

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

Form C-101
August 1, 2011

Permit 274507

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address Invito Operating, LLC 7290 Virginia Parkway McKinney, TX 75071		2. OGRID Number 329337
		3. API Number 30-005-64350
4. Property Code 327007	5. Property Name Sunningdale	6. Well No. 003H

7. Surface Location

UL - Lot P	Section 6	Township 10S	Range 29E	Lot Idn	Feet From 100	N/S Line S	Feet From 1305	E/W Line E	County Chaves
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8. Proposed Bottom Hole Location

UL - Lot I	Section 6	Township 10S	Range 29E	Lot Idn I	Feet From 100	N/S Line N	Feet From 1305	E/W Line E	County Chaves
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9. Pool Information

RACE TRACK; SAN ANDRES, EAST	97273
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3926
16. Multiple N	17. Proposed Depth 2800	18. Formation San Andres	19. Contractor	20. Spud Date 3/10/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	1150	246	0
Prod	8.75	5.5	20	2800	1249	650

Casing/Cement Program: Additional Comments

Production casing will be a tapered string 7x5.5 to TVD of 2800, MD of 8,000'

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	2400	shaffer
Double Ram	3000	2400	shaffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Electronically filed by Keith Brents	Approved By: Raymond Podany
Title: General Manager	Title: Geologist
Email Address: kbrents@invitoep.com	Approved Date: 1/23/2020 Expiration Date: 1/23/2022
Date: 1/23/2020 Phone: 469-400-3248	Conditions of Approval Attached

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1220 S. ST. FRANCIS DR., SANTA FE, NM 87506
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 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	Pool Name
Property Code	Property Name SUNNINGDALE	Well Number 3H
OGRID No.	Operator Name INVITO OPERATING, LLC	Elevation 3926.0'


Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	6	10-S	29-E		100	SOUTH	1305	EAST	CHAVES

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
1	6	10-S	29-E		100	NORTH	1305	EAST	CHAVES
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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

LOT 4 38.47 Ac	Y=903153.4 N X=635307.3 E	LOT 3 40.08 Ac	LOT 2 40.13 Ac	LOT 1 40.17 Ac	100' B.H. 1305'	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>SURVEYOR CERTIFICATION</p> <p><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></p> <p>DECEMBER 24, 2019</p> <p>Date of Survey _____</p> <p>Signature & Seal of Professional Surveyor</p> <p></p> <p>12/31/19</p> <p>Certificate No. CHAD HARCROW 17777</p> <p>W.O. #19-2363 DRAWN BY: DS</p>
LOT 5 38.52 Ac	NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=903057.0 N X=636645.7 E LAT.=33.482017° N LONG.=104.020744° W					
LOT 6 38.58 Ac	NAD 83 NME SURFACE LOCATION Y=897977.8 N X=636648.9 E LAT.=33.468058° N LONG.=104.020784° W					
LOT 7 38.65 Ac	Y=897875.6 N X=635310.8 E					
					100' S.L. 1305'	

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GAS CAPTURE PLAN

Date: 1/23/2020

☒ Original

Operator & OGRID No.: [329337] Invito Operating, LLC

☐ Amended - Reason for
Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Sunningdale #003H	30-005-64350	P-6-10S-29E	0100S 1305E	1	Flared	IACX is the closest gas marketer, but is not showing up as a registered gas marketer.

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to HOLLY TRANSPORTATION, LLC and will be connected to HOLLY TRANSPORTATION, LLC Low Pressure gathering system located in Chaves County, New Mexico. It will require 79200' of pipeline to connect the facility to Low Pressure gathering system. Invito Operating, LLC provides (periodically) to HOLLY TRANSPORTATION, LLC a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Invito Operating, LLC and HOLLY TRANSPORTATION, LLC have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at HOLLY TRANSPORTATION, LLC Processing Plant located in Sec. 06, Twn. 10S, Rng. 29E, Chaves County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on HOLLY TRANSPORTATION, LLC system at that time. Based on current information, it is Invito Operating, LLC's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

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Form APD Comments

Permit 274507

PERMIT COMMENTS

Operator Name and Address: Invito Operating, LLC [329337] 7290 Virginia Parkway Mckinney, TX 75071		API Number: 30-005-64350
		Well: Sunningdale #003H

Created By	Comment	Comment Date
rpodany	Plat has errors on surf and bottom hole listing or on map Two BHL listed on BHL page, one from south one from north?	12/10/2019
kbrents	corrected on new C102 and plat	1/3/2020
rpodany	Fee Cancellation - resubmit with fee	1/15/2020

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Form APD Conditions
Permit 274507

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Invito Operating, LLC [329337] 7290 Virginia Parkway Mckinney, TX 75071		API Number: 30-005-64350
		Well: Sunningdale #003H
OCD Reviewer	Condition	
rpodany	Will require a directional survey with the C-104	
rpodany	Cement is required to circulate on both surface and production strings of casing	

Plan Editor - 5H/Lateral/Plan 12°DLS

	MD (usft)	CL (usft)	Inc (°)	Azi (°)	TVD (usft)	NS (usft)	EW (usft)	V.Sec (usft)	Dogleg (°/100ft)	T.Face (°)	Build (°/100ft)	Turn (°/100ft)	Section Type	Target
1	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Tie Line	
2	2142.54	2142.54	0.00	0.00	2142.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Slant	
3	2892.53	750.00	90.00	180.13	2620.00	-477.46	-1.07	477.46	12.00	180.13	12.00	0.00	(ditto)	
4	7488.58	4596.05	90.00	180.13	2620.00	-5073.50	-11.40	5073.51	0.00	0.00	0.00	0.00	(ditto)	Carnoustie 5H PBHL
5													Insert Line	