

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

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

CASE NO. _____

APPLICATION

Avant Operating II, LLC ("Avant") (OGRID No. 332947), through its undersigned attorney, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests within a standard 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 of Section 2 and the SE/4 of Section 3, Township 24 South, Range 26 East, N.M.P.M., Eddy County, New Mexico (the "Unit"). In support of this application, Avant states as follows:

1. Avant has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Avant seeks to dedicate the Unit to the following wells:
 - the Casino Queen 2 3 State Com #501H well with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 2, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 3;
 - the Casino Queen 2 3 State Com #502H well, with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 2, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 3; and
 - the Casino Queen 2 3 State Com #503H well, with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 2, and a proposed last take point in the NW/4 SE/4 (Unit J) of Section 3.
3. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.

4. The completed interval the Casino Queen 2 3 State Com #502H well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

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

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

WHEREFORE, Avant requests this application be set for a hearing before an Examiner of the Oil Conservation Division, to be consolidated with Case Nos. 25610, 25753, and 25754, and after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in Bone Spring formation underlying a horizontal spacing unit within the S/2 of Section 2 and the SE/4 of Section 3, Township 24 South, Range 26 East, N.M.P.M., Eddy County, New Mexico;
- B. Designating Avant as operator of this unit and the wells to be drilled thereon;
- C. Authorizing Avant to recover its costs of drilling, equipping and completing the Wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck

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Attorney for Avant Operating II, LLC

CERTIFICATE OF SERVICE

I certify that on this 17th of December 2025, the foregoing pleading was electronically filed with the New Mexico Oil Conservation Division Clerk and served on all parties of record through counsel as follows:

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/s/ Kaitlyn A. Luck

CASE NO. _____: Application of Avant Operating II, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a standard 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 of Section 2 and the SE/4 of Section 3, Township 24 South, Range 26 East, N.M.P.M., Eddy County, New Mexico. This spacing unit will be dedicated to the following wells: the Casino Queen 2 3 State Com #501H well with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 2, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 3; the Casino Queen 2 3 State Com #502H well, with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 2, and a proposed last take point in the SW/4 SE/4 (Unit O) of Section 3; and the Casino Queen 2 3 State Com #503H well, with proposed surface hole locations in the NE/4 SE/4 (Unit I) of Section 2, and proposed last take points in the NW/4 SE/4 (Unit J) of Section 3. The wells will be drilled at orthodox locations. The completed interval for the Casino Queen 2 3 State Com #502H well are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC. 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 15 miles southwest of Carlsbad, New Mexico.