

ID NO. 326577

NSP - 2195

Revised March 23, 2017

RECEIVED: 03/26/24	REVIEWER:	TYPE:	APP NO: pLEL2408660559
---------------------------	-----------	-------	-------------------------------

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Avant Operating, LLC **OGRID Number:** 330396
Well Name: Little Betty 20 Wolfcamp wells **API:** Pending
Pool: Lone Tree Draw; Wolfcamp pool **Pool Code:** 97208

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☒ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Deana M. Bennett

Print or Type Name

Signature

March 25, 2024

Date

505-848-1834

Phone Number

deana.bennett@modrall.com

e-mail Address



MODRALL SPERLING

L A W Y E R S

VIA ELECTRONIC FILING

March 25, 2024

Director Dylan Fuge and OCD Engineering Bureau
Oil Conservation Division
Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Deana M. Bennett
505.848.1834
Deana.bennett@modrall.com

Re: Application of Avant Operating, LLC for administrative approval of a 480-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised of the N/2 and the N/2S/2 of Section 20, Township 21 South, Range 28 East, Eddy County, New Mexico.

Dear Director Fuge/OCD Engineering Bureau:

Avant Operating, LLC ("Avant"), OGRID Number 330396, respectfully requests administrative approval of a 480-acre, more or less, non-standard unit ("NSU") comprised of the N/2 and the N/2S/2 of Section 20, Township 21 South, Range 28 East, Eddy County, New Mexico. Avant owns 100% of the interests within the proposed NSU, which is comprised entirely of fee leases. The Wells will be completed within the Lone Tree Draw; Wolfcamp pool (Pool Code: 97208). This pool is an oil pool and it follows the statewide spacing rules.

The NSU would be dedicated to the following wells (the "Wells"):

- Little Betty 20 701H well (API pending)
- Little Betty 20 702H well (API pending)
- Little Betty 20 703H well (API pending)
- Little Betty 20 704H well (API pending)

C-102s for each well are attached hereto as **Exhibit A**. Each well will comply with the statewide setback requirements.

In this NSU application, Avant seeks approval of a single 480-acre unit. Without the NSU approval, Avant would have three separate 160-acre units. Avant has determined that a single 480-acre unit is preferable to three 160-acre units. Avant's drilling program for this area will develop the Wolfcamp formation underlying each of the 40-acre tracts comprising the proposed non-standard spacing unit area. Avant seeks administrative approval of this non-standard spacing unit to allow for efficient development and to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit. Approval of this administrative application will allow for full development of the acreage, promote efficiently located surface facilities, reduce surface disturbance, consolidate roads, tanks

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

Page 2

and pipelines; and promote effective well spacing. Avant is also submitting an application for a NSU for its Little Betty Bone Spring wells.

A tract map is attached hereto as **Exhibit B**. Exhibit B also compares and contrasts the standard versus non-standard unit scenario and includes the approximate Well locations. Exhibit B also includes a list of the Wells.

Exhibit C is a letter from reservoir engineer explaining the need for a non-standard unit and the benefits associated with a non-standard, as opposed to standard, unit. Exhibit C includes two attachments that compare and contrast the standard versus non-standard unit scenario.

Section 20 is surrounded on all sides by the Big Eddy Unit. Avant is providing notice to XTO Energy, Inc., as the designated unit operator of the Big Eddy Unit. Avant is also providing notice to the Bureau of Land Management and the New Mexico State Land Office. Proof of mailing notice of the application (including a copy of the application) to affected persons entitled to notice is attached hereto as **Exhibit D**. Also included in Exhibit D is a map identifying the offsetting tracts for notice purposes.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink that reads "Deana M. Bennett". The signature is written in a cursive style and is positioned above a horizontal line.

Deana M. Bennett
Attorneys for Avant Operating, LLC

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
611 S. First St., Artesia, N.M. 88210
Phone: (505) 748-1263 Fax: (505) 748-9720

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

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

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number	² Pool Code 97208	³ Pool Name LONE TREE DRAW; WOLFCAMP
⁴ Property Code	⁵ Property Name LITTLE BETTY 20	⁶ Well Number 70IH
⁷ OGRIID No. 330396	⁸ Operator Name AVANT OPERATING, LLC	⁹ Elevation 3224

¹⁰ Surface Location

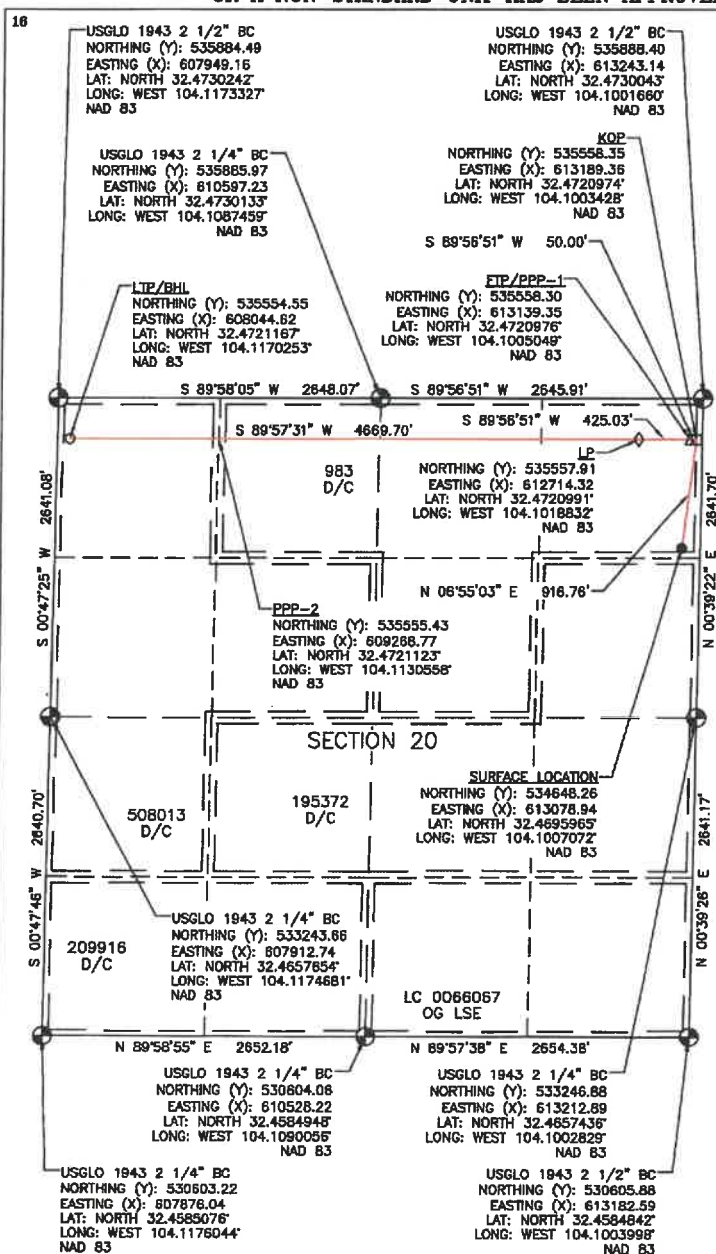
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	20	21 S	28 E		1240	NORTH	150	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	21 S	28 E		330	NORTH	100	WEST	EDDY

¹² Dedicated Acres 480 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Sarah Ferreyros Date 3/20/2024
Printed Name
sarah@avantnr.com
E-mail Address

18 SURVEYOR CERTIFICATION

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

9/17/23

Date of Survey

Signature and Seal of Professional Surveyor

JOHNA VUKONITH
NEW MEXICO
14831
PROFESSIONAL SURVEYOR
Certificate Number 14831

LEGEND:

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

FOOTAGES		
SHL	1240' FNL	150' FEL
KOP	330' FNL	50' FEL
FTP/PPP-1	330' FNL	100' FEL
LP	330' FNL	525' FEL
PPP-2	330' FNL	1324' FNL
LTP/BHL	330' FNL	100'

EXHIBIT**A**

tables

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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

DISTRICT III
1000 Rio Brazos Rd., Antec, N.M. 87410
Phone: (505) 334-8170 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 97208		*Pool Name LONE TREE DRAW; WOLFCAMP	
*Property Code		*Property Name LITTLE BETTY 20			*Well Number 702H
*OGRID No. 330396		*Operator Name AVANT OPERATING, LLC			*Elevation 3223

¹⁰ Surface Location

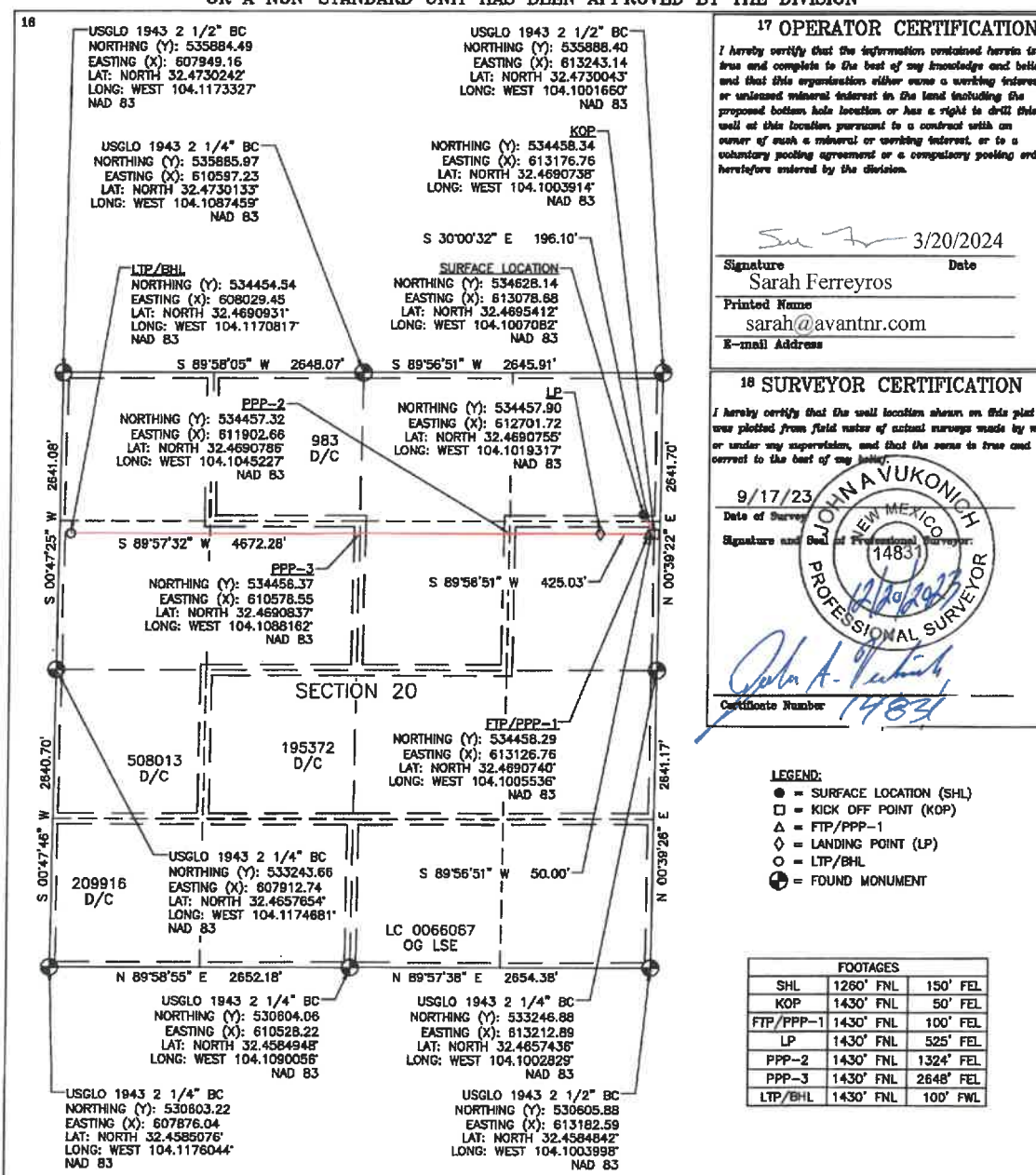
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	20	21 S	28 E		1260	NORTH	150	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	20	21 S	28 E		1430	NORTH	100	WEST	EDDY

13	Dedicated Acres	14	Joint or Infill	15	Consolidation Code	16	Order No.
			Infill				

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



DISTRICT I
1636 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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

DISTRICT III
1080 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

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

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

*API Number		*Pool Code 97208	*Pool Name LONE TREE DRAW; WOLFCAMP
*Property Code	*Property Name LITTLE BETTY 20		*Well Number 703H
*OGRID No. 330396	*Operator Name AVANT OPERATING, LLC		*Elevation 3225

10 Surface Location

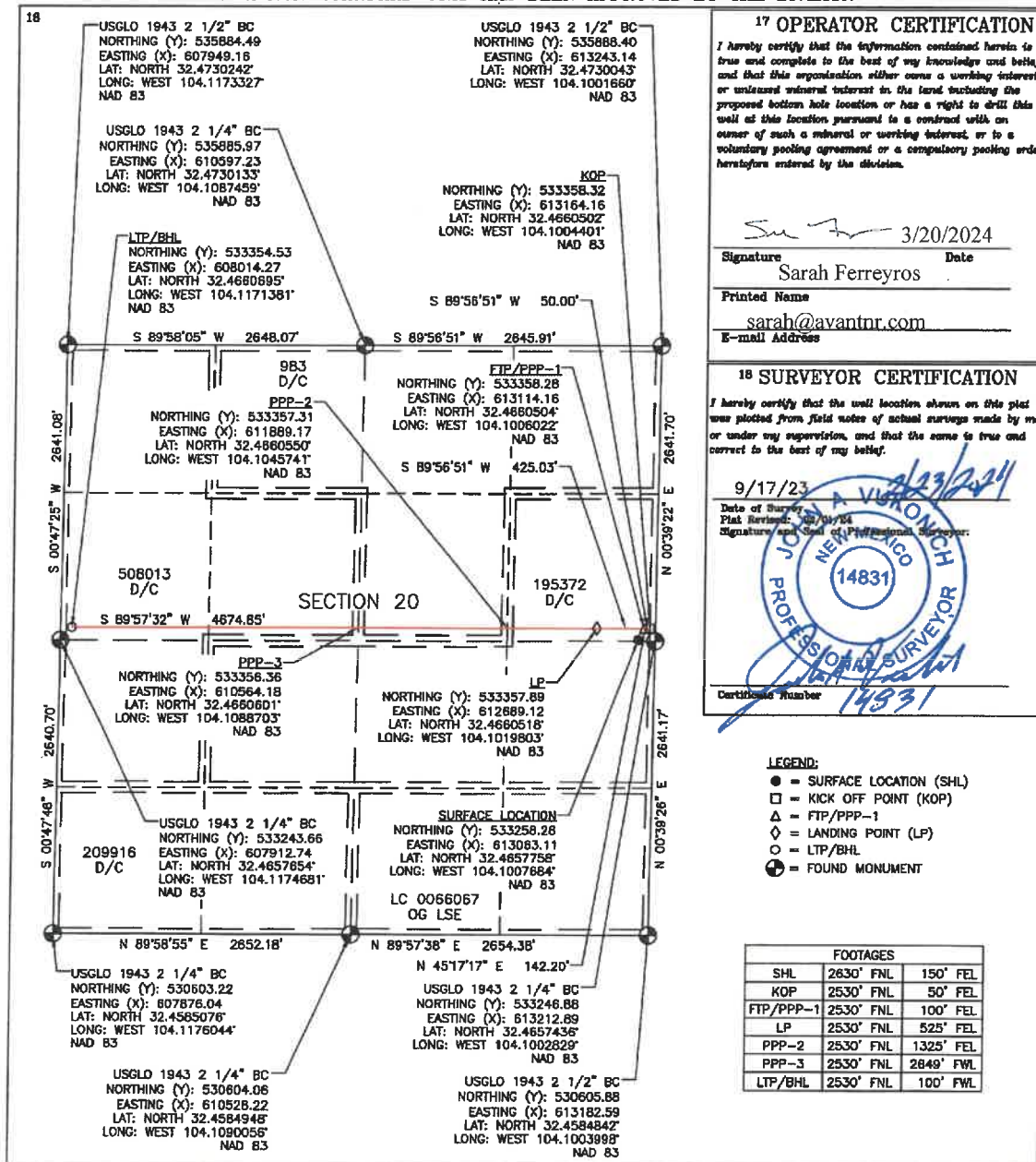
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	20	21 S	28 E		2630	NORTH	150	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	20	21 S	28 E		2530	NORTH	100	WEST	EDDY

*Dedicated Acres 480 ACRES	*Joint or Infill	*Consolidation Code	*Order No.
-------------------------------	------------------	---------------------	------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1263 Fax: (575) 748-9720

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

DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

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

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number	² Pool Code 97208	³ Pool Name LONE TREE DRAW; WOLFCAMP
⁴ Property Code	⁵ Property Name LITTLE BETTY 20	⁶ Well Number 704H
⁷ OGRID No. 330396	⁸ Operator Name AVANT OPERATING, LLC	⁹ Elevation 3224

¹⁰ Surface Location

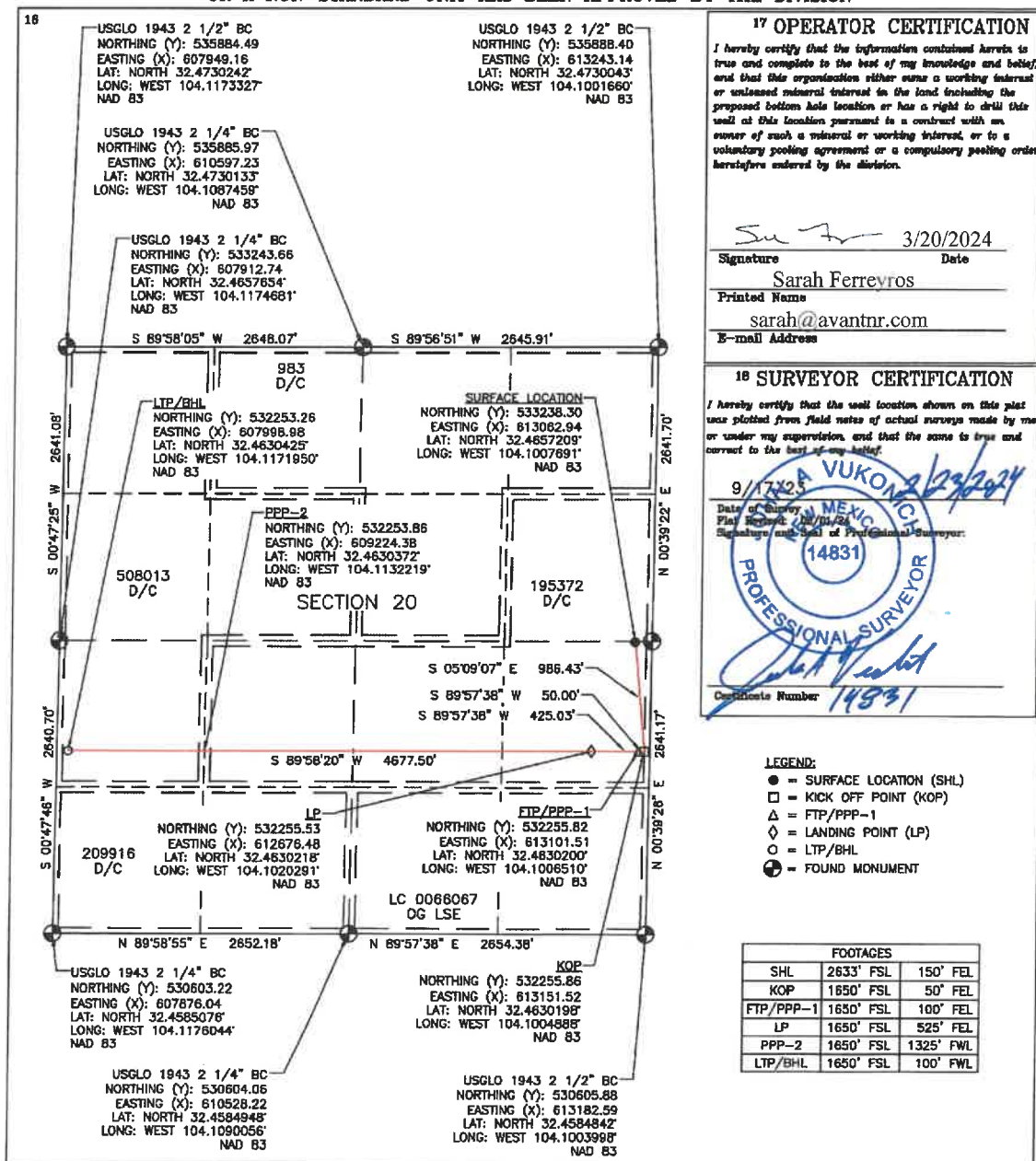
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	20	21 S	28 E		2633	SOUTH	150	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

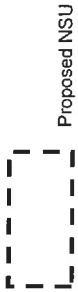
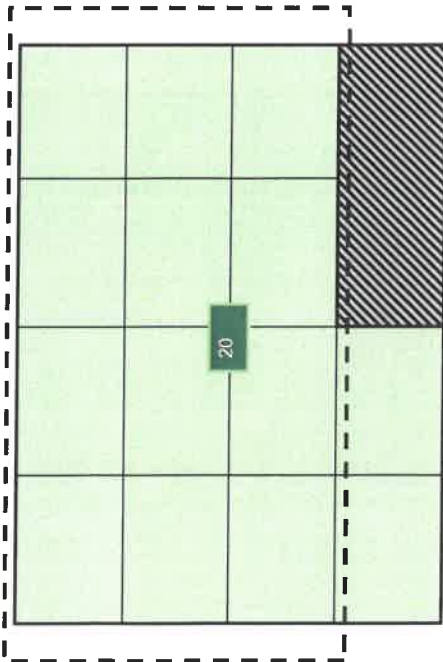
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	21 S	28 E		1650	SOUTH	100	WEST	EDDY

¹² Dedicated Acres 480 ACRES	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

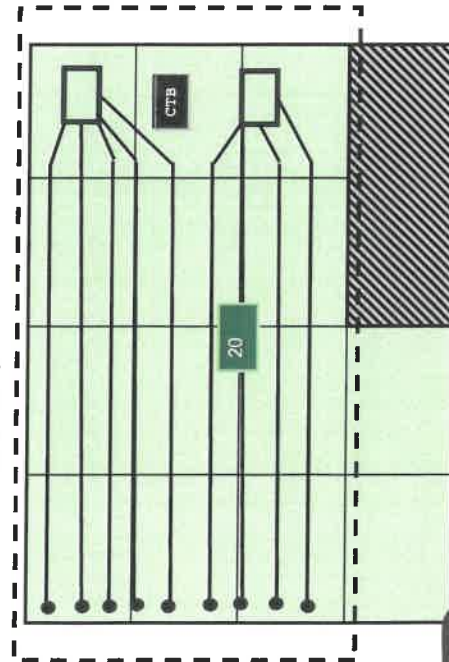
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



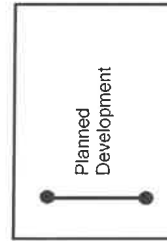
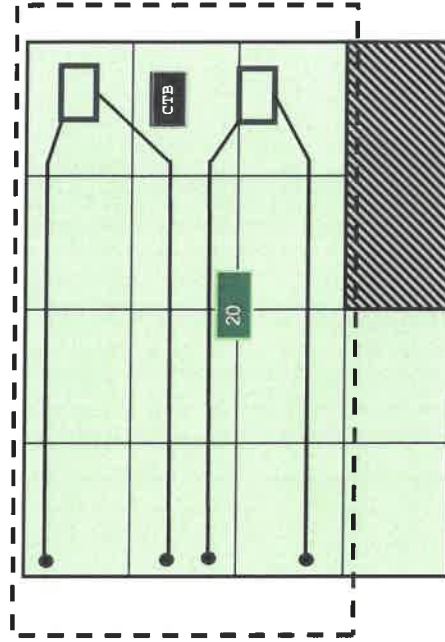
Township 21 South Range 28 East, Section 20: N2, N2SE, N2SW
Eddy County, NM (containing 480-acres)



Bone Spring



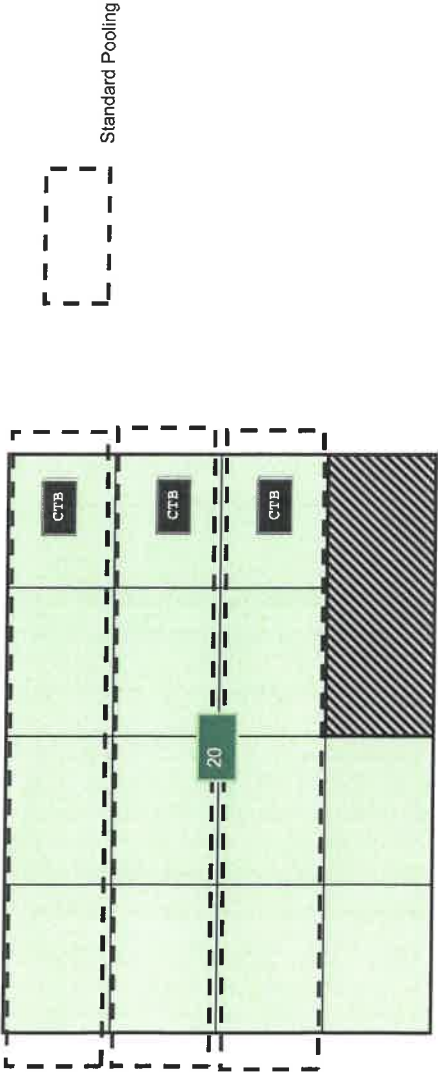
Wolfcamp



tabbles

EXHIBIT

B



Little Betty 20 Wolfcamp Well List and Pool and Pool Code

Pool & Pool Code: Lone Tree Draw; Wolfcamp pool (Pool Code: 97208)

Wells:

- Little Betty 20 701H well (API pending)
- Little Betty 20 702H well (API pending)
- Little Betty 20 703H well (API pending)
- Little Betty 20 704H well (API pending)



March 25th, 2024

VIA E-FILING

Director Fuge and OCD Engineering Bureau
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Avant Operating, LLC for administrative approval of a 480-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised of the N/2 and the N/2S/2 of Section 20, Township 21 South, Range 28 East, Eddy County, New Mexico.

Dear Director Fuge/OCD Engineering Bureau:

Avant Operating, LLC ("Avant"), OGRID Number 330396, respectfully requests administrative approval of a 480-acre, more or less, non-standard unit ("NSU") in the Wolfcamp formation comprised of the N/2 and the N/2S/2 of Section 20, Township 21 South, Range 28 East, Eddy County, New Mexico. Avant owns 100% of the interests within the proposed NSU, which is comprised entirely of fee leases. The NSU would be dedicated to the following wells (the "Wells"):

- Little Betty 20 701H well (API pending)
- Little Betty 20 702H well (API pending)
- Little Betty 20 703H well (API pending)
- Little Betty 20 704H well (API pending)

The Wells will be completed within the Lone Tree Draw; Wolfcamp pool (Pool Code: 97208). This pool is an oil pool and it follows the statewide spacing rules.

In this NSU application, Avant seeks approval of a single 480-acre unit. Without the NSU approval, Avant would have three separate 160-acre units. Avant has determined that a single 480-acre unit is preferable to three 160-acre units for the following reasons. Approval will allow Avant to reduce surface disturbance by consolidating roads, tank batteries, and pipelines. In addition, approval of Avant's application promotes effective well spacing and will allow Avant to commingle production. Avant is also submitting an application for a NSU for its Little Betty Bone Spring wells.

Conversely, if Avant's NSU application is not approved, Avant will need to construct additional flowlines and two additional central tank batteries. I have included as Exhibit C-1 a comparison of the facilities needed for a non-standard unit and the additional required infrastructure needed if Avant has to develop the Wells using standard spacing.

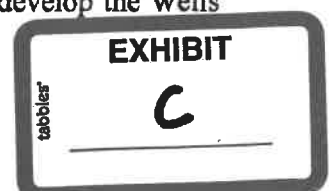


Exhibit C-2 compares and contrasts, in table format, the reduced surface acreage and the cost savings that will occur if the NSU is approved. Developing the acreage as a single, non-standard unit will result in 6.5 acres less surface disturbance than if Avant has to develop the acreage using standard units. If Avant's NSU application is approved, that would eliminate the need to build two additional central tank batteries, which reduces permitted fugitive VOC emissions, spill risk, and flares. In addition, total capital costs would be significantly reduced.

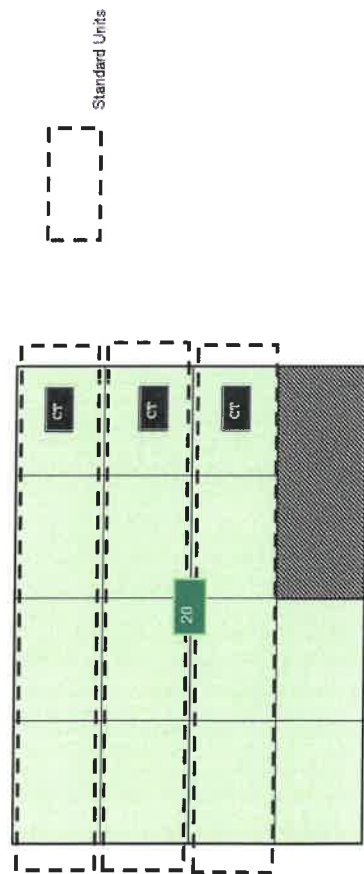
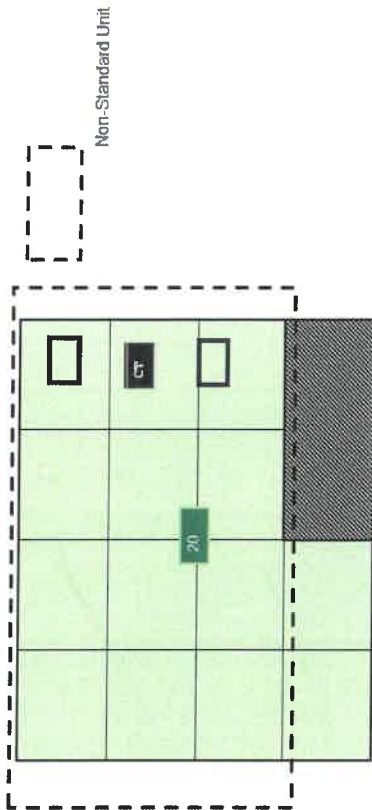
In my opinion, approval of the NSU is in the best interest of conservation, prevention of waste, and protection of correlative rights.

Thank you for your consideration. Should you have any questions please contact me at shane@avantnr.com or 817-915-9336.

Sincerely,



Shane Kelly
Reservoir Engineer
Avant Operating, LLC



Scenario	Design Basis Per CTB (BPOD)	CTB Cost (\$M)	Pipeline/Utilities Cost (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Three Separate 3 well Facilities	1,800	\$13,300	\$4,000	\$17,300	10.5
Single Pooled Facility	5,500	\$5,000	\$1,500	\$6,500	4
SAVINGS		\$8,300	\$2,500	\$10,800	6.5





March 25, 2024

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL

TO AFFECTED PARTIES

Re: Applications of Avant Operating, LLC for administrative approval of Bone Spring and Wolfcamp 480-acre, more or less, non-standard spacing units comprised of the N/2 and the N/2S/2 of Section 20, Township 21 South, Range 28 East, Eddy County, New Mexico.


Dear Sir or Madam:

Enclosed is a copy of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to this applications must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application. If no objection is received within this twenty-day period, the application may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Shane Kelly
Reservoir Engineer
Avant Operating, LLC
shane@avantnr.com
(817) 915-9336

Sincerely,


Deana M. Bennett
Attorney for Avant Operating, LLC

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





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
03/25/2024

Firm Mailing Book ID: 262931

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0119 0188 60	State of New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87501	\$1.87	\$4.40	\$2.32	\$0.00	10375.0002. Notice
2	9314 8699 0430 0119 0188 77	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.87	\$4.40	\$2.32	\$0.00	10375.0002. Notice
3	9314 8699 0430 0119 0188 84	XTO Energy, Inc. 22777 Springwoods Village Pkwy Spring TX 77389	\$1.87	\$4.40	\$2.32	\$0.00	10375.0002. Notice
			Totals:	\$5.61			
				\$13.20	\$6.96	\$0.00	
			Grand Total:				\$25.77
List Number of Pieces Listed by Sender		Total Number of Pieces Received at Post Office		Postmaster: Name of receiving employee		Dated:	

3

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 326577

CONDITIONS

Operator: Avant Operating, LLC 1515 Wynkoop Street Denver, CO 80202	OGRID: 330396
	Action Number: 326577
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/26/2024