini 12 13 State Com #813H and Cellini 12 13 State Com #824H** well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12, and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13.

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

6. AO II sought, but has been unable to obtain, a voluntary agreement from all interest owners in the 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 Unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

8. Approval of a non-standard spacing unit will allow AO II to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands and reduce surface disturbance.

WHEREFORE, AO II requests this application be set for hearing before an Examiner of the Oil Conservation Division on August 6, 2026, and after notice and hearing as required by law, the Division enter its order:

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett
Earl E. DeBrine, Jr.
Deana M. Bennett
Joshua B. Hirsch
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
josh.hirsch@modrall.com
Attorneys for Avant Operating II, LLC

CASE NO. 26331 : Application of Avant Operating II, LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit and pooling all uncommitted interests in the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico in a Wildcat (Cisco) pool. This spacing unit will be dedicated to the following wells: **Cellini 12 13 State Com #811H**, **Cellini 12 13 State Com #821H**, and **Cellini 12 13 State Com #822H** wells with proposed first take points in the NW/4 SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13; **Cellini 12 13 State Com #812H** well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13; **Cellini 12 13 State Com #823H** well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and **Cellini 12 13 State Com #813H** and **Cellini 12 13 State Com #824H** well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12, and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating II, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles southwest of Lovington, New Mexico.

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

PS Form 3877

Type of Mailing: CERTIFIED MAIL
07/14/2026

Firm Mailing Book ID: 314613

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0152 3585 34	Cross Timbers Energy, LLC 400 W 7th Street Fort Worth TX 76102	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
2	9314 8699 0430 0152 3585 41	MorningStar Operating, LLC 400 W 7th Street Fort Worth TX 76102	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
3	9314 8699 0430 0152 3585 58	Highland (Texas) Energy Company 11886 Greenville Avenue, Suite 106D Dallas TX 75243	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
4	9314 8699 0430 0152 3585 65	Hilcorp Permian CT TXNM, LLC 1111 Travis Street Houston TX 77002	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
5	9314 8699 0430 0152 3585 72	Hilcorp Permian, LLC 1111 Travis Street Houston TX 77002	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
6	9314 8699 0430 0152 3585 89	The Allar Company Po Box 1567 Graham TX 76450	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
7	9314 8699 0430 0152 3585 96	Sarvis Permian Land Fund I, LLC 1401 17th Street, Suite 1175 Denver CO 80202	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
8	9314 8699 0430 0152 3586 02	Sarvis Rockmont Permian Land Fund, LLC 1401 17th Street, Suite 1175 Denver CO 80202	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
9	9314 8699 0430 0152 3586 19	Sarvis Permian Land Fund I SC, LLC 1401 17th Street, Suite 1175 Denver CO 80202	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
10	9314 8699 0430 0152 3586 26	John Kyle Thomas Trustee of Cornerstone Family Trust PO Box 558 Peyton CO 80831	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
11	9314 8699 0430 0152 3586 33	CrownRock Minerals, LP PO Box 51933 Midland TX 79710	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
12	9314 8699 0430 0152 3586 40	John and Theresa Hillman Family Properties LP PO Box 50187 Midland TX 79710	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
13	9314 8699 0430 0152 3586 57	DSD Energy II LLC 1150 N. Kimball Avenue, Suite 100 Southlake TX 76092	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
14	9314 8699 0430 0152 3586 64	BlakeO'Donnell PO Box 5442 Midland TX 79704	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
15	9314 8699 0430 0152 3586 71	Chevron USA Inc 1500 Louisiana Street Houston TX 77002	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice

EXHIBIT C.2

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
07/14/2026

Firm Mailing Book ID: 314613

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0152 3586 88	J M Leonard and Sohio Pet Co 1100 Penn Tower Oklahoma City OK 73118	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
17	9314 8699 0430 0152 3586 95	XTO Holdings LLC 22777 Springwoods Village Pkwy Spring TX 77389	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
18	9314 8699 0430 0152 3587 01	Chase Oil Corp 11352 Lovington Hwy Artesia NM 88210	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
19	9314 8699 0430 0152 3587 18	Coterra Energy Operating Co 6001 Deauville Blvd, Suite 300 Midland TX 79706	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
20	9314 8699 0430 0152 3587 25	Devon Energy 840 Gessner Road, Suite 1400 Houston TX 77024	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
21	9314 8699 0430 0152 3587 32	MRC Permian Co 5400 LBJ Freeway, Suite 1500 Dallas TX 75240	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
22	9314 8699 0430 0152 3587 49	Lario Oil & Gas 260 Josephine Street Denver CO 80206	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
23	9314 8699 0430 0152 3587 56	State of New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87501	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
24	9314 8699 0430 0152 3587 63	TXO Partners LP 400 W 7th St Fort Worth TX 76102	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
25	9314 8699 0430 0152 3587 70	CTOC Energy, LLC 400 W 7th St Fort Worth TX 76102	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
26	9314 8699 0430 0152 3587 87	Mack Energy 11352 Lovington Hwy Artesia NM 88210	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
27	9314 8699 0430 0152 3587 94	Matador Resources 5400 LBJ Freeway, Suite 1500 Dallas TX 75240	\$1.98	\$5.55	\$2.91	\$0.00	10375.15Cellini Notice
Totals:			\$53.46	\$149.85	\$78.57	\$0.00	
			Grand Total:		\$281.88		

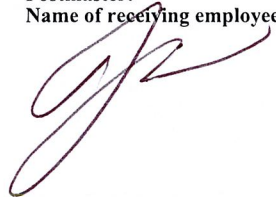
List Number of Pieces
Listed by Sender

27

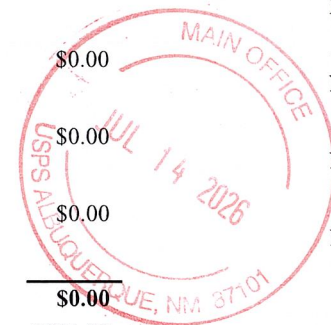
Total Number of Pieces
Received at Post Office

27

Postmaster:
Name of receiving employee



Dated:



Transaction Report Details - CertifiedPro.net
Firm Mail Book ID= 314613
Generated: 8/24/2026 8:53:19 AM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300152358794	2026-07-14 7:44 AM	10375.15Cellini	Matador Resources		Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 9:41 AM
9314869904300152358787	2026-07-14 7:44 AM	10375.15Cellini	Mack Energy		Artesia	NM	88210	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 8:50 AM
931486990430015235877C	2026-07-14 7:44 AM	10375.15Cellini	CTOC Energy, LLC		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300152358763	2026-07-14 7:44 AM	10375.15Cellini	TXO Partners LP		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300152358756	2026-07-14 7:44 AM	10375.15Cellini	State of New Mexico	State Land Office	Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-16 10:47 AM
9314869904300152358745	2026-07-14 7:44 AM	10375.15Cellini	Lario Oil & Gas		Denver	CO	80206	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-23 11:02 AM
9314869904300152358732	2026-07-14 7:44 AM	10375.15Cellini	MRC Permian Co		Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 9:41 AM
9314869904300152358725	2026-07-14 7:44 AM	10375.15Cellini	Devon Energy		Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-18 4:09 PM
9314869904300152358718	2026-07-14 7:44 AM	10375.15Cellini	Coterra Energy Operating Co		Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 8:25 AM
9314869904300152358701	2026-07-14 7:44 AM	10375.15Cellini	Chase Oil Corp		Artesia	NM	88210	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 8:50 AM
9314869904300152358695	2026-07-14 7:44 AM	10375.15Cellini	XTO Holdings LLC		Spring	TX	77389	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 9:18 AM
9314869904300152358688	2026-07-14 7:44 AM	10375.15Cellini	J M Leonard and Sohio Pet Co		Oklahoma City	OK	73118	Returned to Sender	Return Receipt - Electronic, Certified Mail	2026-08-13 12:18 PM
9314869904300152358671	2026-07-14 7:44 AM	10375.15Cellini	Chevron USA Inc		Houston	TX	77002	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300152358664	2026-07-14 7:44 AM	10375.15Cellini	BlakeO'Donnel		Midland	TX	79704	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-23 9:03 AM
9314869904300152358657	2026-07-14 7:44 AM	10375.15Cellini	DSD Energy II LLC		Southlake	TX	76092	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-20 4:10 PM
931486990430015235864C	2026-07-14 7:44 AM	10375.15Cellini	John and Theresa Hillman Family Properties LP		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-21 9:53 AM
9314869904300152358633	2026-07-14 7:44 AM	10375.15Cellini	CrownRock Minerals, LP		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 10:40 AM
9314869904300152358626	2026-07-14 7:44 AM	10375.15Cellini	John Kyle Thomas	Trustee of Cornerstone Family Trust	Peyton	CO	80831	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 8:50 AM
9314869904300152358619	2026-07-14 7:44 AM	10375.15Cellini	Sarvis Permian Land Fund I SC, LLC		Denver	CO	80202	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300152358602	2026-07-14 7:44 AM	10375.15Cellini	Sarvis Rockmont Permian Land Fund, LLC		Denver	CO	80202	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 2:35 PM
9314869904300152358596	2026-07-14 7:44 AM	10375.15Cellini	Sarvis Permian Land Fund I, LLC		Denver	CO	80202	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300152358589	2026-07-14 7:44 AM	10375.15Cellini	The Allar Company		Graham	TX	76450	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-17 10:22 AM
9314869904300152358572	2026-07-14 7:44 AM	10375.15Cellini	Hilcorp Permian, LLC		Houston	TX	77002	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-20 2:31 PM
9314869904300152358565	2026-07-14 7:44 AM	10375.15Cellini	Hilcorp Permian CT TXNM, LLC		Houston	TX	77002	Delivered	Return Receipt - Electronic, Certified Mail	2026-07-20 2:31 PM
9314869904300152358558	2026-07-14 7:44 AM	10375.15Cellini	Highland (Texas) Energy Company		Dallas	TX	75243	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300152358541	2026-07-14 7:44 AM	10375.15Cellini	MorningStar Operating, LLC		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300152358534	2026-07-14 7:44 AM	10375.15Cellini	Cross Timbers Energy, LLC		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	

EXHIBIT C.3

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
July 16, 2026
and ending with the issue dated
July 16, 2026.



Publisher

Sworn and subscribed to before me this
16th day of July 2026.



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.

LEGALS
July 16, 2026

CASE NO. 26331: Notice to all affected parties, as well as heirs and devisees of: Cross Timbers Energy, LLC; MorningStar Operating, LLC; Highland (Texas) Energy Company; Hilcorp Permian CT TXNM, LLC; Hilcorp Permian, LLC; The Allar Company; Sarvis Permian Land Fund I, LLC; Sarvis Rockmont Permian Land Fund, LLC; Sarvis Permian Land Fund I SC, LLC; John Kyle Thomas, Trustee of the Cornerstone Family Trust; CrownRock Minerals, LP; John and Theresa Hillman Family Properties LP; DSD Energy II LLC; Blake O'Donnel; Chevron USA Inc.; J M Leonard and Sohlo Pet Co.; XTO Holdings LLC; Chase Oil Corp.; Coterra Energy Operating Co.; Devon Energy; MRC Permian CO.; Lario Oil & Gas; State of New Mexico; TXO Partners LP; CTOC Energy, LLC; Mack Energy; Matador Resources of the Application of Avant Operating II, LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on August 6, 2026 to consider this application. The conference 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 a 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/oed/hearing-info/>. Applicant seeks an order from the Division approving a non-standard 960-acre, more or less, Pennsylvanian (Cisco) horizontal spacing unit and pooling all uncommitted interests in the S/2 of Section 12 and all of Section 13, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico in a Wildcat (Cisco) pool. This spacing unit will be dedicated to the following wells: Cellini 12 13 State Com #811H, Cellini 12 13 State Com #821H, and Cellini 12 13 State Com #822H wells with proposed first take points in the NW/4 SW/4 (Unit L) of Section 12, and proposed last take points in the SW/4 SW/4 (Unit M) of Section 13; Cellini 12 13 State Com #812H well with a first take point in the NE/4 SW/4 (Unit K) of Section 12, and a proposed last take point in the SE/4 SW/4 (Unit N) of Section 13; Cellini 12 13 State Com #823H well with a proposed first take point in the NW/4 SE/4 (Unit J) of Section 12, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 13; and Cellini 12 13 State Com #813H and Cellini 12 13 State Com #824H well with proposed first take points in the NE/4 SE/4 (Unit I) of Section 12; and proposed last take points in the SE/4 SE/4 (Unit P) of Section 13. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating II, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 14 miles southwest of Lovington, New Mexico.
#00313051

01104570

00313051

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

EXHIBIT C.4