

**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,
COMPULSORY POOLING, AND,
TO THE EXTENT NECESSARY, APPROVAL
OF AN OVERLAPPING SPACING UNIT,
EDDY COUNTY, NEW MEXICO**

CASE NO. _____

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 unit, and (2) pooling all uncommitted interests within a non-standard 1273.68-acre, more or less, Bone Spring horizontal spacing unit comprised of all of Sections 3 & 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and (3) approving, to the extent necessary, an overlapping spacing unit. 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 all of Sections 3 & 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico to form a non-standard 1273.68-acre, more or less, Bone Spring horizontal spacing unit in the WC-015 G-03 S192703I;BONE SPRING pool (Pool code 98239) (the “Unit”).
3. AO II seeks approval of the 1273.68-acre non-standard spacing unit because approval of this application will 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:

- **Remington 3 4 Federal Com #501H and Remington 3 4 Federal Com #601H** wells with proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 3, and proposed bottom hole locations in the NW/4 NW/4 (Unit D) of Section 4;
- **Remington 3 4 Federal Com #502H and Remington 3 4 Federal Com #602H** wells with proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 3, and proposed bottom hole locations in the SW/4 NW/4 (Unit E) of Section 4;
- **Remington 3 4 Federal Com #503H well** with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 3, and a proposed bottom hole location in the NW/4 SW/4 (Unit L) of Section 4;
- **Remington 3 4 Federal Com #504H well** with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 3, and a proposed bottom hole location in the SW/4 SW/4 (Unit M) of Section 4;
- **Remington 3 4 Federal Com #603H well** with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 3, and a proposed bottom hole location in the NW/4 SW/4 (Unit L) of Section 4; and
- **Remington 3 4 Federal Com #604H well** with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 3, and a proposed bottom hole location in the SW/4 SW/4 (Unit M) of Section 4.

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

6. This proposed Unit will partially overlap the following spacing unit: A 240-acre spacing unit dedicated to the Secretariat 3 Fed Com 501H well (API 30-015-44291), located in the E/2 SE/4 of Section 3 and the E/2 of Section 10, operated by EOG Resources Inc.

7. AO II 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.

8. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

9. 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 February 5, 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 Bone Spring formation underlying a horizontal spacing unit within all of Sections 3 & 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico;
- C. Designating AO II as operator of this 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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CASE NO. _____ : Application of Avant Operating II, LLC for approval of a non-standard spacing unit, compulsory pooling, and to the extent necessary, approval of an overlapping spacing unit, Eddy County, New Mexico. Applicant seeks an order from the Division approving an order approving a non-standard unit, and pooling all uncommitted interests within a non-standard 1273.68-acre, more or less, Bone Spring horizontal spacing unit comprised of all of Sections 3 & 4, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, in the WC-015 G-03 S192703I; BONE SPRING pool (Pool code 98239). This spacing unit will be dedicated to the following wells: **Remington 3 4 Federal Com #501H and Remington 3 4 Federal Com #601H** wells with proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 3, and proposed bottom hole locations in the NW/4 NW/4 (Unit D) of Section 4; **Remington 3 4 Federal Com #502H and Remington 3 4 Federal Com #602H** wells with proposed surface hole locations in the NE/4 NE/4 (Unit A) of Section 3, and proposed bottom hole locations in the SW/4 NW/4 (Unit E) of Section 4; **Remington 3 4 Federal Com #503H well** with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 3, and a proposed bottom hole location in the NW/4 SW/4 (Unit L) of Section 4; **Remington 3 4 Federal Com #504H well** with a proposed surface hole location in the NE/4 SE/4 (Unit I) of Section 3, and a proposed bottom hole location in the SW/4 SW/4 (Unit M) of Section 4; **Remington 3 4 Federal Com #603H well** with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 3, and a proposed bottom hole location in the NW/4 SW/4 (Unit L) of Section 4; and **Remington 3 4 Federal Com #604H well** with a proposed surface hole location in the SE/4 SE/4 (Unit P) of Section 3, and a proposed bottom hole location in the SW/4 SW/4 (Unit M) of Section 4. The wells will be drilled at orthodox locations. Applicant also seeks approval of an overlapping spacing unit to the extent necessary. This proposed Unit will partially overlap the following spacing unit: A 240-acre spacing unit dedicated to the Secretariat 3 Fed Com 501H well (API 30-015-44291), located in the E/2 SE/4 of Section 3 and the E/2 of Section 10, operated by EOG Resources Inc. 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 southeast of Artesia, New Mexico.